

RELIANCE Communications

Anil Dhirubhai Ambani Group

Annual Report
2008-09





Dhirubhai H. Ambani

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

Reliance Group – Founder and Visionary

Profile

Reliance Communications Limited is the flagship Company of Reliance Anil Dhirubhai Ambani Group, India's third largest business house.

Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company, with a customer base of over 85 million including over 2.2 million individual overseas retail customers, ranks among the Top 5 Telecom companies in the world by number of customers in a single country. Reliance Communications corporate clientele includes 2,100 Indian and multinational corporations, and over 800 global, regional and domestic carriers.

Reliance Communications has established a pan-India, next generation, integrated (wireless and wireline), convergent (voice, data and video) digital network that is capable of supporting best-of-class services spanning the entire communications value chain, covering over 24,000 towns and 600,000 villages.

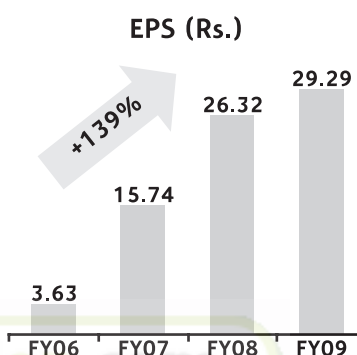
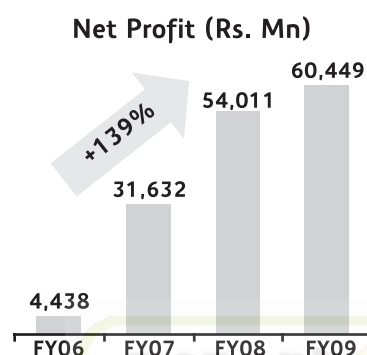
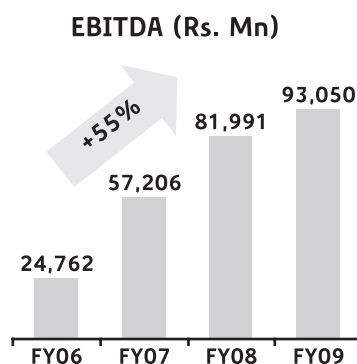
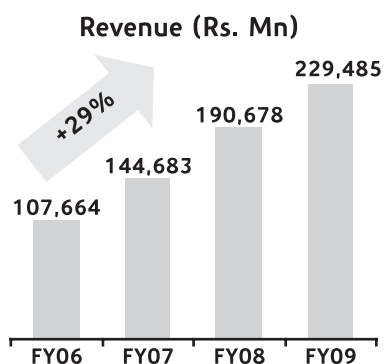
Reliance Communications owns and operates the world's largest next generation IP enabled connectivity infrastructure, comprising over 277,000 kilometers of fibre optic cable systems in India, USA, Europe, Middle East and the Asia Pacific region.

Mission: Excellence in Communication Arena

- To attain global best practices and become a world-class communication service provider – guided by its purpose to move towards greater degree of sophistication and maturity.
- To work with vigour, dedication and innovation to achieve excellence in service, quality, reliability, safety and customer care as the ultimate goal.
- To earn the trust and confidence of all stakeholders, exceeding their expectations and make the Company a respected household name.
- To consistently achieve high growth with the highest levels of productivity.
- To be a technology driven, efficient and financially sound organisation.
- To contribute towards community development and nation building.
- To be a responsible corporate citizen nurturing human values and concern for society, the environment and above all, the people.
- To promote a work culture that fosters individual growth, team spirit and creativity to overcome challenges and attain goals.
- To encourage ideas, talent and value systems.
- To uphold the guiding principles of trust, integrity and transparency in all aspects of interactions and dealings.

Reliance Communications Limited

Highlights - at a glance (annualised*)



* compounded annual growth rate

Business Mix

Wireless

- Mobile (CDMA & GSM)
- VAS (Mobile World)
- Wireless Data
- Fixed Wireless
- Public Access Business

Telecom Infrastructure

- Multi tenancy towers
- Pan-India coverage
- Backhaul
- Support systems

Globalcom

- Submarine cable
- Ethernet Data services
- Global Managed Network Services
- Long Distance (NLD/ILD)
- Global Call

RELIANCE Communications

Anil Dhirubhai Ambani Group

Enterprise

- Internet Data Center
- Broadband
- Leased Line
- Office Centrex
- MPLS & VPN
- WiMax

Home

- DTH
- IPTV

Other businesses

Tech Serives

- Leveraging Internal IT Development Capabilities

BPO

- Expertise in Telecom BFSI, Utilities & Media

Retail

- Reliance World
- Reliance Mobile Store

Board of Directors

Shri Anil D. Ambani – Chairman
 Prof. J. Ramachandran
 Shri S. P. Talwar
 Shri Deepak Shourie
 Shri A. K. Purwar

President, Company Secretary and Manager

Shri Hasit Shukla

Auditors

M/s. Chaturvedi & Shah
 M/s. B S R & Co.

Registered Office

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

Registrar and Transfer Agent

Karvy Computershare Private Limited
 Plot No. 17-24, Vittal Rao Nagar
 Madhapur, Hyderabad 500 081
 Andhra Pradesh, India
 website : www.karvy.com

Investor Helpdesk

Toll free no. (India) : 1800 4250 999
Telephone no.: +91 40 2342 0815 - 25
Fax : +91 40 2342 0859
Email : rcom@karvy.com

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

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**Fifth Annual General Meeting on Tuesday, September 22, 2009 at 11.00 a.m.
 at Birla Matushri Sabhaagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020**

The Annual Report can be accessed at www.rcom.co.in



**"We are not just about scale and size
we are also about the pursuit of excellence,
the integrity of our values and the quality of our services."**

– Anil D. Ambani

My dear fellow Shareowners,

Reliance Communications has had yet another year of remarkable performance despite the financial headwinds and the slowdown in the economy.

The global financial crisis had a significant impact on the economic environment across all industry sectors and markets. These conditions put pressure on the spending plans of corporate and individual customers and also impacted the availability of credit. Raising resources and maintaining high growth was thus a significant challenge to telecom companies.

It is therefore commendable that the year saw us making important strides forward in our mission to become one of the world's leading integrated service providers across the entire value chain of telecom businesses.

We maintained strong growth in our existing businesses. We also launched several initiatives, adding new and substantial lines of revenue. This helped us to drive leadership across the entire spectrum of our operations in India and around the world. In addition, as in the past few years, we have made a conscious and concerted effort to align our people, processes and technological initiatives more closely with our business strategy, thereby giving ourselves the best chance to capture emerging opportunities in the sector.

Reliance Communications is now one of the fastest growing telecom companies in the world and also one of India's most valuable and trusted service brands.

Performance review

You will be happy to note that our Company had posted encouraging financial results and operational performance during the year.

The key highlights on consolidated basis are:

- Total income of Rs. 22,948 crore (US\$ 4,525 million), as against Rs. 19,068 crore (US\$ 4,765 million) in the previous financial year, an increase of 20.34%.
- Cash Profit of Rs. 9,856 crore (US\$ 1,943 million), against Rs. 9,598 crore (US\$ 2,398 million) in the corresponding period last year.
- Net profit of Rs. 6,045 crore (US\$ 1,192 million), against Rs. 5,401 crore (US\$ 1,350 million) in the previous financial year.
- Cash Earnings Per Share (Cash EPS) of Rs. 47.75 (US\$ 0.94), against Rs. 46.77 (US\$ 1.17) in the previous year and Earnings Per Share (EPS) of Rs. 29.29 (basic) (US\$ 0.58), against Rs. 26.32 (basic) (US\$ 0.66) in the previous year.
- Net Worth of Rs. 37,059 crore (US\$ 7,306 million), keeping Reliance Communications amongst the top Indian private sector companies.

Growth platform

Reliance Communications operates across the full spectrum of wireless, wireline, and long distance services that carry voice, data, video and internet communication across the globe. This is supported by our extensive network infrastructure.

- Our customer base exceeds 85 million (including over 2.2 million overseas retail customers).
- We rank among the top five telecom companies in the world, by number of customers in a single country.
- We are the only Indian company to offer nationwide dual technology wireless services based on CDMA and Next Generation GSM platforms.
- We have the largest portfolio of multi-tenancy towers offering integrated solutions.
- We operate the world's largest submarine cable network with a presence in sixty countries.
- We are a one-stop-shop across the entire range of enterprise connectivity solutions.
- We are the only Indian DTH operator to provide services in 6,500 towns.

Restructuring of business

We, at Reliance Communications, are alive to the needs of changing industry trends and economic environment. Our vertical businesses are being restructured and realigned to make them meet the requirements of enterprise and individual customers. The demerger of the Optic Fiber Network to Reliance Infratel, the telecom infrastructure subsidiary of Reliance Communications, will enhance our value proposition in the telecom infrastructure segment and, at the same time, create a simple and transparent structure.

Each of the businesses operated by the Company, either by itself or through subsidiaries, affiliate companies or strategic investments in other companies, is poised at the cusp of significant opportunities for growth.

Wireless

Our wireless business constitutes both mobile and fixed wireless operations. We are among India's top two operators with over 79.6 million wireless subscribers across a most comprehensive portfolio of services, including mobile, PCO, fixed wireless and data card segments. During the year, we saw substantial minutes' growth on our network, which operates one of the highest Minutes of Usage in the industry at 830 million minutes a day.

We delivered the highest wireless subscriber acquisition in the world at 5 million in the first month of our GSM launch. Following the launch of our nationwide GSM network, we have captured more than 25% share of net additions in a market that already has seven to eight telecom operators on a network that extends seamless coverage to over 1 billion Indians across 24,000 towns and 600,000 villages.

Underlying this rapid subscriber acquisition is the strength of our brand and the trust our customers bestow on us. Reliance Mobile has been independently rated as India's most trusted service brand by India's leading financial daily, *The Economics Times*, in its annual Brand Equity survey, which we believe is a strong testament to our competitiveness and leadership.

Letter to Shareowners

In line with our stated objective of profitable growth, our margins in the Wireless business remained amongst the highest in the industry at 37%. This was despite the significant capital expenditure committed to the business over the last two years. With the unique advantages available to our business, we are now at the forefront of the next wave of growth in the Indian mobile services market.

Reliance Globalcom

Reliance Globalcom offers a diverse portfolio of global communication services focused on carrier, enterprise, and retail customers globally. Reliance Globalcom is positioned to participate in the substantial growth opportunities generated by the increased usage of telephony globally as distances shrink and people of the world collaborate closely for work and for pleasure.

We offer our services under four core business segments of Voice, Data, WiMax, and National Long Distance (NLD).

Voice

In the Global Voice segment, Reliance Global Call offers retail customers in the US, Canada, UK, Australia, New Zealand, Hong Kong and Malaysia, calling services to over 200 countries across the globe. Reliance Passport offers single-SIM-based services across 110 countries with free incoming calls in 57 countries.

We have a market share of 30% of the International Long Distance (ILD) wholesale inbound traffic, and over 2 million customers for our Reliance Global Call service. Usage of Reliance Global Call accounts for 40% of total retail market calls from the United States to India.

Data

Following the acquisitions of Yipes Holdings and VANCO Group, Reliance Globalcom has made a significant transition from being a bandwidth provider to being a managed services company offering the full range of solutions to global enterprises and telecom carriers. We have unmatched capabilities with a presence in over 60 countries, the world's largest IP optical network, a leadership in Global Ethernet and MPLS VPN, a diverse base of blue-chip customers including over 200 carriers, ISPs and content providers, and over 1,200 leading enterprises. We are already a top five global network services provider, and our vision is to create one of the top five global data communication enterprises in the world.

National Long Distance (NLD)

Reliance Communications is the most preferred private NLD carriage provider in India. We are the carrier of carriers. Leveraging the opportunity to monetize our nationwide NLD assets, we have also forayed into bandwidth and telecommunications infrastructure segments. We are targeting a substantial revenue share of this Rs. 5,000 crore market over the next two years driven by the launch of new wireless services and technologies.

Enterprise Broadband

We offer the most comprehensive range of office telephone solutions, data networking, Internet and IT infrastructure services to premier global and Indian companies, addressing their telecom, connectivity, and automation requirements. Over 900 of the top 1,000 companies in India are our customers.

We continue to increase our share of wallet from existing relationships and new acquisitions, leading to growing repeat business and a strong new order book position. We have more than 50% market share in highest growth data products like Centrex solutions and VPN. We have by far the largest Internet Data Center (IDC) capacity in India with more than 60% market share across six data centers.

Telecom Infrastructure

We have added 35,000 towers over the last two years to expand our portfolio to 48,000 towers. We expect the demand for passive telecom infrastructure to more than double in the next couple of

years and are best-positioned to expand our customer base on the back of the largest supply base of plug-and-play telecom infrastructure for our internal network expansion as well as for other new operators who are launching their wireless services in the country.

Reliance Communications provides integrated solutions including towers, radio electronics, network connectivity, long distance transport, BPO services, data hosting and IT solutions to its customers, creating an additional and profitable revenue opportunity for us.

Recently, we have signed a long-term, infrastructure sharing agreement with new wireless operator Etisalat DB valued at over Rs. 10,000 crore.

Home

Our Home business currently comprises Direct to Home (DTH) services targeting one of the largest and fastest growing markets for pay television services in the world.

We launched our DTH services "Reliance BIG TV" in August 2008 and thereafter acquired 1 million subscribers within 90 days of launch, the fastest ramp-up ever achieved by any DTH operator in the world.

Reliance Big TV offers its 1.7 million customers DVD quality pictures across a bouquet of over 200 channels using the latest, state-of-the-art MPEG 4 technology. Our on-demand channels operate like a virtual mega multiplex, simultaneously bringing over 30 movies to viewers.

We are looking to expand our portfolio in this space, to soon offer high definition (HD) television content to customers apart from launching premium IPTV services in select cities.

Way Forward

Last year, we made several new beginnings. We have created substantial new revenue opportunities by leveraging existing investments. These initiatives will provide a sustained, positive contribution to our business operations, financial performance and organisational strength over several years. As we expanded our operating base, we maintained profitability, and as we expand further, our key focus remains on 'Profitable Growth'.

Corporate Governance

Our Company is a proud member of the Reliance Anil Dhirubhai Ambani Group. As such, we have adopted the Group's Corporate Governance Practices and Code of Conduct. These guidelines prescribe a set of systems, processes, and principles that conform to the best global standards, and are aimed at promoting the interests of all our stakeholders.

Social Commitment

We have undertaken several important initiatives and measures in the area of education and healthcare, signifying our continued and long-standing commitment to social and community welfare.

Our Commitment

We continue to draw inspiration and guidance from the vision of our legendary founder, Shri Dhirubhai Ambani. It was one of Dhirubhai's great ambitions in life to see the creation of a world class convergent telecom company in India.

Reliance Communications is today realising that ambition by bringing the latest telecom technology within easy reach of millions of Indian and foreign consumers at a price that would have done Dhirubhai proud.



Anil D. Ambani
Chairman

Reliance Communications Limited

Notice

Notice is hereby given that the fifth Annual General Meeting of the Members of **Reliance Communications Limited** will be held on Tuesday, the 22nd day of September, 2009 at 11.00 a.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, to transact the following business:

Ordinary Business:

1. To consider and adopt the audited Balance Sheet as at 31st March, 2009, Profit and Loss Account for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To confirm payment of interim dividend as final dividend on equity shares declared by the Board of Directors.
3. To appoint a Director in place of Shri S. P. Talwar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT M/s. Chaturvedi & Shah, Chartered Accountants and M/s. B S R & Co., Chartered Accountants, be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors."

By Order of the Board of Directors

Hasit Shukla
President and Company Secretary

Registered Office:
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
8th August, 2009

Notes

1. **A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll, instead of herself/himself and the proxy need not be a Member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.**
2. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Meeting.
3. Members/proxies should fill-in the attendance slip for attending the Meeting.
4. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote.
5. Members who hold shares in electronic form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting. Members are requested to bring their Attendance Slip alongwith their copy of the annual report to the Meeting.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturday between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting. The certificate from the Auditors of the Company in terms of the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 for the Company's ESOS Plans will be available for inspection at the Meeting.
7. The Company has notified closure of Register of Members and Transfer Books thereof from Friday, the 18th September, 2009 to Tuesday, the 22nd September, 2009 (both days inclusive) as per Section 154 of the Companies Act, 1956.
8. Re-appointment of Director: At the ensuing Annual General Meeting, Shri S. P. Talwar, Director retires by rotation and being eligible, offers himself for reappointment. The details pertaining to Shri S. P. Talwar as required to be provided pursuant to Clause 49 of the listing agreement are furnished in the Corporate Governance Report forming part of this Annual Report.
9. Members are advised to refer to the section titled "Investor Information" provided in this Annual Report.
10. Pursuant to Circular No. SEBI/CFD/DIL/LA/2/2007/26/4 dated 26th April, 2007, issued by the Securities and Exchange Board of India, the statement containing the salient features of Balance sheet, profit and loss account and auditors report (Abridged Financial Statements), is sent to the members, along with the Abridged Consolidated Financial Statements. Any member interested in obtaining a copy of the full Annual Report may write to the Registrar and Transfer Agent of the Company.

Directors' Report

Dear Shareowners,

Your Directors have pleasure in presenting the fifth Annual Report and the audited accounts for the financial year ended 31st March, 2009.

Financial Results

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

| Particulars | Financial Year ended 31st March, 2009 | | * Financial Year ended 31st March, 2008 | |
|---|--|-------------------|--|-------------------|
| | (Rs. in crore) | US\$ in million** | (Rs. in crore) | US\$ in million** |
| Total income | 13,694.66 | 2,700.05 | 13,426.65 | 3,354.99 |
| Gross profit before depreciation, amortisation and exceptional items | 3,288.75 | 648.41 | 4,463.92 | 1,115.42 |
| Less: | | | | |
| a. Depreciation and amortisation | 1,933.51 | 381.21 | 1,843.66 | 460.68 |
| b. Exceptional items and other adjustments | (3,459.83) | (682.14) | 16.17 | 4.04 |
| Profit before tax | 4,815.07 | 949.34 | 2,604.09 | 650.70 |
| Less: Provision for: | | | | |
| Current tax | — | — | 2.10 | 0.52 |
| Fringe benefit tax | 12.40 | 2.44 | 15.54 | 3.88 |
| Profit after tax | 4,802.67 | 946.90 | 2,586.45 | 646.29 |
| Add : Balance brought forward from previous year | 4,300.24 | 847.84 | 2,294.90 | 573.44 |
| Profit available for appropriation | 9,102.91 | 1,794.74 | 4,881.35 | 1,219.73 |
| Appropriations: | | | | |
| Proposed Dividend on equity shares | — | — | 154.80 | 38.68 |
| Interim Dividend paid on equity shares | 165.12 | 32.56 | — | — |
| Dividend Tax | 28.06 | 5.53 | 26.31 | 6.57 |
| Transfer to General Reserve | 8,400.00 | 1,656.15 | 400.00 | 99.95 |
| Transfer to Debenture | | | | |
| Redemption Reserve | 6.98 | 1.38 | — | — |
| Balance carried to Balance Sheet | 502.75 | 99.12 | 4,300.24 | 1,074.52 |

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

** Exchange Rate Rs. 50.72 = US\$ 1 as on 31st March, 2009 (Rs.40.02= US\$1 as on 31st March, 2008).

Financial Performance

During the year under review, your Company has earned total income of Rs. 13,694.66 crore against Rs.13,426.65 crore in the previous year. The Company earned net profit of Rs. 4,802.67 crore compared to Rs. 2,586.45 crore in the previous year.

Dividend

Your Directors at their meeting held on 31st July, 2009 had declared an interim dividend of Re. 0.80 (16%) per equity share each of Rs. 5 for the financial year ended 31st March, 2009 [Previous year Re.0.75 per equity share (15%)] and paid to all eligible equity shareholders of the Company on 6th August, 2009. Your Directors have decided to treat the interim dividend as final dividend.

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

Management Discussion and Analysis

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

The Company has entered into various contracts in the areas of telecom and value added service businesses. While benefits from such contracts will accrue in the future years, their progress is periodically reviewed.

Business Operations

The Company operates on a pan-India basis and offers the full value chain of wireless, wireline, national long distance, international, voice, data, video, Direct-To-Home (DTH) and internet based communications services under various business units organised into three strategic customer-facing business units; Wireless, Global and Broadband. These strategic business units are supported by passive infrastructure connected to nationwide backbone of Optic Fibre Network fully integrated network operation system and by the largest retail distribution and customer services facilities. The Company also owns through its subsidiaries, a global submarine cable network infrastructure, managed services and managed Ethernet and application delivery services.

During the year under review, the Company had launched GSM services in 14 service areas. The Company had received start-up spectrum to launch GSM services from Department of Telecommunications (DoT) under its existing Unified Access Service License (UASL) in 14 service areas. DoT had also made necessary amendments to UASL of Reliance Telecom Limited (RTL), a wholly owned subsidiary of the Company to enable RTL to offer CDMA services in Assam and North East Service Area in addition to existing GSM services and made allotment of start up spectrum to RTL for providing CDMA services in Assam and North East.

During the year under review, Reliance Big TV Limited, a wholly owned subsidiary of the Company launched fully Digital Home Entertainment Direct To Home (DTH) Service on the most advanced MPEG 4 DTH Platform. Reliance Big TV Limited currently has 1.7 million subscribers, about 12% of the DTH market in India within a short span of launch.

Schemes of Arrangement

(a) Scheme of Arrangement with Reliance Infratel Limited

In terms of the Scheme of Arrangement between the Company and Reliance Infratel Limited (RITL), a subsidiary of the Company and their respective shareholders and creditors, the demerger of Optic Fiber Undertaking of the Company in favour of RITL was sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated 18th July, 2009. The detailed order from the Hon'ble High Court of Judicature at Bombay is awaited. The appointed date was 1st April, 2008.

(b) Scheme of Amalgamation with Reliance Gateway Net Limited

Reliance Gateway Net Limited (RGNL), a wholly owned subsidiary of the Company amalgamated with the Company in terms of the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated 3rd July, 2009. RGNL stand amalgamated with the Company effective from 13th July, 2009. The appointed date was 31st March, 2009.

Issue of Securities

During the year under review, the Company had issued 3,000, 11.20%, Secured Redeemable Non-Convertible Debentures (NCDs) aggregating to Rs.3,000 crore on Private Placement basis to Life Insurance Corporation of India. The NCDs are redeemable

at the end of the 10th year from the date of allotment. The said NCDs are listed on the WDM Segment of the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

The funds raised have been deployed for ongoing projects and the general corporate purposes of the Company and its subsidiaries.

Repurchase of Foreign Currency Convertible Bonds (FCCBs)

In terms of approval received from Reserve Bank of India, the Company had repurchased 350 Zero Coupon FCCBs each of US \$ 1,00,000 aggregating Rs.169.99 crore approx. (US \$ 35 Million) at a discount during the year under review. In the current financial year, the Company has also repurchased and cancelled 297 Zero Coupon FCCBs each of US \$ 1,00,000 at a discount.

The outstanding FCCBs issued by the Company, if converted into the Equity Shares of the Company, would result in increase to the paid up Equity Share Capital of the Company by 8.91 crore Equity Shares each of Rs.5/-.

Subsidiary Companies

During the year under review, Reliance Vanco Group Limited and its subsidiaries, Reliance WiMax World Limited and Gateway Net Trading Pte. Limited became the subsidiaries of the Company.

FLAG Telecom France Network SAS, FLAG Telecom France Services EURL, FLAG Telecom Korea Limited and FLAG Telecom Espana SA ceased to be subsidiaries of the Company, during the year.

In terms of the approval granted by the Central Government under Section 212(8) of the Companies Act, 1956, copies of the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and Auditors of the subsidiaries have not been attached with the Balance Sheet of the Company. However, these documents will be made available upon request by any member of the Company. As directed by the Central Government, the financial data of the subsidiaries have been furnished under 'Financial Information of Subsidiary Companies', which forms part of the Annual Report. The annual accounts of the Company including that of subsidiaries will be kept for inspection by any member. Further, pursuant to Accounting Standard (AS-21) prescribed under Companies (Accounting Standards) Rules, 2006, Consolidated Financial Statements presented by the Company include financial information of subsidiaries.

Employee Stock Option Scheme

The ESOS Compensation Committee of the Board of Directors of the Company on 16th January, 2009 had approved grant of 1,32,17,975 Options, exercisable into equal number of fully paid up equity shares of the Company to the eligible employees of the Company, its subsidiaries and holding Company based on specified criteria under "Employees Stock Option Scheme" (ESOS) and the ESOS Plan 2009. In order to be eligible under the ESOS Plan 2009, employees were required to confirm the surrender of Options to which they were entitled to under the Employees Stock Options Plan 2008 (Plan 2008). Consequently, the aggregate number of Options under Plan 2008 and the Plan 2009 shall not exceed 1,32,17,975 Options.