Reliance

Industrial Infrastructure Limited

Twenty Fourth Annual Report | 2011-2012

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Company Information

Board of Directors

Mahesh K. Kamdar *Chairman*

Chandra Raj Mehta

Sandeep H. Junnarkar

S. C. Malhotra

Dilip V. Dherai *Executive Director*

Company Secretary and Compliance Officer

N. Shanker

Audit Committee

Chandra Raj Mehta *Chairman*

Sandeep H. Junnarkar

S. C. Malhotra

Shareholders' / Investors' Grievance Committee

Chandra Raj Mehta *Chairman*

Mahesh K. Kamdar

Sandeep H. Junnarkar

Remuneration Committee

Chandra Raj Mehta *Chairman*

Sandeep H. Junnarkar

S. C. Malhotra

Auditors

Chaturvedi & Shah

Solicitors & Advocates

Kanga & Co.

Bankers

HDFC Bank Limited

ICICI Bank Limited

Syndicate Bank

Registered Office

NKM International House, 5th Floor,
178 Backbay Reclamation,
Behind LIC Yogakshema Building,
Babubhai Chinai Road,
Mumbai - 400 020, India
Tel. : +91 22 4477 9053
Fax : +91 22 4477 9052
Website : www.riil.in
e-mail : investor_relations@riil.in

Share Transfer Agent

Karvy Computershare Private Limited
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081, India
Tel. : +91 40 4465 5070 - 5099
Toll Free No. : 1800 425 8998
Fax : +91 40 2311 4087
Website : www.karvy.com
e-mail : riilnkm@karvy.com

**24th Annual General Meeting on Thursday, 5th July, 2012 at 11.00 a.m. at
4th Floor, Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Marg,
Churchgate, Mumbai – 400 020.**

Notice

Notice is hereby given that the twenty fourth Annual General Meeting of the Members of Reliance Industrial Infrastructure Limited will be held on Thursday, 5th July, 2012 at 11.00 a.m. at 4th Floor, Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai – 400 020, to transact the following ordinary businesses :

1. To consider and adopt the audited Balance Sheet as at 31st March 2012, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of director retiring by rotation.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution :**

   "RESOLVED THAT Messrs Chaturvedi & Shah, Chartered Accountants (Registration No. 101720W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

By Order of the Board of Directors

N. Shanker
Company Secretary and Compliance Officer

14th April, 2012

Registered Office :
NKM International House, 5th Floor,
178 Backbay Reclamation,
Behind LIC Yogakshema Building,
Babubhai Chinai Road,
Mumbai - 400 020, India
e-mail: investor_relations@riil.in

NOTES :

1. **A Member entitled to attend and vote at the annual general meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the Proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**
2. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In terms of Article 143 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Shri Mahesh K. Kamdar, Director, retires by rotation at the ensuing Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company commends his re-appointment.
4. Brief resume of all Directors including the one proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Report on Corporate Governance forming part of the Annual Report.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. 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.
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. upto the date of the Meeting.
8. (a) The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, 30th May, 2012 to Tuesday, 5th June, 2012 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.

   (b) The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched on 6th July, 2012 to those Members whose names shall appear on the Company's Register of Members on 29th May, 2012; in respect of shares held in dematerialised form, the dividend will be paid to Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Share Transfer Agent, Karvy Computershare Private Limited (Karvy) cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
10. Members holding shares in electronic form 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. Members holding shares in physical form are requested to advise any change in their address immediately to the Company / Karvy.
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 years 1994-95 to 2003-04 to the **Investor Education and Protection Fund (the IEPF)** established by the Central Government.
12. 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Karvy.
13. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.riil.in under the section 'Investor Relations'.
14. 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 Karvy, for consolidation into a single folio.
15. Members may please note that the Company has **not issued any new share certificate** consequent to change in name of the Company from **Chembur Patalganga Pipelines Limited** to **CPPL Limited** (with effect from 11th September, 1992) and thereafter to **Reliance Industrial Infrastructure Limited** (with effect from 16th March, 1994) but has sent change of name stickers to be affixed on the share certificates. Members holding shares in physical form who have not received these stickers may please write to Karvy, for receiving the stickers from them.
16. Non-Resident Indian Members are requested to inform, Karvy, immediately of:
    a) Change in their residential status on return to India for permanent settlement.
    b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
17. **Members are advised to refer to the Shareholders' Referencer provided in the Annual Report.**

By Order of the Board of Directors

N. Shanker
Company Secretary and Compliance Officer

14th April, 2012

Registered Office :
NKM International House, 5th Floor,
178 Backbay Reclamation,
Behind LIC Yogakshema Building,
Babubhai Chinai Road,
Mumbai - 400 020, India
e-mail: investor_relations@riil.in

Report on Corporate Governance

In accordance with Clause 49 of the Listing Agreement with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) (Clause 49) and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Reliance Industrial Infrastructure Limited is as under :

1. **Statement on Company's philosophy on Code of Governance**

   Good governance practices stem from the culture and mindset of the organization. Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, fairness in all its transactions and meets its stakeholders' aspirations.

   The demands of corporate governance require professionals to raise their competency levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the board of directors, audit committee, accounting and corporate secretarial team, auditors and senior management.

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

   The Company not only adheres to the prescribed corporate practices as per Clause 49 of the Listing Agreement but has also undertaken several initiatives towards maintaining the highest standards of Governance and these include :

   - **Independent Statutory Auditors**: The Company's accounts are audited by Messrs Chaturvedi & Shah, Chartered Accountants, one of India's leading audit firms and a member of the Nexia's global network of independent accounting and consulting firms.
   - **Guidelines for the Board / Committee Meetings**: The Company has defined Guidelines and established framework for the meetings of the Board and Board Committees. These guidelines seek to systematize the decision making process at the meeting of the Board and Board Committees in an informed and efficient manner.
   - **Key Board activities during the year**: The Board provides and critically evaluates strategic direction of the Company, management policies and their effectiveness. The agenda for Board reviews includes a detailed analysis and review of annual operating plans, capital allocation and budgets.
   - **Internal Checks and Balances**: The Company deploys a robust system of internal controls to allow optimal use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports and ensure compliance with statutory laws, regulations and company policies.
   - **Legal Compliance Program**: The Company has instituted a legal compliance program in conformity with best international standards. This program is supported by a robust, on-line system that covers all operations of the Company. The gamut of this system includes corporate laws, labour and industrial laws and taxation laws.
   - **Shareholders Communications**: The Company's corporate website: www.riil.in has information for institutional and retail shareholders alike. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting. Shareholders can contact the Company directly via dedicated shareholder contact points as provided with this report or through any of Investor Service Centres of the Company's Share Transfer Agent spread over 80 cities across India. List of Investor Service Centres of the Share Transfer Agent is available on the Company's corporate website: www.riil.in. The Company ensures that queries, complaints and suggestions of shareholders are responded to in a timely and consistent manner. A shareholder referencer is provided with this report which is quite comprehensive and informative.
   - **Role of the Company Secretary in Overall Governance Process**: The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.
   - **Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India**: The Institute of Company Secretaries of India (ICSI), one of the premier professional bodies in India, has issued Secretarial Standards on important aspects 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 and Board's Report. Although these Standards are recommendatory in nature, the Company substantially adheres to the Standards voluntarily.

2. **Board of Directors**

   Board Composition and category of Directors

   The Board of Directors of the Company (the Board) consists of 5 Directors, out of which 3 are Independent Directors. The composition of Board and category of Directors are as follows :

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

* Independent Director with effect from 16th January, 2012.

All independent Directors have furnished a declaration annually that they qualify the conditions of their being independent. All such declarations are placed before the Board. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956.

What constitutes independence of Directors

For a Director to be considered independent, the Board determines that the Director does not have any direct or indirect material pecuniary relationship with the Company. The Board has adopted guidelines which are in line with the applicable legal requirements.

Directors' Profile

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

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

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

Shri Kamdar is also on the Board of Reliance Gas Transportation Infrastructure Limited, The Indian Film Combine Private Limited and Westward Realty Private Limited. He is a Member of the Audit Committee of Reliance Gas Transportation Infrastructure Limited.

Shri Kamdar holds 482 shares of the Company in his name as on 31st March, 2012.

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

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

Shri Mehta is also on the Board of Fortune Financial Services (India) Limited. He is also the Member of the Shareholders' / Investors' Grievance Committee, the Audit Committee and the Remuneration Committee of Fortune Financial Services (India) Limited.

Shri Mehta does not hold any share of the Company in his name as on 31st March, 2012.

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

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

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

Shri Junnarkar does not hold any share of the Company in his name as on 31st March, 2012.

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

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

Shri Malhotra is on the Board of Reliance Ports and Terminals Limited. He is also a Member of the Audit Committee of Reliance Ports and Terminals Limited.

Shri Malhotra does not hold any share of the Company in his name as on 31st March, 2012.

(e) **Shri Dilip V. Dherai** is a Chemical Engineer (B. Chem Engg.) from the University Department of Chemical Technology (UDCT), Mumbai having graduated in the year 1979. He has vast experience / expertise in activities related to implementation and commissioning of large projects.

Shri Dherai is a Director of the Company since 1st July, 1994. He was appointed as a Whole-time Director designated

as "Executive Director - Projects" with effect from 1st July, 1994. He was re-appointed in the same capacity with effect from 1st July, 1999 and again with effect from 1st July, 2004. He was re-appointed as a Whole-time Director designated as Executive Director with effect from 1st July, 2009, for a period of five years. He does not hold any membership of a Board Committee of the Company.

Shri Dherai is on the Board of Mumbai SEZ Limited and Indigo Commercials Private Limited. He does not hold any membership of a Board Committee of any other Company.

Shri Dherai holds 1,700 shares of the Company in his name as on 31st March, 2012.

3. Board Meetings, Board Committee Meetings and Procedures

(a) Institutionalised decision making process

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served. The Executive Director is assisted by senior managerial personnel in overseeing the functional matters of the Company.

The internal Guidelines of the Company for Board / Board Committee meetings facilitate the decision making process at the Meetings of the Board / Board Committees in an informed and efficient manner. The following sub-sections deal with the practice of these guidelines at the Company.

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

(i) Minimum four pre-scheduled Board Meetings are held every year. Apart from the above, additional Board Meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

(ii) All departments of the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion / approval / decision at the Board / Board Committee Meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board / Board Committee Meetings.

(iii) The Board is given presentations / briefed on areas covering operations of the Company, business environment, business opportunities, business strategy and risk management practices before taking on record the quarterly / annual financial results of the Company.

(iv) The information required to be placed before the Board includes :

- General notices of interest of Directors.
- Appointment, remuneration and resignation of Directors.
- Formation / Reconstitution of Board Committees.
- Terms of reference of Board Committees.
- Business plans, capital budgets and any updates.
- Minutes of the Board meetings of unlisted subsidiary companies, if any.
- Minutes of Meetings of Audit Committee and other Committees of the Board, as also Resolutions passed by circulation.
- Quarterly results for the Company.
- Annual Financial results of the Company, Report of the Board of Directors and Auditors' Report.
- Appointment of Directors in place of those retiring by rotation.
- Appointment and the fixing of the remuneration of the Auditors as recommended by the Audit Committee.
- Appointment or resignation of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture, acquisitions of companies or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources front.
- Sale of material nature of investments, subsidiaries and assets which is not in normal course of business.
- Statement of significant transactions and arrangements entered by unlisted subsidiary companies, if any.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer (if any), etc.
- Quarterly summary of all long term borrowings made, bank guarantees issued, loans and investments made.
- Internal Audit findings and External Audit Reports (through the Audit Committee).
- Significant changes in accounting policies and internal controls.
- Status of business risk exposures, its management and related action plans.

- Disclosure by Senior Management relating to all material financial and commercial transactions having personal interest, if any.
- Laying down the procedures to inform about the risk assessment and minimization procedures of the Company.
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996.
- Compliance Certificate certifying compliance with all laws applicable to the Company.
- Making of loans and investment of surplus funds.
- Proposals for investment, mergers and acquisitions.
- Recommendation / declaration of Dividend.
- Brief on statutory developments, changes in Government policies etc. with impact thereof, Directors' responsibilities arising out of any such developments.
- Brief on information disseminated to the press.

(v) The Chairman of the Board and the Company Secretary in consultation with other concerned team members of the senior management, finalise the agenda papers for the Board meetings.

(c) Board material distributed in advance

The agenda and notes on agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

(d) Recording Minutes of proceedings at Board and Board Committee meetings

The Company Secretary records the minutes of the proceedings of each Board and Board Committee meeting. Draft minutes are circulated to all the Members of the Board / Board Committee for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

(e) Post meeting follow-up mechanism

The Guidelines for the Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the decisions taken by the Board and Board Committees thereof. The important decisions taken at the Board / Board Committee meetings are communicated to the departments / divisions concerned promptly. Action taken report on the decisions / minutes of the previous meeting(s) is placed at the immediately succeeding Meeting of the Board / Board Committee for noting by the Board / Board Committee.

(f) Compliance

The Company Secretary, while preparing the agenda, notes on agenda, minutes etc. of the meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 read with the Rules issued thereunder and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

4. Number of Board meetings held and the dates on which held

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

Sr. No.	Date	Board Strength	No. of Directors Present
1.	14th April, 2011	5	5
2.	30th June, 2011	5	5
3.	20th July, 2011	5	4
4.	14th October, 2011	5	5
5.	16th January, 2012	5	5

5. Attendance of Directors at Board meetings, last Annual General Meeting (AGM) and number of other Directorship(s) and Chairmanship(s) / Membership(s) of Committees of each Director in various companies :

Name of the Director	Attendance at Meetings during 2011-12		No. of Other Directorship(s)*	No. of Membership(s) / Chairmanship(s) of Board Committees in Other Companies **
	Board Meetings	Last AGM		
Mahesh K. Kamdar	4	Yes	1	1
Chandra Raj Mehta	5	Yes	1	2
Sandeep H. Junnarkar	5	Yes	9	3 (including 1 as Chairman)
S. C. Malhotra	5	Yes	1	1
Dilip V. Dherai	5	Yes	1	Nil

* The Directorships held by Directors, as mentioned above, do not include Alternate Directorships and Directorships in foreign companies, companies registered under Section 25 of the Companies Act, 1956 and private limited companies.

** In accordance with Clause 49, Membership(s) / Chairmanship(s) of only the Audit Committees and Shareholders' / Investors' Grievance Committees in all public limited companies (excluding Reliance Industrial Infrastructure Limited) have been considered.

6. Board Committees

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

(a) Audit Committee

Composition : The Audit Committee of the Board, comprises two Independent Non-Executive Directors namely Shri Chandra Raj Mehta, Chairman and Shri Sandeep H. Junnarkar and one Non-Independent Non-Executive Director, namely Shri S. C. Malhotra. All the Members of the Committee possess financial / accounting expertise / exposure. The composition of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Objective : The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including cost auditors, the performance of internal auditors and the Company's risk management policies.

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

(i) Powers of the Audit Committee

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

(ii) The role of the Audit Committee includes

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of Statutory Auditors including Cost Auditors and fixation of audit fees.
- Approval of payment to Statutory Auditors including Cost Auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to :
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of related party transactions; and
  - Qualifications in the draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.).
- Reviewing with the management, the performance of Statutory Auditors including Cost Auditors and Internal Auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with Internal Auditors, any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors including Cost Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults, if any, in the payment to the depositors, debentureholders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committee(s) of Directors of the Company.
- To review the following information :
  - The management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of Internal Auditors.

- Reviewing the financial statements and in particular the investments made by the unlisted subsidiaries, if any, of the Company.

Meetings : Five meetings of the Audit Committee were held during the year.

Attendance of each Member at the Audit Committee meetings held during the year

Name of the Committee Member	No. of meetings held	No. of meetings attended
Chandra Raj Mehta	5	5
Sandeep H. Junnarkar	5	5
S. C. Malhotra	5	5

General

Executives of Accounts Department, Secretarial Department, Management Audit Cell and Representatives of the Statutory and Internal Auditors attended the Audit Committee Meetings.

The due date for filing the Cost Audit Report for the financial year ended 31st March, 2012 is 30th September, 2012.

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

(b) Remuneration Committee

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

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

Meetings : No Meeting of the Remuneration Committee was held during the year.

Remuneration policy, details of remuneration and other terms of appointment of Directors :

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

The Whole-time Director is paid remuneration as per the terms duly approved by the Remuneration Committee of Directors, the Board of Directors and the Members in General Meeting.

The aggregate value of salary, allowances and perquisites paid for the year ended 31st March, 2012 to Shri Dilip V. Dherai (re-appointed as a Whole-time Director designated as Executive Director with effect from 1st July, 2009 for a period of 5 years) was ₹ 17.97 lakh (salary and allowances ₹ 16.31 lakh, perquisites ₹ 0.43 lakh and contribution to provident fund ₹ 1.23 lakh).

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

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

The Company pays sitting fees to all the Directors other than the Executive Director, at the rate of ₹ 20,000/- for attending each Meeting of the Board and / or Committee thereof. Sitting Fees to Non-Executive Directors was increased from ₹ 10,000/- to ₹ 20,000/- during the year. Sitting fees paid for the year ended 31st March, 2012, are as follows :

Shri Mahesh K. Kamdar : ₹ 1,10,000/-, Shri Chandra Raj Mehta : ₹ 2,00,000/-, Shri Sandeep H. Junnarkar : ₹ 2,00,000/- and Shri S. C. Malhotra : ₹ 1,40,000/-.

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

(c) Shareholders'/ Investors' Grievance Committee

Composition : The Shareholders' / Investors' Grievance Committee of the Board, comprises three Independent Non-Executive Directors, namely Shri Chandra Raj Mehta, Chairman, Shri Sandeep H. Junnarkar and Shri Mahesh K. Kamdar.

Terms of reference : The Shareholders' / Investors' Grievance Committee, inter alia, approves issue of duplicate share certificates and oversees and reviews all matters connected with transfer of shares of the Company. The Committee also looks into redressal of shareholders'/ investors' complaints related to transfer of shares, non-receipt of Annual Reports, non-receipt of declared dividend, etc. The Committee oversees performance of the Share Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services. The Committee also monitors the implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

Meetings : Four Meetings of the Shareholders' / Investors' Grievance Committee (SIGC) were held during the year.

Attendance of each Member at the SIGC meetings held during the year

Name of the Committee Member	No. of meetings held	No. of meetings attended
Chandra Raj Mehta	4	4
Mahesh K. Kamdar	4	3
Sandeep H. Junnarkar	4	4

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

Investor Grievance Redressal

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under :

Type of Complaints	No. of Complaints
Non-receipt of Annual Reports	3
Non-receipt of Dividend Warrants	18
Non-receipt of Share Certificates	3
Total	**24**

There were no outstanding complaints as on 31st March, 2012. One request for Transfer and one request for Dematerialisation were pending for approval as on 31st March, 2012, which were processed / approved by 2nd April, 2012.

Procedure at Committee Meetings

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

Shri N. Shanker, Company Secretary and Compliance Officer is the Secretary of all Board Committees.

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

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

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

A copy of the Code has been put on the Company's corporate website : www.riil.in.

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

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

I hereby confirm that the Company has obtained, from all the Members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Management Personnel in respect of the financial year 2011-12.

Dilip V. Dherai
Executive Director

8. Subsidiary Monitoring Framework

The Company did not have subsidiaries during the year. Hence, the provisions relating to "Subsidiary Companies" in Clause 49 of the Listing Agreement for the purposes of compliance are not applicable to the Company.

9. General Body Meetings

(i) Annual General Meetings

The Annual General Meetings of the Company during the preceding three years were held at 4th Floor, Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400 020.

The date and time of the Annual General Meetings held during the preceding three years and the special resolution(s) passed thereat are as follows:

Year	Date	Time	Special Resolution Passed
2010-11	30th June, 2011	11.00 a.m.	Nil
2009-10	4th August, 2010	11.30 a.m.	Nil
2008-09	1st September, 2009	11.30 a.m.	Nil

(ii) Special Resolution passed through Postal Ballot

No special resolution was passed through Postal Ballot during the Financial Year 2011-12. None of the businesses proposed to be transacted at the ensuing Annual General Meeting requires passing of special resolution through Postal Ballot.

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

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

Attention of Members is drawn to the disclosures of transactions with the related parties set out in Note No. 24 of Notes on Financial Statements, forming part of the Annual Report.

The Company's related party transactions are generally with its Associates. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialisation and the Company's long-term strategy for

sectoral investments, optimisation of market share, profitability, legal requirements, liquidity and capital resources of Associates.

All related party transactions are negotiated on arms' length basis and are intended to further the interests of the Company.

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

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

11. Means of Communication

(a) **Quarterly Results :** Quarterly Results are published in 'Financial Express' and 'Navshakti' and are displayed on the Company's corporate website: www.riil.in.

(b) **Annual Report :** Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Directors' Report in the Annual Report. The Annual Report is displayed on the Company's corporate website: www.riil.in.

(c) **Reminder to Investors :** Reminders for unclaimed shares and unpaid dividend are sent to the shareholders as per records every year.

(d) **Media Releases:** Official Media Releases are sent to the Stock Exchanges.

(e) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web based application designed by NSE for corporates. The Shareholding Pattern and Corporate Governance Report are also filed electronically on NEAPS.

(f) **SEBI Compliants Redress System (SCORES)**: The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(g) **Website :** The Company's corporate website: www.riil.in contains a separate dedicated section, 'Investor Relations', where information for shareholders is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.

(h) **Designated Exclusive email-id :** The Company has designated the following email-ids exclusively for investor servicing :

(i) For queries on Annual Report : investor_relations@riil.in

(ii) For queries in respect of shares in physical mode : riilnkm@karvy.com

12. General Shareholder Information

(a)	**Company Registration Details**	The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L60300MH1988PLC049019.
(b)	**Annual General Meeting (Day, Date, Time and Venue)**	Thursday, 5th July, 2012 at 11.00 a.m. at 4th Floor, Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400 020.
(c)	**Financial year**	1st April 2012 to 31st March 2013
(d)	**Financial Calendar (Tentative)**	**Results for quarter ending:** **30th June, 2012** - Third week of July, 2012 **30th September, 2012** - Third week of October, 2012 **31st December, 2012** - Third week of January, 2013 **31st March, 2013** - Third week of April, 2013 **Annual General Meeting** - July, 2013
(e)	**Book Closure Period**	Wednesday, 30th May, 2012 to Tuesday, 5th June, 2012 (both days inclusive) for payment of dividend.
(f)	**Dividend Payment Date**	Credit / dispatch of dividend warrants on 6th July, 2012.
(g)	**Listing of Equity Shares at**	(i) BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Scrip Code: 523445 (ii) National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051. Trading Symbol: RIIL ISIN: INE046A01015
(h)	**Payment of Listing Fees**	Annual Listing Fee for the year 2012-13 (as applicable) has been paid by the Company to BSE and NSE.
(i)	**Payment of Depository Fees**	Annual Custody / Issuer fee for the year 2012-13 has been paid by the Company to NSDL and CDSL.

(j) Share Price Data

Month	Bombay Stock Exchange (BSE) (in ₹ per share)		National Stock Exchange (NSE) (in ₹ per share)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April 2011	728.40	601.00	728.35	627.00
May 2011	641.10	530.60	639.40	530.15
June 2011	599.00	500.35	598.05	503.80
July 2011	571.40	512.00	575.90	509.00
August 2011	523.70	373.00	522.95	371.10
September 2011	476.40	394.15	476.00	396.30
October 2011	427.70	377.15	427.75	376.65
November 2011	439.45	337.15	439.90	337.00
December 2011	370.00	272.40	368.45	276.20
January 2012	464.80	282.40	464.50	282.20
February 2012	565.00	436.50	565.00	436.50
March 2012	517.00	414.25	516.95	415.00

(k) Share price performance in comparison to broad based indices - BSE Sensex and NSE Nifty as on 31st March, 2012

	BSE (% change)		NSE (% change)	
	RIIL	Sensex	RIIL	Nifty
Financial Year 2011-12	-31.23	-10.50	-31.34	-9.23
2 years	-46.49	-0.70	-46.54	0.88
3 years	49.62	79.27	49.25	75.29
5 years	9.88	33.14	9.90	38.57

(l) Share Transfer Agent

Karvy Computershare Private Limited
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081, India
Tel. : +91 40 4465 5070 - 5099
Toll Free No. : 1800 425 8998
Fax : +91 40 2311 4087
e-mail : riilnkm@karvy.com
Website : www.karvy.com

List of Investor Service Centres of Karvy Computershare Private Limited has been put on the Company's corporate website : www.riil.in.

(m) Share Transfer System

Share transfers are processed and share certificates duly endorsed are returned within a period of 7 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving the transfer, transmission etc. of the Company's shares to the Executive Director / Company Secretary. A summary of transfer / transmission of shares of the Company so approved by the Executive Director / Company Secretary is placed at every Board Meeting / Shareholders' / Investors' Grievance Committee. The Company obtains from a Company Secretary in practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with the Stock Exchanges.

(n) Distribution of Shareholding as on 31st March, 2012

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a Percentage of (A+B)
(A)	**Shareholding of Promoter and Promoter Group[1]**			
(1)	Indian	1	68 60 064	45.43
(2)	Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	**1**	**68 60 064**	**45.43**
(B)	**Public Shareholding[1]**			
(1)	Institutions	20	35 400	0.23
(2)	Non-institutions	1 15 451	82 04 536	54.33
	Total Public Shareholding	**1 15 471**	**82 39 936**	**54.57**
	Total (A) + (B)	**1 15 472**	**1 51 00 000**	**100.00**

[1] For definitions of "Promoter Shareholding", "Promoter Group" and "Public Shareholding" refer to Clause 40A of Listing Agreement.

(o) Top 10 Shareholders as on 31st March, 2012

Sr. No.	Name of the Shareholder(s)	No. of Shares	% to total Shares
1	Reliance Industries Limited	68 60 064	45.43
2	Reliance Capital Limited	1 60 100	1.06
3	Angel Broking Limited	65 918	0.44
4	Neeraj Batra	49 862	0.33
5	Sharekhan Limited	43 290	0.29
6	Jayantilal Premji Shah	36 000	0.24
7	Religare Securities Limited	31 961	0.21
8	Sanjay Gulabchand Bafna	31 700	0.21
9	Globe Capital Market Limited	30 904	0.20
10	Bonanza Portfolio Limited	30 703	0.20

(p) Shareholding Pattern by Size as on 31st March, 2012

Sr. No.	Category (Shares)	Electronic			Physical			Total		
		Holders	Shares	% to total Shares	Holders	Shares	% to total Shares	Holders	Shares	% to total Shares
1	01 - 100	1 00 385	26 20 521	17.35	4 441	4 43 288	2.94	1 04 826	30 63 809	20.29
2	101 - 500	8 580	19 56 764	12.96	410	1 09 700	0.73	8 990	20 66 464	13.69
3	501 - 1000	932	7 07 785	4.69	26	20 400	0.14	958	7 28 185	4.82
4	1001 - 5000	594	11 91 350	7.89	14	22 000	0.15	608	12 13 350	8.04
5	5001 - 10000	55	3 70 858	2.46	2	15 800	0.10	57	3 86 658	2.56
6	10001 - 50000	30	5 55 452	3.68	0	0	0.00	30	5 55 452	3.68
7	50001 - 100000	1	65 918	0.44	0	0	0.00	1	65 918	0.44
8	100001 & Above	2	70 20 164	46.49	0	0	0.00	2	70 20 164	46.49
	Total	**1 10 579**	**1 44 88 812**	**95.95**	**4 893**	**6 11 188**	**4.05**	**1 15 472**	**1 51 00 000**	**100.00**

(q) Geographical Distribution of Shareholders as on 31st March, 2012

		Electronic				Physical				Total			
Sr. No.	Name of the City	Holders	% to total Holders	Shares	% to total Shares	Holders	% to total Holders	Shares	% to total Shares	Holders	% to total Holders	Shares	% to total Shares
1	MUMBAI	22 458	19.45	94 03 117	62.27	1 358	1.18	1 92 387	1.27	23 816	20.62	95 95 504	63.55
2	DELHI	7 054	6.11	8 30 789	5.50	281	0.24	44 200	0.29	7 335	6.35	8 74 989	5.79
3	AHMEDABAD	6 238	5.40	4 15 876	2.75	371	0.32	39 700	0.26	6 609	5.72	4 55 576	3.02
4	KOLKATA	5 116	4.43	4 30 680	2.85	151	0.13	18 900	0.13	5 267	4.56	4 49 580	2.98
5	PUNE	3 200	2.77	1 94 787	1.29	57	0.05	6 900	0.05	3 257	2.82	2 01 687	1.34
6	BENGALURU	2 914	2.52	1 59 761	1.06	121	0.10	12 901	0.09	3 035	2.63	1 72 662	1.14
7	VADODARA	2 742	2.37	1 47 072	0.97	146	0.13	15 800	0.10	2 888	2.50	1 62 872	1.08
8	CHENNAI	2 364	2.05	1 50 647	1.00	149	0.13	15 700	0.10	2 513	2.18	1 66 347	1.10
9	HYDERABAD	1 820	1.58	1 61 491	1.07	91	0.08	9 700	0.06	1 911	1.65	1 71 191	1.13
10	OTHERS	56 673	49.08	25 94 592	17.18	2 168	1.88	2 55 000	1.69	58 841	50.96	28 49 592	18.87
	Total	**1 10 579**	**95.76**	**1 44 88 812**	**95.95**	**4 893**	**4.24**	**6 11 188**	**4.05**	**1 15 472**	**100.00**	**1 51 00 000**	**100.00**

(r) Corporate Benefits to Investors

Dividend declared for the last 10 years

Financial Year	Dividend Declaration Date	Dividend per share* (₹)
2010-11	30th June, 2011	3.50
2009-10	4th August, 2010	3.50
2008-09	1st September, 2009	3.50
2007-08	2nd July, 2008	3.50
2006-07	10th March, 2007	3.50
2005-06	12th July, 2006	3.50
2004-05	16th September, 2005	3.20
2003-04	25th September, 2004	3.20
2002-03	6th September, 2003	3.20
2001-02	25th June, 2002	3.20

** Share of paid-up value of ₹ 10/- each.*

(s) Dematerialisation of Shares

Mode of Holding	% of Share Capital
Electronic - NSDL	80.46
Electronic - CDSL	15.49
Physical	4.05

95.95% of the Company's Paid up Equity Share Capital has been dematerialised upto 31st March, 2012 (95.82% upto 31st March, 2011). Trading in Equity Shares of the Company is permitted only in dematerialised form.

(t) Liquidity

The higher trading activity is witnessed on NSE. Relevant data for the average daily turnover for the financial year 2011-12 is given below :

	BSE	NSE	TOTAL
Shares (nos.)	1 40 222	3 08 866	4 49 088
Value (in ₹ crore)	7.06	15.44	22.50

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

(u) Outstanding GDRs / Warrants and Convertible Instruments

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

(v) Plant Locations

The Company is mainly engaged in Infrastructure Activity in India. The Company is also engaged in related activities involving leasing and providing services connected with computer software and data processing. Therefore, the Company does not have any manufacturing plant.

(w) Address for Correspondence

(i) Investor Correspondence

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

For Shares held in Physical form

Karvy Computershare Private Limited
Unit : Reliance Industrial Infrastructure Limited
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081, India
Tel. : +91 40 4465 5070 - 5099
Toll Free No. : 1800 425 8998
Fax : +91 40 2311 4087
e-mail : riilnkm@karvy.com
Website : www.karvy.com

For Shares held in Demat form

Investors' concerned Depository Participant(s) and / or Karvy Computershare Private Limited.

(ii) Any query on Annual Report

Shri N. Shanker
Company Secretary and Compliance Officer
Reliance Industrial Infrastructure Limited
NKM International House, 5th Floor,
178 Backbay Reclamation,
Behind LIC Yogakshema Building,
Babubhai Chinai Road,
Mumbai - 400 020.
e-mail: investor_relations@riil.in

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

During the year under review, the Company has credited a sum of ₹ 4.80 lakh, lying in the unpaid /unclaimed dividend account, to the Investor Education and Protection Fund (IEPF) established pursuant to Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

The cumulative amount transferred to IEPF upto 31st March, 2012 was ₹ 56.88 lakh.

(y) Equity Shares in the Suspense Account

The Company has no cases as are referred to in Clause 5A(I) of the Listing Agreement.

In terms of Clause 5A(II) of the Listing Agreement, the Company has dematerialized and transferred 1,000 equity shares of the Company issued in physical form to 6 shareholders and remaining unclaimed, to the 'Reliance Industrial Infrastructure Limited – Unclaimed Suspense Account'. No shares were transferred from the suspense account to the shareholders' accounts, during the year.

The voting rights on the shares outstanding in the Unclaimed Suspense Account as on 31st March, 2012 shall remain frozen till the rightful owner of such shares claims the shares.

13. Compliance Certificate of the Auditors

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

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

14. Adoption of Mandatory and Non-Mandatory Requirements of Clause 49

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

(a) Remuneration Committee :

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

(b) Communication to Shareholders :

Half yearly Reports covering financial results were sent to members at their registered addresses.

(c) Audit Qualification :

The Company is in the regime of unqualified financial statements.

(d) Training of Board Members :

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

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

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

(e) Whistle Blower Policy :

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

15. CEO and CFO Certification

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

Secretarial Audit Report

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

I have examined the registers, records and documents of Reliance Industrial Infrastructure Limited ("the Company") for the financial year ended on March 31, 2012 according to the provisions of-

- The Companies Act, 1956 and the Rules made under that Act;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA'), the Rules made under that Act;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI) and Foreign Direct Investment (FDI);
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- The Equity Listing Agreements with BSE Limited and the National Stock Exchange of India Limited.

1. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company, I report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 ("the Act") and the Rules made under the Act and the Memorandum and Articles of Association of the Company, with regard to:
   (a) maintenance of various statutory registers and documents and making necessary entries therein;
   (b) closure of the Register of Members;
   (c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
   (d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
   (e) notice of Board meetings and Committee meetings of Directors;
   (f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
   (g) the 23rd Annual General Meeting held on 30 June 2011;
   (h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
   (i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
   (j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Whole-time Director;
   (k) payment of remuneration to the Whole-time Director and sitting fees to other Directors;
   (l) appointment and remuneration of Auditors and Cost Auditors;
   (m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
   (n) declaration and payment of dividends;
   (o) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund;
   (p) investment of the Company's funds including inter corporate loans and investments and loans to others;
   (q) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
   (r) Director's Report;
   (s) contracts, common seal, registered office and publication of name of the Company; and
   (t) generally, all other applicable provisions of the Act and the Rules made under that Act;
2. I further report that:
   (a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
   (b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel;
   (c) the Company has obtained all necessary approvals under the various provisions of the Act; and
   (d) there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
3. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed thereunder by the Depositories with regard to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company.
4. I further report that:
   (a) the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and the National Stock Exchange of India Limited;
   (b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 / 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations; and
   (c) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations.

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

14 April 2012

Shareholders' Referencer

1. **AT A GLANCE**

- The Company has around 1.15 lakh folios of shareholders holding Equity Shares in the Company as at 31st March, 2012.
- The Company's Equity Shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).
- The Company's Equity Shares are under compulsory trading in demat form only.
- 95.95% of the Company's Equity Shares are held in demat form.
- Karvy Computershare Private Limited (Karvy), Hyderabad, an ISO 9002 Certified Registrars and Transfer Agents, is the Share Transfer Agent (STA) of the Company.

2. **INVESTOR SERVICE AND GRIEVANCE HANDLING MECHANISM**

All investor service matters are being handled by Karvy. Karvy, the largest Registrar in the country having a vast number of Investor Service Centres across the country, discharges investor service functions effectively, efficiently and expeditiously.

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

The Company has prescribed service standards for various investor related activities being handled by Karvy, which are covered in the section on 'Initiatives Taken by the Company'. These standards are periodically reviewed by the Company. Any deviation therefrom is examined by the Internal Auditors.

3. **COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS / INVESTORS**

The following are the Company's recommendations to shareholders / investors:

Open Demat Account and Dematerialise your shares

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

Consolidate Multiple Folios

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

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

Investors holding the shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to the Company and investors holding the shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solutions (CBS) to the Company in case of shares held in physical form and to the DP in case of shares held in demat form.

Submit Nomination Form

Investors should register their nominations in case of physical shares with the Company and in case of dematerialised shares with their DP. Nomination would help the nominees to get the shares transmitted in their favor without any hassles. Investors must ensure that nomination made is in the prescribed Form and must be witnessed by two witnesses in order to be effective. The Form may be downloaded from the Company's corporate website : www.riil.in under the section "Investor Relations".

Deal with Registered Intermediaries

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

Obtain documents relating to purchase and sale of shares

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

Monitor holdings regularly

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

Transfer shares before Book Closure / Record Date

The corporate benefits on the shares lying in the clearing account of the brokers cannot be made available to the members directly by the Company. In case an investor has bought any shares he must ensure that the shares are transferred to his demat account before the book closure / record date.

Opt for Corporate Benefits in Electronic Form

In case of non cash corporate benefits like split of shares / bonus shares, the holders of shares in physical form must opt to get the shares in electronic form by providing the details of demat account to the STA.

Register for SMS alert facility

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

Register e-mail address

To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors should register their e-mail addresses with Karvy, if shares are held in physical mode or with their DP, if the holding is in electronic mode.

Exercise caution

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

Mode of Postage

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

Intimate mobile number

Intimate your mobile number and changes therein, if any, to Karvy if shares are held in physical mode or to your DP if shares are held in electronic mode, to receive communications on corporate actions and other information of the Company.

4. CONCEPTS AND PROCEDURES FOR SECURITIES RELATED MATTERS

Dealing in Securities

The Company's Equity Shares are under compulsory trading in demat form only.

What are the types of accounts for dealing in securities in demat form?

Beneficial Owner Account (B.O. Account) / Demat Account: An account opened with a DP in the name of investor for the purpose of holding and transferring securities.

Trading Account: An account opened by the broker in the name of the investor for maintenance of transactions executed while buying and selling of securities.

Bank Account: A bank account in the name of the investor which is used for debiting or crediting money for trading in the securities market.

What is the Process of trading in Securities ?

The normal course of trading in the Indian market context is briefed below:

Step 1. Investor / trader decides to trade.

Step 2. Places order with a broker to buy / sell the required quantity of securities.

Step 3. Best priced order matches based on price-time priority.

Step 4. Order execution is electronically communicated to the broker's terminal.

Step 5. Trade confirmation slip issued to the investor / trader by the broker.

Step 6. Within 24 hours of trade execution, contract note is issued to the investor / trader by the broker.

Step 7. Pay-in of funds and securities before T+2 day.

Step 8. Pay-out of funds and securities on T+2 day.

In case of short or bad delivery of funds / securities, the exchange orders for an auction to settle the delivery. If the securities could not be bought in the auction, the transaction is closed out as per SEBI guidelines.

What is Delivery Instruction Slip (DIS) and what precautions one needs to observe with respect to DIS?

To give the delivery, one has to fill in a form called Delivery Instruction Slip (DIS). DIS may be compared to cheque book of a bank account. The following precautions are to be taken in respect of DIS:

- Ensure and insist with DP to issue DIS book.
- Ensure that DIS numbers are pre-printed and DP takes acknowledgement for the DIS booklet issued to investor.
- Ensure that your account number (client id) is pre-stamped.
- If the account is a joint account, all the joint holders have to sign the instruction slips. Instruction cannot be executed if all joint holders have not signed.
- Avoid using loose slips.
- Do not leave signed blank DIS with anyone viz., broker / sub-broker, DPs or any other person / entity.
- Keep the DIS book under lock and key when not in use.
- If only one entry is made in the DIS book, strike out remaining space to prevent misuse.
- Personally fill in target account-id and all details in the DIS.
- If the DIS booklet is lost / stolen / not traceable, the same must be intimated to the DP, immediately, in writing. On receipt of such intimation, the DP will cancel the unused DIS of the said booklet.

What is online trading in Securities ?

Online trading in securities refers to the facility available to an investor for placing his own orders using the internet trading platform offered by the trading member viz., the broker. The orders so placed by the investor using internet would be routed through the trading member.

What precautions an online investor must take?

Investor trading online must take following precautions:

- Default password provided by the broker is changed before placing of order.
- The password is not shared with others and password is changed at periodic intervals.
- Proper understanding of the manner in which the online trading software has to be operated.
- Adequate training on usage of software.
- The online trading system has facility for order and trade confirmation after placing the orders.

What are the other safety measures an online client must observe?

- Avoid placing order from shared PC's / through cyber cafes.
- Log out after having finished trading to avoid misuse.
- Ensure that one does not click on "remember me" option while signing on from non-regular location.
- Do not leave the terminal unattended while one is "signed-in" to the trading system.
- Protect your personal computer against viruses by placing firewall and an anti-virus solution.
- Do not open email attachments from people you do not know.

5. DIVIDEND

Payment of Dividend

Dividend is paid under three modes viz:

- National Electronic Clearing Service (NECS)
- National Electronic Fund Transfer (NEFT)
- Physical dispatch of Dividend Warrant

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

What is payment of dividend through NECS Facility and how does it operate?

NECS facility is a centralized version of ECS facility. The NECS system takes advantage of the centralised accounting system in banks. Accordingly, the account of a bank that is submitting or receiving payment instructions is debited or credited centrally at Mumbai. The branches participating in NECS can, however, be located anywhere across the length and breadth of the country.

What is payment of dividend through NEFT facility and how does it operate?

NEFT is a nation-wide payment system facilitating electronic transfer of funds from one account to another. Dividend payment through NEFT denotes payment of dividend electronically through RBI clearing to selected bank branches which have implemented Core Banking Solutions (CBS). This extends to all over the country, and is not necessarily restricted to the 90 designated centres where payment can be handled through ECS. To facilitate payment through NEFT, the shareholder is required to ensure that the bank branch where his / her account is operated, is under CBS and also records the particulars of the new bank account with the DP with whom the demat account is maintained.

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

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

What are the benefits of NECS (payment through electronic facilities)?

Some of the major benefits are :

- Investor need not make frequent visits to his bank for depositing the physical paper instruments.
- Prompt credit to the bank account of the investor through electronic clearing.
- Fraudulent encashment of warrants is avoided.
- Exposure to delays / loss in postal service avoided.
- As there can be no loss in transit of warrants, issue of duplicate warrants is avoided.

Which cities provide NECS facility?

NECS has no restriction of centres or of any geographical area inside the country. Presently, around 51,000 branches of 116 banks participate in NECS.

How to avail of NECS Facility?

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

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

Investors must note that NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions.

In this regard shareholders are requested to furnish the new bank account number allotted by the banks post implementation of CBS, along with a copy of cheque pertaining to the concerned account, to the STA of the Company in case the shareholders hold shares in physical form and to the concerned DP in case the shareholders hold shares in demat form.

In case the shareholders do not provide their new account number allotted after implementation of CBS, please note that NECS to the shareholders' old account may either be rejected or returned.

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

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

Can NECS Facility be opted out by investors?

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

Course of Action in case of Non-receipt of Dividend, Revalidation of Dividend Warrant etc.

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

Shareholders may write to the Company's STA, furnishing the particulars of the dividend not received, and quoting the folio number (in case of shares held in physical mode) / DP ID and Client ID particulars (in case of shares held in demat mode). On expiry of the validity period, if the dividend warrant is still shown as unpaid in the records of the Company, duplicate warrant will be issued. The STA would request the concerned shareholder to execute an indemnity before issuing the duplicate warrant.

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

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

Why do the shareholders have to wait till the expiry of the validity period of the original warrant for issue of duplicate warrant?

Since the dividend warrants are payable at par at several centres across the country, banks do not accept 'stop payment' instructions. Hence, shareholders have to wait till the expiry of the validity of the original warrant for issue of duplicate warrant. Validity of Dividend warrant is three months from the date of issue of the warrant.

Unclaimed Shares

What are the Regulatory provisions and procedure governing unclaimed shares lying in physical form with the Company or its STA?

As per amended Clause 5A of the Listing Agreement with the Stock Exchanges:

- In terms of sub-clause (I), for shares issued pursuant to a public issue or any other issue, which remain unclaimed and are lying in the escrow account, the Company, after complying with the procedure prescribed therein, shall credit the unclaimed shares to a demat suspense account opened by the Company with one of the depository participants, for this purpose.
- In terms of sub-clause (II), for shares issued in physical form pursuant to a public issue or any other issue, which remain unclaimed, the company, after complying with the procedure prescribed therein, shall transfer all such unclaimed shares into one folio in the name of "Unclaimed Suspense Account" and shall dematerialize such shares with one of the depository participants.

What is the status of compliance by the Company with regard to these provisions?

The Company has no cases as are referred to in Clause 5A(I) of the Listing Agreement.

In terms of Clause 5A(II) of the Listing Agreement, details relating to the aggregate number of shareholders along with the number of unclaimed shares issued in physical form and transferred in dematerialized form to the "Unclaimed Suspense Account", are published in the Corporate Governance Report.

UNCLAIMED / UNPAID DIVIDEND

What are the statutory provisions governing unclaimed dividend?

With effect from 31st October, 1998, any money transferred to the 'unpaid dividend account' of the Company and remaining unpaid or unclaimed for a period of 7 years from the date it becomes due, shall be transferred to the Investor Education and Protection Fund (IEPF). Investors are requested to note that no claims shall lie against the Company or the IEPF, for any moneys transferred to IEPF, in accordance with the provisions of Section 205C of the Companies Act, 1956.

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

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

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

	Dividend upto 1993-94	Dividend for 1994-95 to 2003-04	Dividend for 2004-05 and thereafter
Transfer of unpaid dividend	Transferred to General Revenue Account of the Central Government	Transferred to Central Government's Investor Education and Protection Fund (IEPF)	Will be transferred to IEPF on due date(s)
Claims for unpaid dividend	Can be claimed from ROC, Maharashtra *	Cannot be claimed	Can be claimed from the Company's STA within the time limits provided in **Chart 2** given below

* Shareholders who have not encashed their dividend warrant(s) relating to one or more of the financial year(s) upto and including 1993-94 are requested to claim such dividend from the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, "A" Wing, CBD-Belapur, Navi Mumbai – 400 614, Telephone (091) (022) 2757 6802, in Form II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.

Chart 2 : Information in respect of unclaimed and unpaid dividends declared for 2004-05 and thereafter

Financial year ended	Date of declaration of Dividend	Last date for claiming unpaid Dividend
31.03.2005	16.09.2005	15.09.2012
31.03.2006	12.07.2006	11.07.2013
31.03.2007	10.03.2007	09.03.2014
31.03.2008	02.07.2008	01.07.2015
31.03.2009	01.09.2009	31.08.2016
31.03.2010	04.08.2010	03.08.2017
31.03.2011	30.06.2011	29.06.2018

6. DEMATERIALISATION / REMATERIALISATION OF SHARES

What is dematerialisation of shares?

Dematerialisation (Demat) is the process by which shares held in physical form are cancelled and destroyed and the ownership thereof is entered into and retained in a fungible form on a depository by way of electronic balances.

Why dematerialise shares? Trading in Compulsory Demat Form

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

Benefits of Demat

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

How to dematerialise shares?

The procedure for dematerialising shares is as under :

- Open Beneficiary Account with a DP registered with SEBI.
- Submit Demat Request Form (DRF) as given by the DP, duly signed by all the holders with the names and signatures in the same order as appearing in the concerned certificate(s) and the Company records along with the share certificate(s).
- Demat confirmations are required to be completed in 21 days as against 30 days (excluding time for despatch) for physical transfer. Service standards prescribed by the Company for completing demat is 3 days from the date of the receipt of requisite documents for the purpose.
- Receive a confirmation statement of holdings from the DP. Statement of holdings is sent by the DPs from time to time.

Can I dematerialize shares held jointly, in the same combination of names, but the sequence of names is different?

Depositories provide "Transposition cum Demat Facility" to help joint holders to dematerialize shares in different sequence of names. For this purpose, DRF and Transposition Form should be submitted to the DP.

What is SMS alert facility?

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

What is rematerialisation of shares?

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

What is the procedure for rematerialisation of shares?

- Shareholders should submit duly filled in Rematerialisation Request Form (RRF) to the concerned DP.
- DP intimates the relevant Depository of such requests.
- DP submits RRF to the Company's STA.
- Depository confirms rematerialisation request to the Company's STA.
- The Company's STA updates accounts and prints certificate(s) and informs the Depository.
- Depository updates the Beneficiary Account of the shareholder by deleting the shares so rematerialised.
- Share certificate(s) is despatched to the shareholder.

7. NOMINATION FACILITY

What is nomination facility and to whom it is more useful?

Section 109A of the Companies Act, 1956 provides the facility of nomination to shareholders. This facility is mainly useful for individuals holding shares in sole name. In the case of joint holding of shares by individuals, nomination will be effective only in the event of the death of all joint holders.

What is the procedure of appointing a nominee?

Investors, especially those who are holding shares in single name, are advised to avail of the nomination facility by submitting the prescribed Form 2B to the Company's STA. Form 2B may be downloaded from the Company's corporate website : www.riil.in under the section "Investor Relations".

However, if shares are held in dematerialised form, nomination has to be registered with the concerned DP directly, as per the format prescribed by the DP.

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

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

Can a nomination once made be revoked / varied?

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

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

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

Is nomination form required to be witnessed?

A nomination form must be witnessed by two witnesses.

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

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

If shares are held in dematerialized form, nomination has to be registered with the concerned DP directly, as per the format prescribed by the DP.

What are rights of nominee vis-à-vis legal heirs of the deceased shareholder?

As per provisions of Section 109A of the Companies Act, 1956 and as held by Hon'ble Delhi and Mumbai High Courts, the securities would vest on the nominee upon the death of the registered holder notwithstanding the rights of the legal heirs of the deceased.

8. TRANSFER / TRANSMISSION / TRANSPOSITION / DUPLICATE CERTIFICATES ETC.

What is the procedure for transfer of shares in favour of transferee(s)?

Transferee(s) need to send share certificate(s) along with share transfer deed in the prescribed Form 7B, duly filled in, executed and affixed with share transfer stamps, to the Company's STA. It takes about 7 days for the Company's STA to process the transfer, although the statutory time limit fixed for completing a transfer is one month under the Listing Agreement and two months under the Companies Act, 1956.

Is submission of Permanent Account Number (PAN) mandatory for transfer / transmission / transposition of shares in physical form?

SEBI has made it mandatory to furnish a copy of the PAN card to the Company / STA in the following cases, viz., (a) for securities market transactions and off-market transactions involving transfer of shares in physical form; (b) Deletion of name of the deceased holder(s), where the shares are held in the name of two or more shareholders; (c) Transmission of shares to legal heir(s), where deceased shareholder was the sole holder of the shares; and (d) Transposition of shares – where there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

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

Transferee needs to immediately proceed to get the errors / discrepancies corrected. Transferee needs to contact the transferor (seller) either directly or through his broker for rectification or replacement with good shares. After rectification or replacement of the shares, the same can be resubmitted for effecting transfer. In case the errors are non rectifiable, purchaser has recourse to the seller and his broker through the Stock Exchange to get back his money. However, in case of off-market transactions, matter should be settled with the seller only.

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

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

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

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

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

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

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

The legal heir(s) should obtain a Succession Certificate or Letter of Administration with respect to the shares and send a true copy of the same, duly attested, along with a request letter, transmission form, and the share certificate(s) in original, to the Company's STA for transmission of the shares in his / their name(s).

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

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

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

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

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

Shareholders who have lost / misplaced share certificate(s) should inform the Company's STA, immediately about loss of share certificate(s), quoting their folio number and details of share certificate(s), if available.

The STA shall immediately mark a 'stop transfer' on the folio to prevent any further transfer of shares covered by the lost share certificate(s). It is recommended that the shareholders should lodge a FIR with the police regarding loss of share certificate(s).

They should send their request for duplicate share certificate(s) to the Company's STA and submit documents as required by the STA.

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

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

What is the procedure to get the certificates issued in various denominations consolidated into single certificate?

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

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

9. MISCELLANEOUS

Change of address

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

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

Change of name

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

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

Authority to another person to deal with shares

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

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

10. INITIATIVES TAKEN BY THE COMPANY

Setting new benchmarks in Investor Service

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

(a) Registrations

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

(b) Correspondence

Sr. No.	Particulars	Service Standards (No. of working days)
Queries / Complaints		
1.	Non-receipt of Annual Reports	2
2.	Non-receipt of Dividend Warrants	4
3.	Non-receipt of Share Certificate	2
4.	Non-receipt of Stickers (Change of name of the Company)	3
Event Based		
1.	TDS certificate	2
2.	Others	2
Requests		
1.	Change of Address	2
2.	Revalidation of Dividend Warrants	3
3.	Bank Mandate / Details	2
4.	Nomination	2
5.	Power of Attorney	2
6.	Multiple Queries	4
7.	IEPF Letters	3

Reminder Letters to Investors

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

Consolidation of Folios

The Company has initiated a unique investor servicing measure for consolidation of small holdings within the same household. In terms of this, those shareholders holding less than 10 shares (under a single folio) in the Company, within the same household, can send such shares for transfer along with transfer forms duly filled in and signed, free of cost; the stamp duty involved in such cases will be borne by the Company.

11. INFORMATION REGARDING TAX ON DIVIDEND AND SALE OF SHARES

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

- No tax is payable by shareholders on dividend. However, the Company is required to pay dividend tax @ 15% and surcharge @ 5%, together with education cess @ 2% and higher education cess @ 1%.
- Short Term Capital Gains (STCG) tax is payable in case the shares are sold within 12 months from the date of purchase @ 15% in case of 'individuals' together with education cess @ 2% and higher education cess @ 1%.
- No Long Term Capital Gains (LTCG) tax is payable on sale of shares through a recognized stock exchange, provided Securities Transaction Tax (STT) has been paid and shares are sold after 12 months from the date of purchase. In any other case, lower of the following is payable as long term capital gain tax:
  - (i) 20% of the capital gain computed after substituting 'cost of acquisition' with 'indexed cost of acquisition';
  - (ii) 10% of the capital gain computed before substituting 'cost of acquisition' with 'indexed cost of acquisition'.
- STT is payable as under –

(i) @ 0.125% by both the purchaser and the seller in respect of delivery based transactions (@ 0.10% w.e.f. 1st July, 2012);

(ii) @ 0.017% by the seller in respect of derivatives;

(iii) @ 0.025% by the seller in respect of transactions in securities not being settled by actual delivery.

12. INVESTOR SERVICING AND GRIEVANCE REDRESSAL - EXTERNAL AGENCIES

Ministry of Corporate Affairs

Ministry of Corporate Affairs (MCA) e-Governance initiative christened as "MCA 21" on the MCA portal (www.mca.gov.in): One of the key benefits of this initiative includes timely redressal of investor grievances. MCA 21 system accepts complaints under the eForm prescribed, which has to be filed online.

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

Securities and Exchange Board of India (SEBI)

SEBI, in its endeavour to protect the interest of investors, has provided a platform wherein the investors can lodge their grievances. This facility is available on the SEBI website (www.sebi.gov.in) under the Investor Guidance Section.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints. Online upload of Action Taken Reports (ATRs) by the concerned companies and Online viewing by investors of actions taken on the complaint and its current status.

Stock Exchanges

National Stock Exchange of India Limited (NSE) – NSE has formed an Investor Grievance Cell (IGC) to redress investors' grievances electronically. The Investors have to log on to the website of NSE i.e. www.nseindia.com and go to the link : "Investors Service".

BSE Limited (BSE) – BSE provides an opportunity to its members to file their complaints electronically through its website : www.bseindia.com under the link: "Investor Grievances".

Depositories

National Securities Depository Limited (NSDL) – In order to help its clients resolve their doubts, queries, complaints, NSDL has provided an opportunity wherein they can raise their queries by logging on to www.nsdl.co.in under the "Investors" section or an email can be marked mentioning the query to relations@nsdl.co.in.

Central Depository Services (India) Limited (CDSL) – Investors who wish to seek general information on depository services may mail their queries to investors@cdslindia.com. With respect to the complaints / grievances of the demat account holders relating to the services of the DP, mails may be addressed to complaints@cdslindia.com.

Other Information

Permanent Account Number (PAN)

It has become mandatory to quote PAN before entering into any transaction in the securities market. The Income Tax Department of India has highlighted the importance of PAN on its website: www.incometaxindia.gov.in wherein lots of queries with respect to PAN have been replied to in the FAQ section.

Insider Trading

In order to prohibit insider trading and protect the rights of innocent investors, SEBI has enacted the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. As per Regulation 13 of the said Regulations, initial and continual disclosures are required to be made by investors as under:

Initial Disclosure

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

Continual Disclosure

As per sub-regulation 3, any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form C the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the company.

13. SHAREHOLDERS' GENERAL RIGHTS

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

14. DUTIES / RESPONSIBILITIES OF INVESTORS

- To remain abreast of corporate developments, company specific information and take informed investment decision(s).
- To be aware of relevant statutory provisions and ensure effective compliance therewith.
- To deal with only SEBI registered intermediaries while dealing in the securities.
- Not to indulge in fraudulent and unfair trading in securities nor to act upon any unpublished price sensitive information.
- To participate effectively in the proceedings of shareholders' meetings.
- To contribute to the Greener Environment and accordingly register email addresses to enable the Company to send all documents / notices including Annual Reports electronically.
- To register nominations, which would help the nominees to get the shares transmitted in their favour without any hassles.
- To respond to communications seeking shareholders' approval through Postal Ballot.
- To respond to communications of SEBI / Depository / DP / Brokers / Sub-brokers / Other Intermediaries / Company, seeking investor feedback / comments.

15. DEALING IN SECURITIES MARKET

DO'S

- Transact only through Stock Exchanges.
- Deal only through SEBI registered intermediaries.
- Complete all the required formalities of opening an account properly (Client registration, Client agreement forms etc).
- Ask for and sign "Know Your Client Agreement".
- Read and properly understand the risks associated with investing in securities /derivatives before undertaking transactions.
- Assess the risk – return profile of the investment as well as the liquidity and safety aspects before making your investment decision.
- Ask all relevant questions and clear your doubts with your broker before transacting.
- Invest based on sound reasoning after taking into account all publicly available information and on fundamentals.
- Beware of the false promises and to note that there are no guaranteed return on investments in the Stock Market.
- Give clear and unambiguous instructions to your broker / sub-broker / DP.
- Be vigilant in your transactions.
- Insist on a contract note for your transaction.
- Verify all details in contract note, immediately on receipt.
- Always settle dues through the normal banking channels with the market intermediaries.
- Crosscheck details of your trade with details as available on the exchange website.
- Scrutinize minutely both the transaction and the holding statements that you receive from your DP.
- Keep copies of all your investment documentation.
- Handle DIS Book issued by DP's carefully.
- Insist that the DIS numbers are pre-printed and your account number (client id) be pre stamped.
- Incase you are not transacting frequently make use of the freezing facilities provided for your demat account.
- Pay the margins required to be paid in the time prescribed.
- Deliver the securities in case of sale or pay the money in case of purchase within the time prescribed.
- Participate and vote in general meetings either personally or through proxy.
- Be aware of your rights and responsibilities.
- Incase of complaints approach the right authorities for redressal in a timely manner.

DON'TS

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

NOTE:

The contents of this Referencer are for the purpose of general information. The readers are advised to refer to the relevant Acts / Rules / Regulations / Guidelines / Clarifications.

Directors' Report

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 24th Annual Report and the audited accounts for the financial year ended 31st March, 2012.

Financial Results

The financial performance of the Company, for the year ended 31st March, 2012 is summarized below:

(₹ in Crore)

	2011-2012		2010-2011	
Profit before Depreciation and Tax		**37.87**		31.02
Less : Depreciation	**6.76**		6.25	
Less: Transfer from Revaluation Reserve	**0.43**	**6.33**	0.54	5.71
Profit before Tax		**31.54**		25.31
Less : Provision for Taxation				
– Current Tax	**6.29**		5.74	
– Deferred Tax	**1.64**	**7.93**	(2.81)	2.93
Profit after Tax		**23.61**		22.38
Add : Balance in Profit and Loss Account		**15.44**		19.20
Amount Available for Appropriation		**39.05**		41.58
Appropriations :				
General Reserve		**20.00**		20.00
Dividend on Equity Shares		**5.28**		5.28
Tax on Dividend		**0.86**		0.86
Closing Balance		**12.91**		15.44

Dividend

Your Directors have recommended a dividend of ₹ 3.50 per Equity Share (last year ₹ 3.50 per Equity Share) for the financial year ended 31st March, 2012, amounting to ₹ 6.14 crore (inclusive of tax of ₹ 0.86 crore). The dividend will be paid to members whose names appear in the Register of Members as on 29th May, 2012; in respect of shares held in dematerialised form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

Management Discussion and Analysis

Financial and Operational Review

The Company has earned a gross income of ₹ 70.25 crore for the financial year 2011-12, as compared to ₹ 70.60 crore in the previous year.

The profit before depreciation and tax for the year increased by 22% to ₹ 37.87 crore as against ₹ 31.02 crore in the previous year. The Company's net profit for the year was marginally higher at ₹ 23.61 crore as compared to ₹ 22.38 crore in the previous year.

Depreciation during the year was at ₹ 6.33 crore as compared to ₹ 5.71 crore in the previous year.

Return on Equity was maintained at 12.0%, same as previous year and Return on Capital Employed was at 16.7% as compared to 14.7% in the previous year.

Earnings per share was ₹ 15.64 as compared to ₹ 14.82 in the previous year.

Resources and Liquidity

The Company's net worth as on 31st March, 2012 stood at ₹ 214.55 crore, with paid-up capital of ₹ 15.10 crore and accumulated reserves and surplus of ₹ 199.45 crore as compared to net worth of ₹ 197.51 crore, with paid-up capital of ₹ 15.10 crore and accumulated reserves and surplus of ₹ 182.41 crore as on 31st March, 2011.

Industry Structure and Developments

The infrastructure sector mainly consists of assets and services such as urban infrastructure, road transport, ports, airport and other utilities. India remains a front runner in economic growth. The Indian economy is expected to gain ground and the GDP growth rate is estimated at 7-8% in 2012-13. India has huge potential to surge ahead provided focused policy measures are taken which can enable infrastructure growth and development together.

Opportunities

India is still in a transitory stage of development of its infrastructure. Continuing its focus on infrastructure development, the Government has proposed measures through its Union Budget 2012-13 which are expected to maintain the growth momentum in the economy and help it continue along its path of growth in the medium term.

Outlook

The Company will continue to keep its focus in the infrastructure sector and is confident of maintaining its growth rate.

Challenges, Risks and Concerns

The role of private participation needs to expand significantly to address the deficit in the infrastructure sector. The Company faces normal business challenges and adopts suitable strategies to counter these challenges.

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

Internal Controls

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

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

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

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

Human Resource Development

The Company has a team of able and experienced professionals. The Company believes that the quality of its employees is the key to its success in the long run. The Company continues to have cordial relations with its employees. It employs 119 persons and provides personal development opportunities and all round exposure to them.

Directors

Shri Mahesh K. Kamdar, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Directors' Responsibility Statement

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

i. in the preparation of the annual accounts for the year ended 31st March, 2012, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;

ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year ended on that date;

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

iv. the Directors have prepared the annual accounts on a "going concern" basis.

Auditors and Auditors' Report

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

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

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Cost Auditors

The Central Government has approved the appointment of Messrs V. Kumar & Associates, Cost Accountants, to conduct audit of its cost accounting records relating to the business of transporting petroleum products through the Company's pipeline for the financial year 2011-12.

Secretarial Audit Report

As a measure of good corporate governance practice, the Board of Directors of the Company appointed Dr. K. R. Chandratre, Practicing Company Secretary, to conduct Secretarial Audit. The Secretarial Audit Report for the financial year ended 31st March, 2012, is provided in the Annual Report.

The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, the Foreign Exchange Management Act, 1999 to the extent applicable to Overseas Direct Investment (ODI) and Foreign Direct Investment (FDI) and all the Regulations and Guidelines of SEBI as applicable to the Company, including the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Equity Listing Agreements with the Stock Exchanges.

Particulars of Employees

The Company has not paid any remuneration attracting the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended. Hence, no information is required to be appended to this Report in this regard.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

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

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

ii. Foreign Exchange Earnings and Outgo :

Earnings	-	Nil
Outgo	-	₹ 40.58 crore

Transfer of amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the relevant amounts which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund.

Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI.

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

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

Acknowledgement

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

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

For and on behalf of the Board of Directors

Mahesh K. Kamdar
Chairman

Mumbai,
14th April, 2012

Auditors' Certificate on Corporate Governance

To the Members,

Reliance Industrial Infrastructure Limited

We have examined the compliance of conditions of Corporate Governance by Reliance Industrial Infrastructure Limited, for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

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

For **Chaturvedi & Shah**
Chartered Accountants
(Registration No.101720W)

Amit Chaturvedi
Partner
Membership No. : 103141

Mumbai
Dated : 14th April, 2012

Financial Statements & Notes

Independent Auditor's Report

To the Members of
Reliance Industrial Infrastructure Limited
Report on the Financial Statements

We have audited the accompanying financial statements of Reliance Industrial Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2012, and the Statement of Profit and Loss and 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

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 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 judgement, 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. 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

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:

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
(ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
(iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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.
2. As required under provisions of section 227(3) of the Companies Act, 1956, we report that:

a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
c. the Balance Sheet, 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 referred to in sub-section (3C) of section 211 of the Act;
e. On the basis of written representations received from the directors as on March 31, 2012, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **Chaturvedi & Shah**
Chartered Accountants
Registration No : 101720W

Amit Chaturvedi
Partner
Membership No. : 103141

Place: **Mumbai,**
Dated : **14th April, 2012**

Annexure referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date

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

Annexure to Auditors' Report (continued)

in the register maintained under Section 301 of the Companies Act, 1956 :

a. The Company has not given any new loan during the year. However, the Company had granted loan in the past to a party and the maximum amount outstanding at any time during the year and the year-end balance is ₹ 76,00 lakh.
b. In our opinion and according to the information and explanations given to us, the rate of interest and the other terms and conditions of the said loan given by the Company are not prima facie prejudicial to the interest of the Company.
c. The principal amount, are repayable over a period of three to five years, while the interest is payable annually at the discretion of the company.
d. In respect of said loan and interest thereon, there are no overdue amounts.
e. The Company has not taken any loan during the year from the companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of clause (iii)(f) and clause (iii)(g) of paragraph 4 of the Order are not applicable.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In our opinion and according to the information and explanations given to us, there are no contracts or arrangements that needed to be entered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4 (v)(b) of the Order are not applicable to the Company.
6. The Company has not accepted any deposit from the public. Therefore, the provisions of clause 4 (vi) of the Order are not applicable to the Company.
7. In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of Statutory dues :
   a. According to the records of the Company, 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 statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable. Amounts due and outstanding for a period exceeding six months as at 31st March, 2012 to be credited to Investor Education and Protection Fund of ₹ 1.18 lakh, which are held in abeyance due to pending legal cases, have not been considered.
   b. According to the information and explanations given to us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess on account of any dispute, which have not been deposited.
10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company had no dues payable to Financial Institutions, Banks or Debenture holders.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of dealing in or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year. Therefore, the provisions of clause 4(xv) of the Order are not applicable to the Company.
16. The Company has not raised any term loan during the year. Therefore, the provisions of clause 4(xvi) of the Order are not applicable to the Company.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short term basis that have been used for long term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not raised any monies by way of issue of debentures during the year. Therefore, the provisions of clause 4(xix) of the Order are not applicable to the Company.
20. The Company has not raised any money by way of public issue during the year. Therefore, the provisions of clause 4(xx) of the Order are not applicable to the Company.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Chaturvedi & Shah**
Chartered Accountants
Registration No : 101720W

Amit Chaturvedi
Partner
Membership No.: 103141

Place : **Mumbai,**
Dated : **14th April, 2012**

Reliance Industrial Infrastructure Limited
Balance Sheet as at 31st March, 2012

(₹ in lakh)

	Note	As at 31st March, 2012		As at 31st March, 2011	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	**15 10.00**		15 10.00	
Reserves and Surplus	3	**199 45.03**	**214 55.03**	182 40.97	197 50.97
Non-Current Liabilities					
Deferred Tax Liability (net)	4	**22 28.05**		20 64.35	
Long Term Provisions	5	**55.05**	**22 83.10**	5.16	20 69.51
Current Liabilities					
Trade Payables	6	**14 64.32**		20 02.75	
Other Current Liabilities	7	**39 35.57**		62.91	
Short Term Provisions	8	**6 89.77**	**60 89.66**	8 21.61	28 87.27
TOTAL			**298 27.79**		247 07.75
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	9	**63 68.95**		64 80.73	
Intangible Assets	9	**38 58.92**		-	
Capital Work in Progress		**-**		1 71.44	
Non-Current Investments	10	**6 77.37**		6 77.37	
Long-Term Loans and Advances	11	**119 61.27**	**228 66.51**	100 15.17	173 44.71
Current Assets					
Current Investments	12	**29 00.00**		19 50.00	
Inventories	13	**70.59**		74.99	
Trade Receivables	14	**17 08.89**		10 57.92	
Cash and Cash Equivalents	15	**2 42.84**		2 24.83	
Short-Term Loans and Advances	16	**20 38.96**	**69 61.28**	40 55.30	73 63.04
TOTAL			**298 27.79**		247 07.75
Significant Accounting Policies Notes on Financial Statements	1 to 28				

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

Amit Chaturvedi
Partner

Mumbai
Dated : **14th April, 2012**

For and on behalf of the Board

Mahesh K. Kamdar — *Chairman*

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

Dilip V. Dherai — *Executive Director*

N. Shanker — *Company Secretary and Compliance Officer*

Reliance Industrial Infrastructure Limited
Statement of Profit and Loss for the year ended 31st March, 2012

(₹ in lakh)

	Note	2011-12	2010-11
INCOME			
Revenue from Operations	17	**61 34.29**	56 02.04
Other Income	18	**8 90.57**	14 57.77
Total Revenue		**70 24.86**	70 59.81
EXPENDITURE			
Employee Benefits Expense	19	**11 59.18**	11 83.88
Depreciation and Amortisation Expense	20	**6 33.42**	5 70.47
Other Expenses	21	**20 78.32**	27 74.11
Total Expenses		**38 70.92**	45 28.46
Profit before tax		**31 53.94**	25 31.35
Tax Expenses			
Current tax		**6 29.04**	5 73.78
Deferred tax		**1 63.70**	(2 80.84)
Profit for the year		**23 61.20**	22 38.41
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	22	**15.64**	**14.82**
Significant Accounting Policies Notes on Financial Statements	1 to 28		

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

Amit Chaturvedi
Partner

Mumbai
Dated : **14th April, 2012**

For and on behalf of the Board

Mahesh K. Kamdar — *Chairman*

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

Dilip V. Dherai — *Executive Director*

N. Shanker — *Company Secretary and Compliance Officer*

Reliance Industrial Infrastructure Limited
Cash Flow Statement for the year 2011-12

(₹ in lakh)

		2011-12		2010-11	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Net Profit before tax as per Profit and Loss Account		**31 53.94**		25 31.35
	Adjusted for:				
	(Profit) / Loss on Sale of Fixed Assets	**9.71**		(5 57.14)	
	Net Gain on Sale of Current Investments	**(1 87.05)**		(90.13)	
	Depreciation and Amortisation	**6 76.32**		6 24.53	
	Transferred from Revaluation Reserve	**(42.90)**		(54.07)	
	Dividend Income	**(14.93)**		(13.51)	
	Interest / Other Income	**(6 84.18)**		(7 35.35)	
			(2 43.03)		(8 25.66)
	Operating Profit before Working Capital Changes		**29 10.91**		17 05.69
	Adjusted for:				
	Trade and Other Receivables	**(8 02.50)**		18 98.44	
	Inventories	**4.40**		14.86	
	Trade and Other Payables	**32 39.58**		4 54.12	
			24 41.48		23 67.42
	Cash Generated from Operations		**53 52.39**		40 73.11
	Taxes Paid		**(4 16.83)**		(2 00.39)
	Net Cash from Operating Activities		**49 35.56**		38 72.72
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Fixed Assets		**(42 77.39)**		(33 47.16)
	Sale of Fixed Assets		**15.66**		7 11.50
	Purchase of Investments		**(136 40.00)**		(77 19.76)
	Sale of Investments		**128 77.05**		58 59.89
	Movement in Loans and Advances		**-**		(6.64)
	Dividend Income		**14.93**		13.51
	Interest / Other Income		**6 93.73**		12 45.02
	Net Cash used in Investing Activities		**(43 16.02)**		(32 43.64)
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**				
	Dividends Paid (including dividend distribution tax)		**(6 01.54)**		(6 17.62)
	Net Cash used in Financing Activities		**(6 01.54)**		(6 17.62)
	Net Increase in Cash and Cash Equivalents (A+B+C)		**18.01**		11.46
	Opening Balance of Cash and Cash Equivalents		**2 24.83**		2 13.37
	Closing Balance of Cash and Cash Equivalents		**2 42.84**		2 24.83

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

Amit Chaturvedi
Partner

Mumbai
Dated : **14th April, 2012**

For and on behalf of the Board

Mahesh K. Kamdar — *Chairman*

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

Dilip V. Dherai — *Executive Director*

N. Shanker — *Company Secretary and Compliance Officer*

Significant Accounting Policies

A Basis of preparation of Financial Statements :

(i) The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

(ii) The Company generally follows the mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

B Use of Estimates :

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

C Own Fixed Assets :

(i) Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs including financing costs, up to the date of commissioning and attributable to the fixed assets are capitalised.

(ii) Compensation paid to various land owners / occupiers for acquisition of Right of User in the lands along the pipeline route under the Petroleum and Minerals Pipelines (Acquisition of Right of User in Lands) Act, 1962 has been included in Plant and Machinery.

(iii) Intangible assets are stated at cost of acquisition, less accumulated amortisation.

D Leased Assets :

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

E Depreciation and amortisation :

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

(i) on plant and machinery comprising of transport facilities and monitoring systems (for petrochemical products and for raw water) and on old construction machinery, depreciation has been provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956,

(ii) on revalued assets, depreciation has been provided on written down value method and charged over the residual life of the assets,

(iii) the cost of leasehold land is amortised over the period of lease,

(iv) cost of pipeline corridor structure is amortised over the residual life of the asset.

(v) Intangible assets comprising of software are amortised over the period of 10 years.

F Impairment of Assets :

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

G Foreign Currency Transactions :

(i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

(ii) Monetary items denominated in foreign currencies, if any at the year end are restated at year end rates.

(iii) Non monetary foreign currency items are carried at cost.

(iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

H Investments :

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

I Inventories :

Inventories are measured at lower of cost or net realisable value. Cost is determined on weighted average basis.

J Employee Benefits :

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

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

K Borrowing Cost :

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

L Provision for Current Tax and Deferred Tax :

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

M Provision, Contingent Liabilities and Contingent Assets :

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

Notes on Financial Statements for the Year ended 31st March, 2012

1 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

2 **SHARE CAPITAL**

(₹ in lakh)

		As at 31st March, 2012	As at 31st March, 2011
Authorised Share Capital			
20 00 00 000	Equity Shares of ₹ 10 each	**200 00.00**	200 00.00
(20 00 00 000)			
		200 00.00	200 00.00
Issued, Subscribed and Paid up:			
1 51 00 000	Equity Shares of ₹ 10 each fully paid up	**15 10.00**	15 10.00
(1 51 00 000)			
TOTAL		**15 10.00**	15 10.00

2.1 The details of Shareholder holding more than 5% shares :

Name of Shareholder	As at 31st March, 2012 No. of Shares	As at 31st March, 2012 % held	As at 31st March, 2011 No. of Shares	As at 31st March, 2011 % held
Reliance Industries Limited	**6,860,064**	**45.43**	6,860,064	45.43

2.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March, 2012 No. of Shares	As at 31st March, 2011 No. of Shares
Equity Shares at the beginning of the year	**15,100,000**	15,100,000
Issued during the year	**-**	-
Equity Shares at the end of the year	**15,100,000**	15,100,000

(₹ in lakh)

3 **RESERVES AND SURPLUS**	As at 31st March, 2012		As at 31st March, 2011	
Revaluation Reserve				
As per last Balance Sheet	**17 84.22**		18 38.28	
Less: Transferred to Profit and Loss Account (Refer Note No. 9.2)	**42.90**	**17 41.32**	54.06	17 84.22
Capital Reserve				
As per last Balance Sheet		**29 52.96**		29 52.96
Securities Premium Reserve				
As per last Balance Sheet		**9 60.00**		9 60.00
General Reserve*				
As per last Balance Sheet	**110 00.00**		90 00.00	
Add: Transferred from Profit and Loss Account	**20 00.00**	**130 00.00**	20 00.00	110 00.00
Profit and Loss Account				
As per last Balance Sheet	**15 43.79**		19 19.62	
Add: Profit for the year	**23 61.20**		22 38.41	
	39 04.99		41 58.03	
Less: Appropriation				
General Reserve	**20 00.00**		20 00.00	
Proposed Dividend on Equity Shares	**5 28.50**		5 28.50	
Tax on Dividend	**85.74**	**12 90.75**	85.74	15 43.79
TOTAL		**199 45.03**		182 40.97

* Cumulative amount withdrawn on account of Depreciation on Revaluation is ₹ 1576.59 lakh. (Previous Year ₹ 1576.59 lakh)

Notes on Financial Statements for the Year ended 31st March, 2012

(₹ in lakh)

		As at 31st March, 2012	As at 31st March, 2011
4	**DEFERRED TAX LIABILITY (NET)**		
	Deferred Tax Liability		
	Related to fixed assets	**22 64.10**	21 09.80
	Deferred Tax Assets		
	Provision for Doubtful Debts	**2.98**	2.98
	Disallowances	**33.07**	42.47
	TOTAL	**22 28.05**	20 64.35
5	**LONG TERM PROVISIONS**		
	Provision for employee benefits	**55.05**	5.16
	TOTAL	**55.05**	5.16
6	**TRADE PAYABLES**		
	Micro, Small and Medium Enterprises @	**-**	-
	Others	**14 64.32**	20 02.75
	TOTAL	**14 64.32**	20 02.75

@ The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.

7	**OTHER CURRENT LIABILITIES**		
	Unpaid Dividend #	**75.61**	62.91
	Creditors for Capital Expenditure	**38 59.96**	-
	TOTAL	**39 35.57**	62.91

The figures do not include any amount, due and outstanding, to be credited to Investor Education and Protection Fund, except ₹ 1.18 lakh (Previous Year ₹ 0.87 lakh) which is held in abeyance due to legal cases pending.

8	**SHORT TERM PROVISIONS**		
	Provisions for employee benefits	**74.93**	2 06.73
	Proposed dividend *	**5 28.50**	5 28.50
	Tax on dividend	**85.74**	85.74
	Provision for wealth tax	**0.60**	0.64
	TOTAL	**6 89.77**	8 21.61

* Proposed dividend ₹ 3.50 per share (Previous Year ₹ 3.50 per share)

Notes on Financial Statements for the Year ended 31st March, 2012

9 FIXED ASSETS

(₹ in lakh)

	Gross Block				Depreciation				Net Block	
	As at 01-04-2011	Additions	Deductions/ Adjustments	**As at 31-03-2012**	As at 01-04-2011	For the Year	Deductions / Adjustments	**Up to 31-03-2012**	**As at 31-03-2012**	As at 31-03-2011
Tangible Assets										
Leasehold Land	34.73	1 71.44	-	**2 06.17**	25.61	0.11	-	**25.72**	**1 80.45**	9.12
Freehold Land	42.62	-	-	**42.62**	-	-	-	**-**	**42.62**	42.62
Buildings	2 32.27	-	-	**2 32.27**	1 36.20	7.58	-	**1 43.78**	**88.49**	96.07
Plant and Machinery	180 35.67	7.60	-	**180 43.27**	162 65.69	3 13.28	-	**165 78.97**	**14 64.30**	17 70.73
Construction Machinery	104 21.40	3 68.35	60.47	**107 29.28**	59 51.62*	3 37.46	45.41	**62 43.67**	**44 85.61**	44 69.04
Equipments	70.12	-	-	**70.12**	56.16	2.55	-	**58.71**	**11.41**	13.97
Furniture and Fixtures	50.36	-	-	**50.36**	44.26	1.45	-	**45.71**	**4.65**	6.10
Vehicles	1 30.66	41.48	33.67	**1 38.46**	57.56	12.85	23.36	**47.05**	**91.41**	73.08
Sub-Total	**290 17.83**	**5 88.87**	**94.14**	**295 12.55**	**225 37.10**	**6 75.28**	**68.77**	**231 43.61**	**63 68.95**	**64 80.73**
Intangible Assets										
Software	-	38 59.96	-	**38 59.96**	-	1.04	-	**1.04**	**38 58.92**	-
Sub-Total	**-**	**38 59.96**	**-**	**38 59.96**	**-**	**1.04**	**-**	**1.04**	**38 58.92**	**-**
TOTAL	**290 17.83**	**44 48.83**	**94.14**	**333 72.51**	**225 37.10**	**6 76.32**	**68.77**	**231 44.65**	**102 27.87**	**64 80.73**

9.1 Leasehold Land includes ₹ 23.44 lakh (Previous Year ₹ 23.44 lakh) in respect of which lease deed is pending execution.

9.2 Gross Block includes ₹ 5300.88 lakh being the amount added on revaluation of Plant and Machinery as at 01.04.1997. Consequent to the said revaluation there is an additional charge of depreciation of ₹ 42.90 lakh (Previous Year ₹ 54.06 lakh) and an equivalant amount has been withdrawn from Revaluation Reserve and credited to the Profit and Loss Account.

* includes provision for loss on impairment, ₹ 0.75 lakh (Previous Year ₹ 0.75 lakh),

(₹ in lakh)

		As at 31st March, 2012		As at 31st March, 2011	
10 NON-CURRENT INVESTMENTS					
Other Investments					
In Equity Shares of Associate Company -					
Quoted, fully paid up					
172,000 (172,000)	Reliance Industries Limited of ₹10/- each	**58.34**		58.34	
In Equity Shares of Associate Company -					
Unquoted, fully paid up					
11,08,500 (11,08,500)	Reliance Europe Limited of Sterling Pound 1 each	**3 93.38**		3 93.38	
In Equity Shares of Other Companies -					
Quoted, fully paid up					
4,300 (4,300)	Reliance Capital Limited of ₹ 10/- each	**1.46**		1.46	
86,000 (86,000)	Reliance Communications Limited of ₹ 5/- each	**43.42**		43.42	
6,450 (6450)	Reliance Infrastructure Limited of ₹ 10/- each	**8.19**		8.19	
21,500 (21,500)	Reliance Power Limited of ₹ 5/- each	**0.78**		0.78	
In Equity Shares of Other Companies -					
Unquoted, fully paid up					
18,000 (18,000)	Rosche Trading Private Limited of ₹ 10/- each	**1.80**		1.80	
			5 07.37		5 07.37

Notes on Financial Statements for the Year ended 31st March, 2012

(₹ in lakh)

		As at 31st March, 2012		As at 31st March, 2011	
	In Debentures - Unquoted, fully paid up				
140,000 (140,000)	Zero Coupon Unsecured Optionally Fully Convertible Debentures of Ral Investment Private Limited of ₹ 100/- each	**1 40.00**		1 40.00	
30,000 (30,000)	Zero Coupon Unsecured Optionally Fully Convertible Debentures of LPG Infrastructure (India) Limited of ₹ 100/- each	**30.00**		30.00	
			1 70.00		1 70.00
	TOTAL		**6 77.37**		6 77.37
	Long term investment are stated at cost.				
	Aggregate amount of quoted investments		**1 12.19**		1 12.19
	Market Value of quoted investments		**14 39.11**		19 92.08
	Aggregate amount of unquoted investments		**5 65.18**		5 65.18
11	**LONG-TERM LOANS AND ADVANCES**				
	(Unsecured Considered Good)				
	Capital Advances		**12.51**		-
	Other Loans and advances #		**119 48.76**		100 15.17
	TOTAL		**119 61.27**		100 15.17
	# Includes lease rent receivable of ₹ 3824.87 lakh (Previous Year ₹ 2428.98 lakh)				
12	**CURRENT INVESTMENTS**				
	Investments in mutual funds - unquoted fully paid up				
9,311,377.106 (9,924,755.293)	HDFC Liquid Fund - Premium Plan - Growth of ₹ 10/- each		**20 00.00**		19 50.00
53,394.7555 (-)	SBI Premier Liquid Fund Super Institutional - Growth of ₹ 1000/- each		**9 00.00**		-
	TOTAL		**29 00.00**		19 50.00
	Aggregate amount of unquoted investments		**29 00.00**		19 50.00
13	**INVENTORIES**				
	(At lower of cost or net realisable value)				
	Stores and Spares		**70.59**		74.99
	TOTAL		**70.59**		74.99
14	**TRADE RECEIVABLES**				
	(Unsecured)				
	Outstanding for a period exceeding six months				
	Considered Good		**-**		-
	Considered Doubtful	**9.18**		9.18	
		9.18		9.18	
	Less, Provision for doubtful debts	**9.18**		9.18	
			-		-
	Others, considered good		**17 08.89**		10 57.92
	TOTAL		**17 08.89**		10 57.92
15	**CASH AND CASH EQUIVALENTS**				
	Balance with Banks		**2 40.34**		2 22.33
	Fixed deposits with banks		**2.50**		2.50
	TOTAL		**2 42.84**		2 24.83

15.1 Balance with banks include ₹ 75.61 lakh (Previous Year ₹ 62.91 lakh) earmarked for dividend payment.

Notes on Financial Statements for the Year ended 31st March, 2012

(₹ in lakh)

	As at 31st March, 2012	As at 31st March, 2011
16 SHORT-TERM LOANS AND ADVANCES		
(Unsecured Considered Good)		
Advance Income Tax (Net of Provision)	**4 30.07**	6 42.28
Balance with Customs, Central Excise Authorities	**72.58**	3 12.56
Others #	**15 36.31**	31 00.46
TOTAL	**20 38.96**	40 55.30

Includes primarily Interest Receivable, lease receivables and advance to sundry creditors.

(₹ in lakh)

	2011-12	2010-11
17 REVENUE FROM OPERATIONS		
Sale of services	**66 47.37**	60 45.83
Less: Service tax recovered	**5 13.08**	4 43.79
TOTAL	**61 34.29**	56 02.04
17.1 DETAILS OF SERVICES RENDERED		
Product transportation services	**18 25.59**	18 26.08
Hiring of equipments	**26 40.50**	22 92.19
Others	**16 68.20**	14 83.78
TOTAL	**61 34.29**	56 02.05
18 OTHER INCOME		
Interest Income	**6 84.18**	7 66.17
Dividend Income	**14.93**	13.51
Net gain on sale of current investments	**1 87.05**	90.13
Profit on sale of fixed assets (Net)	**-**	5 57.14
Other non operating income	**4.41**	30.82
TOTAL	**8 90.57**	14 57.77
19 EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	**10 23.37**	10 17.23
Contribution to provident and other funds	**72.89**	1 23.27
Staff welfare expenses	**62.92**	43.38
TOTAL	**11 59.18**	11 83.88

19.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

A. Defined Contribution Plans (₹ in lakh)

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

	2011-12	2010-11
Employer's Contribution to Provident Fund	**35.89**	30.93
Employer's Contribution to Superannuation Fund	**4.78**	2.17
Employer's Contribution to Pension Scheme	**7.69**	7.98

B. Defined Benefit Plan

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

Notes on Financial Statements for the Year ended 31st March, 2012

a) Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in lakh)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2011-12	2010-11	**2011-12**	2010-11
Defined Benefit Obligation at the beginning of the year	**1 89.99**	1 07.99	**1 30.92**	2 35.25
Current Service Cost	**13.26**	11.70	**-**	8.80
Interest Cost	**16.15**	8.70	**-**	7.16
Actuarial (gain)/loss	**4.44**	66.68	**96.76**	1 76.75
Benefits paid	**-**	(5.08)	**(1 25.76)**	(2 97.04)
Defined Benefit Obligation at the year end	**2 23.84**	1 89.99	**1 01.92**	1 30.92

b) Reconciliation of opening and closing balances of fair value of plan assets

	Gratuity (Funded)	
	2011-12	2010-11
Fair Value of Plan Assets at the beginning of the year	**1 11.90**	99.70
Expected return on plan assets	**12.79**	8.36
Actuarial (gain)/loss	**1.50**	0.63
Employer contribution	**77.24**	8.28
Benefits paid	**-**	(5.08)
Fair Value of Plan Assets at year end	**2 03.43**	1 11.90
Actual return on plan assets		

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	As at 31st March		As at 31st March	
c) Reconciliation of fair value of assets and obligations	**2012**	2011	**2012**	2011
Fair value of plan assets	**2 03.43**	1 11.90	**-**	-
Present value of obligation	**2 23.84**	1 89.99	**1 01.92**	1 30.92
Amount recognised in Balance Sheet	**20.41**	78.09	**1 01.92**	1 30.92

	Gratuity (Funded)		Leave Encashment (Unfunded)	
d) Expense recognised during the year	**2011-12**	2010-11	**2011-12**	2010-11
Current Service Cost	**13.26**	11.70	**-**	8.80
Interest Costs	**16.15**	8.70	**-**	7.16
Expected return on plan assets	**(12.79)**	(8.36)	**-**	-
Actuarial (gain)/loss	**2.94**	66.05	**96.76**	1 76.75
Net Cost	**19.56**	78.09	**96.76**	1 92.71

e) Details of Investments for employees' gratuity fund scheme managed by a Life Insurance Corporation of India are not available with the Company.

f) Actuarial assumptions	**2011-12**	2010-11	**2011-12**	2010-11
Mortality table (LIC)	**1994 - 96**	1994 - 96	**1994 - 96**	1994 - 96
	(Ultimate)	(Ultimate)	**(Ultimate)**	(Ultimate)
Discount rate (per annum)	**8.50%**	8.25%	**8.50%**	8.25%
Expected rate of return on plan assets (per annum)	**8.50%**	8.25%	**NA**	NA
Rate of Escalation in Salary (per annum)	**6.00%**	6.00%	**6.00%**	6.00%

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

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

Notes on Financial Statements for the Year ended 31st March, 2012

(₹ in lakh)

20 DEPRECIATION AND AMORTISATION EXPENSE		**2011-12**		2010-11
Depreciation		**6 76.32**		6 24.53
Less: Transferred from revaluation reserve (Refer Note No. 9.2)		**42.90**		54.06
TOTAL		**6 33.42**		5 70.47
21 OTHER EXPENSES				
Stores and Spares Consumed		**78.92**		1 46.51
Repairs and Maintenance				
- Plant and Machinery	**23.15**		39.40	
- Buildings	**0.25**		0.18	
- Others	**37.33**	**60.73**	28.34	67.92
Operating Expenses		**11 18.64**		18 02.07
Electric Power		**3.02**		2.37
Rent		**3 21.14**		3 06.69
Rates and Taxes		**85.01**		55.75
Insurance Charges		**70.72**		56.67
Professional Fees		**1 80.13**		1 75.52
Travelling and Conveyance		**45.00**		36.59
Loss on Sale of Fixed Assets (Net)		**9.71**		-
Miscellaneous Expenses		**92.80**		1 13.02
		20 65.82		27 63.11
Payment to Auditors				
- Statutory Audit Fees	**9.00**		7.50	
- Tax Audit Fees	**2.50**		2.50	
- Certification and Consultation Fees	**1.00**		1.00	
		12.50		11.00
TOTAL		**20 78.32**		27 74.11

21.1 VALUE OF STORES AND SPARES CONSUMED

	2011-12		2010-11	
	(₹ in lakh)	**% of total Consumption**	(₹ in lakh)	% of total Consumption
Imported	**3.16**	**4.00**	6.31	4.31
Indigenous	**75.76**	**96.00**	1 40.20	95.69
	78.92	**100.00**	1 46.51	100.00

(₹ in lakh)

21.2 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF	**2011-12**	2010-11
Capital goods	**40 52.99**	-
22 EARNINGS PER SHARE (EPS)	**2011-12**	2010-11
(i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in lakh)	**23 61.20**	22 38.41
(ii) Weighted Average of number of equity shares used as denominator for calculating EPS	**15,100,000**	15,100,000
(iii) Basic and Diluted Earnings per share (₹)	**15.64**	14.82
(iv) Face value per equity share (₹)	**10.00**	10.00

23 SEGMENT INFORMATION

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

Notes on Financial Statements for the Year ended 31st March, 2012

24 RELATED PARTY DISCLOSURE

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

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

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

(ii) Transaction during the year with related parties

(₹ in lakh)

Sr. No	Nature of Transactions (Excluding reimbursements)	Associate	Key Managerial Personnel	Total
(A)	Income from Operations	**42 82.78**	**-**	**42 82.78**
		30 30.88	-	*30 30.88*
(B)	Sale of Assets	**10.48**	**-**	**10.48**
		-	-	-
(C)	Other Income			
	Dividend from Long Term Investments	**13.76**	**-**	**13.76**
		12.04	-	*12.04*
(D)	Expenditure			
	Payment to Key Managerial Personnel	**-**	**17.97**	**17.97**
		-	*28.32*	*28.32*
Balance as at 31st March 2012				
(E)	Investments	**58.34**	**-**	**58.34**
		58.34	-	*58.34*
(F)	Trade receivables	**10 41.09**	**-**	**10 41.09**
		8 12.23	-	*8 12.23*
(G)	Loans and advances	**62.23**	**-**	**62.23**
		-	-	-

Note:

Figures in italics represents Previous Year's amounts.

Notes on Financial Statements for the Year ended 31st March, 2012

25 FINANCE LEASE DISCLOSURES

(i) Assets given on finance lease :

(₹ in lakh)

	Total		Within one year		Later than one year and not later than five years		Later than five years	
	2011-12	2010-11	**2011-12**	2010-11	**2011-12**	2010-11	**2011-12**	2010-11
Gross Investment	**58 33.56**	46 55.91	**12 39.31**	25 62.55	**45 94.25**	20 93.36	-	-
Less, Unearned finance income	**11 96.53**	4 21.59	**4 27.15**	1 33.57	**7 69.38**	2 88.02	-	-
Present value of minimum lease Rental	**46 37.03**	42 34.32	**8 12.16**	24 28.98	**38 24.87**	18 05.34	-	-

(ii) General description of lease terms :

a) Assets are generally given on lease for the period of five years.

b) Lease rentals are charged on the basis of agreed rate of interest.

26 EXPENDITURE IN FOREIGN CURRENCY

(₹ in lakh)

	2011-12	2010-11
i) Travelling Expenses	**4.62**	27.84
ii) Other Matters	**0.31**	0.01

27 Income tax assessments of the Company have been completed up to Assessment Year 2009-2010. The total demand raised by the Income Tax department up to the said assessment year is ₹ 138.08 lakh (Previous Year ₹ 148.85 lakh). Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

28 Estimated amount of contracts remaining to be executed on capital account is ₹ 419.05 lakh (Previous Year ₹ 59.06 lakh) and not provided for (net of advances).

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

Amit Chaturvedi
Partner

Mumbai
Dated : **14th April, 2012**

For and on behalf of the Board

Mahesh K. Kamdar — *Chairman*

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

Dilip V. Dherai — *Executive Director*

N. Shanker — *Company Secretary and Compliance Officer*

Reliance
Industrial Infrastructure
Limited

ATTENDANCE SLIP

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

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

DP. Id*		Master Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **24th Annual General Meeting** of the Company held on Thursday, 5th July, 2012 at 11.00 a.m. at 4th Floor, Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai - 400 020.

*Applicable for investors holding shares in electronic form

Signature of Shareholder / Proxy

Reliance
Industrial Infrastructure
Limited

PROXY FORM

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

DP. Id*		Master Folio No.	
Client Id*			

I / We .....
of ..... being
a member / members of Reliance Industrial Infrastructure Limited hereby appoint .....
of ..... or failing him .....
of.....
as my / our proxy to vote for me / us and on my / our behalf at the **24th Annual General Meeting** of the Company to be held on Thursday, 5th July, 2012 at 11.00 a.m. and at any adjournment thereof.

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

Resolutions	**For**	**Against**
1. Adoption of Accounts, Reports of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		
3. Re-appointment of Shri Mahesh K. Kamdar, Director retiring by rotation		
4. Appointment of Auditors		

Signed this _____ day of _____ 2012.

* Applicable for investors holding shares in electronic form
Please see the instructions overleaf.

Signature

Affix
15 paise
Revenue
Stamp

NOTE : (1) **The Proxy, to be valid, should be deposited at the Registered Office of the Company at NKM International House, 5th Floor, 178, Backbay Reclamation, Behind LIC Yogakshema Building, Babubhai Chinai Road, Mumbai - 400 020 not less than forty-eight hours before the time fixed for holding the meeting or adjourned meeting.**

(2) **A Proxy need not be a Member of the Company.**

** (3) This is only optional. Please put a `X' in the appropriate column against the resolutions indicated in the Box. If you leave the `For' or `Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he thinks appropriate. Should you so desire, you may also appoint the Chairman or the Company Secretary of the Company as your Proxy, who shall carry out your mandate as indicated above in the event of a poll being demanded at the meeting.

(4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

(5) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

Orient Press Ltd.