

ReLIANCE

Infrastructure

Annual Report 2013-14



Dhirubhai H. Ambani

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

Reliance Group – Founder and Visionary

Profile

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

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

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

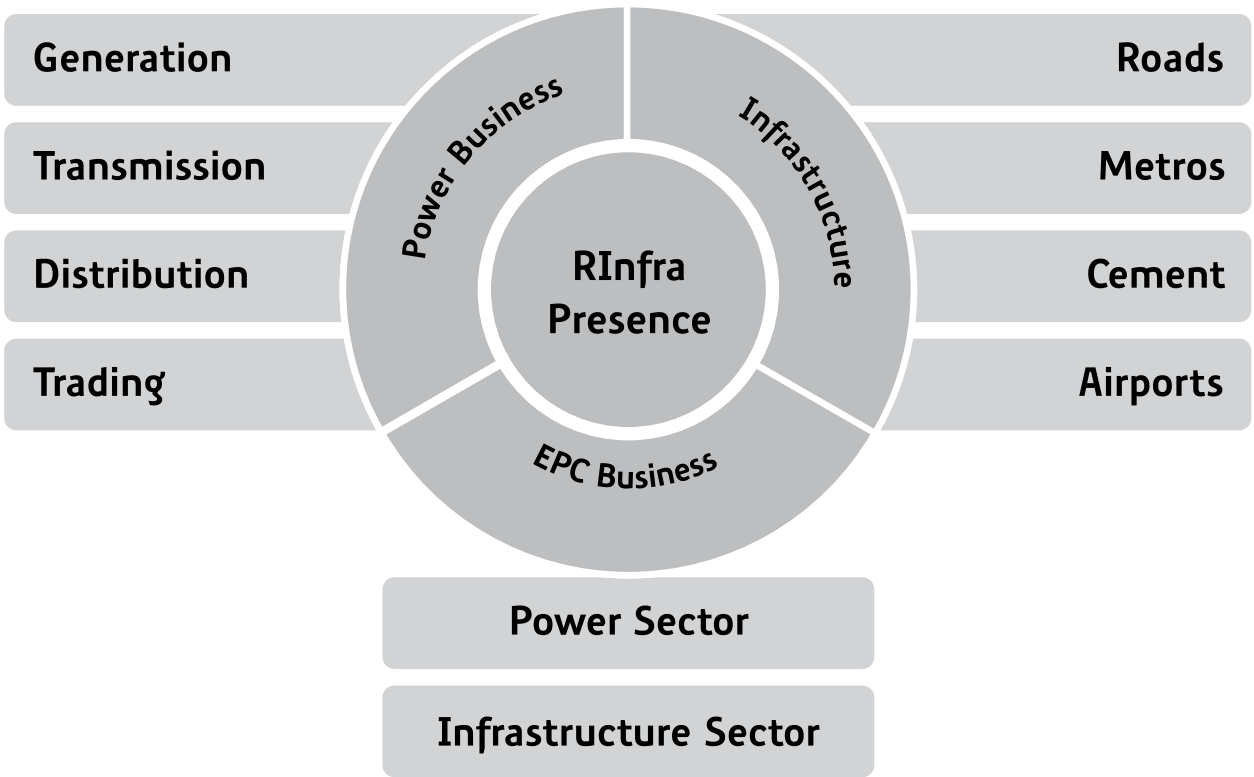
RInfra along with its wholly owned subsidiary company owns and operates five power stations with aggregate generating capacity of 941 MW and distributes more than 27 billion units of electricity to over 6 million consumers in India's two premier cities, Mumbai and Delhi. RInfra subsidiary companies have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

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

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

Mission: Excellence in Infrastructure

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



Board of Directors

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

Chief Executive Officer

Shri M S Mehta

Company Secretary and Manager

Shri Ramesh Shenoy

Auditors

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

Registered Office

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

Registrar and Transfer Agent

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

Investor Helpdesk

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

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

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



My dear fellow Shareowners

It gives me great pleasure to share with you the highlights of our Company's performance during the year 2013-14.

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

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

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

Performance review:

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

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

Power Generation, Transmission and Distribution:

Power Generation

The Company generates power from its power stations, being operated on its own or through a subsidiary company, in Maharashtra, Goa, Andhra Pradesh, Kerala and Karnataka with aggregate capacity of 941 MW. The Dahanu Thermal Power Station (DTPS) in Maharashtra has set the highest benchmarks among Indian and global power plants on various operational norms. The power station has the unique distinction of achieving more than 100 per cent Plant Load Factor (PLF) for nine years since inception. It has been continuously demonstrating

excellent plant parameters such as lowest heat rate, auxiliary power consumption, and the highest PLF and plant availability, coupled with excellent environmental performance. This stellar performance has been widely recognized at various platforms in the form of national and international awards and recognitions.

Power Transmission

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

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

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

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

Power Distribution

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

Letter to Shareowners

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

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

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

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

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

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

The EPC Business

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

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

Infrastructure Projects

Road Projects

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

The Company, through various technology initiatives, ensures and assures a hassle-free, safe and smooth driving experience for regular traffic at all its toll road projects. The Company is pre-

qualified for bidding projects having estimated project cost up to ₹ 10,600 crore. The Company would continue to participate in projects taking into consideration the attractiveness of such projects, particularly those projects with high traffic corridors with substantial size and scale and that meets the Company's risk-return policy parameters.

Cement Projects

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

Corporate Governance

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

Social Commitments

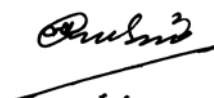
The Company continued to contribute actively to community welfare activities and took up several initiatives and measures related to education and healthcare.

Awards and Recognitions

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

Our Commitment

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



Anil Dhirubhai Ambani
Chairman

Reliance Infrastructure Limited

Highlights - at a glance (Standalone)

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

1 crore = 10 million

Notice

Notice is hereby given that the 85th Annual General Meeting of the members of **Reliance Infrastructure Limited** will be held on Tuesday, September 30, 2014 at 2.00 P.M. or soon after the conclusion of the Annual General Meeting of Reliance Communications Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020, to transact the following business:

Ordinary Business

1. To consider and adopt:
 - a) the audited financial statement of the Company for the financial year ended March 31, 2014 and the reports of the Board of Directors and Auditors thereon.
 - b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2014 and the reports of the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Dr V K Chaturvedi (DIN:01802454) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

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

By Order of the Board of Directors

Ramesh Shenoy
Company Secretary

Registered Office:

H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
CIN : L99999MH1929PLC001530
Website: www.rinfra.com
August 14, 2014

Notes :

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll, instead of herself/himself and the proxy need not be a member of the Company. The instrument appointing the Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before commencement of the meeting. A Proxy form is sent herewith.**
2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. However, a member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of their board resolution authorising their representatives to attend and vote on their behalf at the meeting.
4. Members / Proxies are requested to bring their duly filled attendance slip sent herewith along with their copy of the annual report to the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the meeting to facilitate identification of membership at the meeting.
7. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays between 11.00 A.M. and 1.00 P.M. up to the date of the meeting.
8.
 - a. The Company's Register of Members and Transfer Books will remain closed from Saturday, September 20, 2014 to Tuesday, September 30, 2014 (both days inclusive) for the purpose of Annual General Meeting and for determining the names of members eligible for dividend, if declared, on equity shares for the year ended March 31, 2014.
 - b. The dividend on equity shares as recommended by the Board of Directors, if declared at the meeting, will be paid after the Meeting.
 - c. Members may please note that the dividend warrants shall be payable at par at the designated branches of the Bank for an initial period of three months only. Thereafter, the dividend warrants on revalidation shall be payable only at limited centres/ branches of the said Bank. Members are, therefore, requested to encash dividend warrants within the initial validity period.
9. Members may please note that for shares in electronic form, bank particulars registered against their depository accounts will be used by the Company for payment of dividend. Members are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its Registrar and Transfer Agent cannot change bank particulars or bank mandates for shares held in electronic form.

Notice

10. Members holding shares in physical form are requested to advise any change of address or bank mandates immediately to the Company / Registrar and Transfer Agent, Karvy Computershare Private Limited.
11. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial year 2005-06, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 27, 2013 (date of last Annual General Meeting) on the website of the Company (www.rinfra.com), as also on the Ministry of Corporate Affairs website.
12. Non-Resident Indian members are requested to inform Karvy Computershare Private Limited immediately on:
 - a. the change in the residential status on return to India for permanent settlement; and
 - b. the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.
13. Re-appointment of Director:

At the ensuing meeting, Dr. V K Chaturvedi, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment. The details pertaining to Dr. V K Chaturvedi pursuant to the requirements of Clause 49 of the listing agreement are furnished in the statement on Corporate Governance forming part of this Annual Report.
14. Members are advised to refer to the section titled "Investor Information" provided in this Annual Report.
15. Members are requested to fill in and send the Feedback Form provided in the 'Investor Relations' section on the Company's website www.rinfra.com to aid the Company in its constant endeavour to enhance the standards of service to investors.
16. The Statement containing the salient features of the balance sheet, the statement of profit and loss and auditors' report (Abridged Financial Statements), is sent to the members, along with the Abridged Consolidated Financial Statements. Any member interested in obtaining a copy of the full Annual Report, may write to the Registrar and Transfer Agent of the Company.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agent.
18. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH 13 duly filled in to Karvy Computershare Private Limited, Madhura Estate, Municipal No. 1-9/13/C Plot No. 13 & 13C, Madhapur Village, Hyderabad 500 081, or on Tel: +91 40 4030 8000; Toll Free No. 1800 4250 999 / E-mail: rinfra@karvy.com. The prescribed form in this regard may also be obtained from Karvy Computershare Private Limited at the address mentioned above. Members holding shares in electronic form are requested to contact their DP directly for recording their nomination.
19. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Transfer Agent for consolidation into a single folio.
20. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses so that they can receive the Annual Report and other communication from the Company electronically.
21. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules made there under and Clause 35B of the Listing Agreement, the Company is offering e-voting facility to all Members of the Company through notice dated August 14, 2014. Karvy Computershare Private Limited ("Karvy"), our Registrar & Transfer Agent will be facilitating e-voting to enable the Members to cast their votes electronically. The Members can cast their votes online from September 24, 2014 at 10:00 A.M. to September 26, 2014 at 6:00 P.M. The members shall refer to the detailed procedure on e-voting given in the the e-voting Notice. The Board of Directors have appointed Shri Anil Lohia, Partner, M/s. Dayal & Lohia, Chartered Accountants as Scrutinizer to conduct the e-voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman appointed by the Board after completion of the scrutiny and the results of e-voting will be announced on or after the AGM of the Company. The resolutions shall be taken as passed effectively on the date of declaration of the result. The result of the e-voting will be also posted on the website of the Company at www.rinfra.com

By Order of the Board of Directors

Ramesh Shenoy
Company Secretary

Registered Office:

H Block, 1st Floor
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Navi Mumbai 400 710
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