Reliance Energy Limited

COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS

Day	:	Wednesday
Date	:	26th April, 2006
Time	:	5.00 p.m.
Venue	:	Shri Bhaidas Maganlal Sabhagriha, U-1 Juhu Development Scheme Vile Parle (West), Mumbai 400 056.

EXTRAORDINARY GENERAL MEETING OF THE EQUITY SHAREHOLDERS

Day	:	Wednesday
Date	:	26th April, 2006
Time	:	7.00 p.m.
Venue	:	Shri Bhaidas Maganlal Sabhagriha U-1 Juhu Development Scheme Vile Parle (West), Mumbai 400 056.

CONTENTS **PAGES**

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORIGINAL JURISDICTION COMPANY APPLICATION NO. 429 OF 2006

In the matter of Scheme of Amalgamation and Arrangement under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956;

- AND -

In the matter of Reliance Energy Limited, a Company incorporated under the Indian Companies Act, 1913 and having its registered office at Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055

- AND -

In the matter of Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited with Reliance Energy Limited and their respective shareholders and creditors.

Reliance Energy Limited, a Company incorporated under the Indian Companies Act, 1913 and having its registered office at Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055 } ....Applicant Company

NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF RELIANCE ENERGY LIMITED, THE APPLICANT COMPANY

To,
The Equity Shareholders of Reliance Energy Limited ("the Applicant Company")

TAKE NOTICE that by an Order made on the 24th day of March, 2006, in the above Company Application, the Hon'ble High Court of Judicature At Bombay has directed that a meeting of the Equity Shareholders of the Applicant Company be convened and held on Wednesday, the 26th day of April, 2006 at 5.00 p.m. at Shri Bhaidas Maganlal Sabhagriha, U-1 Juhu Development Scheme, Vile Parle (West), Mumbai 400 056 for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited with the Applicant Company and their respective shareholders and creditors ("the Scheme").

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of the Applicant Company will be convened and held at Shri Bhaidas Maganlal Sabhagriha, U-1 Juhu Development Scheme, Vile Parle (West), Mumbai 400 056 on Wednesday, the 26th day of April, 2006 at 5.00 p.m., at which time and place you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, or your authorised representative, is deposited at the registered office of the Applicant Company at Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055, not later than 48 hours before the said meeting.

The Hon'ble Court has appointed Shri M. H. Kania (Former Chief Justice of India), and failing him Shri S.L. Rao, Director, to be the Chairman of the said meeting.

A copy each of the Scheme, the Statement under Section 393 of the Companies Act, 1956, Attendance Slip and a Form of Proxy are enclosed.

Sd/-
M. H. Kania
(Former Chief Justice of India)
Chairman appointed for the meeting

Dated this 24th day of March, 2006.

Registered Office:
Reliance Energy Centre
Santa Cruz (East),
Mumbai 400 055

Notes: 1 All alterations made in the Form of Proxy should be initialled.
2 Only registered shareholders of the Applicant Company may attend and vote (either in person or by proxy) at the shareholders' meeting.

Enclosure: As above

IN THE HIGH COURT OF JUDUCATURE AT BOMBAY ORIGINAL JURISDICTION COMPANY APPLICATION NO. 429 OF 2006

In the matter of Scheme of Amalgamation and Arrangement under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956;

- AND -

In the matter of Reliance Energy Limited, a Company incorporated under the Indian Companies Act, VII of 1913 and having its registered office at Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055.

- AND -

In the matter of Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited with Reliance Energy Limited and their respective shareholders and creditors.

Reliance Energy Limited,	)	
a Company incorporated under	)	
the Indian Companies Act, VII of	)	
1913 and having its registered	)	
office at Reliance Energy Centre,	)	
Santa Cruz (East),	)	Applicant
Mumbai 400 055	)	Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956.

1. Pursuant to the Order dated the 24th day of March, 2006 passed by the Hon'ble High Court of Judicature At Bombay, in the Company Application referred to herein above, a meeting of the Equity Shareholders of the Applicant Company is being convened at Shri Bhaidas Maganlal Sabhagriha, U-1 Juhu Development Scheme, Vile Parle (West), Mumbai 400 056 on Wednesday, the 26th day of April, 2006 at 5.00 p.m for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited ("the Transferor Company" or "REVL") with Reliance Energy Limited ("the Applicant Company" or "the Transferee Company" or "REL") and their respective shareholders and creditors (hereinafter referred to as "the Scheme").

2. In this Statement, Reliance Energy Ventures Limited is hereinafter referred to as "REVL" or "the Transferor Company" and Reliance Energy Limited is hereinafter referred to as "the Company" or "the Applicant Company" or "the Transferee Company" or "REL". The other definitions contained in the Scheme will apply to this Explanatory Statement also.

3. The proposed Scheme envisages

   a) Merger of REVL with REL; and

   b) Consequent cancellation of the equity shares of REL held by REVL

4. A copy of the Scheme setting out the terms and conditions of the amalgamation and arrangement of REVL with REL, which has been approved by the Board of Directors of each of REVL and REL at their respective meetings held on February 8, 2006 and January 3, 2006 respectively is forming part of this Explanatory Statement.

5. The Applicant Company was incorporated on the 1st day of October, 1929 in the State of Maharashtra under the provisions of the Indian Companies Act, VII of 1913 under the name "Bombay Suburban Electric Supply Limited". The Applicant Company received the certificate of commencement of business on 23rd day of November, 1929. Subsequently, the name was

changed to "BSES Limited" on the 23rd day of December, 1992. The name has since been changed to its present name viz. Reliance Energy Limited under a Fresh Certificate of Incorporation consequent on change of name dated 24th day of February, 2004.

6. The registered office of the Applicant Company is situated at Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055.

7. The share capital structure of the Applicant Company as on 31st March, 2005 is as under:

	Rs in Crore
Authorised	
25,00,00,000 Equity Shares of Rs. 10 each	250.00
80,00,000 Equity Shares of Rs. 10 each with differential rights	8.00
1,55,00,00,000 Cumulative Redeemable Preference Shares of Rs. 10 each	1550.00
4,20,00,000 Unclassified shares of Rs. 10 each	42.00
Total	**1850.00**
Issued & Subscribed	
19,83,24,682 Equity Shares of Rs. 10 each	198.33
Total	**198.33**
Paid Up Share Capital	
18,55,72,799 Equity Shares of Rs 10 each	185.57
Add: Forfeited Shares – Amounts originally paid-up	0.04
Total	**185.61**

The Applicant Company has issued 2,58,16,000 warrants, entitling the holders thereof to subscribe for equal number of Equity Shares of Rs. 10 each at an issue price of Rs.573 per Share, at any time on or before February 1, 2007.

The Applicant Company has also issued Zero Coupon Foreign Currency Convertible Bonds ('FCCBs') aggregating US$ 178,058 million. Conversion of these FCCBs would result in issue of further 79,99,984 equity shares. These FCCBs are listed on the Singapore Stock Exchange.

The Equity Shares of the Applicant Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The GDRs representing the underlying equity shares of the Applicant Company are listed on the London Stock Exchange.

8. The shareholding pattern of the Applicant Company as on 17th March, 2006 is as follows:

Shareholders	Shares	%
Promoters		
- REVL	90924724	45.03
- Reliance Capital Limited	11995139	5.94
Sub-total	102919863	50.97
Mutual Funds and UTI	4713271	2.33
Banks, Financial Institutions, Insurance Companies	39312793	19.47
FIIs	36481668	18.07
Private Corporate Bodies	1419002	0.70
Indian Public	12009795	5.96
NRIs/OCBs	423680	0.21
Other (GDR)	4624179	2.29
Total	**201904251**	**100.00**

9. The objects of the Applicant Company are set out in the Memorandum of Association. Some of the main objects are as under:

(A) The main objects of the Company to be pursued by the Company on incorporation:

(1) To acquire from the parties interested therein, take over and work the concession now vested in Sir Thomas William Birkett Knight, Harold Percival Hebblethwaite Esquire, Francis Charles Annesley Esquire, Ellis Cunningham Reid Esquire and Gerald Courtenay Phillips Esquire carrying on business in partnership together at Bombay under the name and style of firm of Messieurs Killick Nixon & Company at Killick Building, Home Street, Fort, Bombay and Calender's Cable and Construction Company Limited, a Company incorporated in England under the English Companies Act and having a Branch Office at Forbes Building, Home Street, Fort, Bombay conferred by the Bombay Suburban Electric License 1926 granted by the Government of Bombay on the 29th May, 1926 and published in the Bombay Government Gazette of the 3rd June, 1926 Part I at page 1272 upon such terms as may appear conducive to the interest of the Company and to pay therefor either in cash or in shares of the Company or partly in one and partly in the other, and with the object aforesaid to adopt, become parties to, enter into and carry into effect all such agreements, guarantees, deeds, and instruments as may be necessary or as may be deemed advisable or proper, and in particular to become parties to, enter into and carry into effect the Agreements which have already been prepared and are referred to in Article 3 of the Articles of Association of the Company.

(2) To generate, acquire by purchase in bulk, develop and accumulate electrical power at the place or places contemplated by the said License and to transmit, distribute and supply such power throughout the area of supply named therein; and generally to generate, acquire by purchase in bulk, develop and accumulate power at any other place or places and to transmit, distribute and supply such power.

(3) To carry on the business of an electric Power, Light and Supply Company in all its branches, and in particular to construct, lay down, establish, fix and carry out all necessary power stations, cables, wires, lines,accumulators, lamps and works, and to generate, acquire by purchase in bulk, accumulate, distribute and supply electricity, and to light cities, towns, streets, docks, markets, theatres, buildings and places, both public and private.

(4) To carry on the business of electrician, mechanical engineers, suppliers of electricity for the purposes of light, heat, motive power or otherwise, and manufacturers of and dealers in apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, galvanism, magnetism or otherwise."

10. The Applicant Company is engaged in the business of generation, transmisssion and distribution of electricity. The Company also renders value added services in engineering, procurement and construction (EPC) contracts.

11. Summary of the Audited financial statements of the Applicant Company for 3 years ended

March 31, 2003, March 31, 2004 and March 31, 2005 is enclosed as Annexure A. Further, the Published Unaudited Financial Results for the period of 9 months ended on December 31, 2005 is enclosed as Annexure B.

12. The background of the Board of Directors of the Applicant Company is as follows:

Sr. No.	Names and Addresses of Directors	Designations	Age (years)	Educational Qualifications
1	Shri Anil D. Ambani	Chairman	46	B Sc - Mumbai University MBA- The Wharton School of University of Pennsylvania, USA
2	Shri Satish Seth	Executive Vice Chairman	49	FCA, LLB
3	Gen V P Malik	Director	65	MSc, Graduate from Defence Services Staff College
4	Shri S L Rao	Director	70	B.Com, MA
5	Dr. Leena Srivastava	Director	44	MA, Phd
6	Shri V R Galkar	Director	62	FCA, LLB
7	Shri S C Gupta	Director (Operations)	56	MSc,BE (Elec & Mech)
8	Shri J P Chalasani	Director (Business Development)		BE

13. Reliance Energy Ventures Limited (hereinafter referred to as "REVL" and also referred to as "the Transferor Company") was incorporated on the 3rd day of July, 2000, under the provisions of the Companies Act, 1956 under the name and style of "Reliance Terra Networks Private Limited". Subsequently, the name was changed to "Reliance Entergy Private Limited" on the 28th day of January, 2003. Further, "Reliance Entergy Private Limited" was converted from private limited company to a public limited company and the word 'private' was deleted from it by the Registrar on 25th day of July, 2005. The name has since been changed to its present name viz. Reliance Energy Ventures Limited under a Fresh Certificate of Incorporation consequent on change of name dated 4th August, 2005.

14. The Registered Office of REVL is situated at 'H' Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710.

15. The Share Capital of REVL as on 31st December, 2005 was as under:

	Rs. in Crore
Authorised	
1,25,00,00,000 Equity Shares of Rs 10 each	1250.00
Total	**1250.00**
Issued, Subscribed & Paid-up	
50,000 Equity Shares of Rs 10 each fully paid up	0.05
Total	**0.05**
Shares Pending Allotment	
1,22,31,30,422 Equity Shares of Rs 10 each	1223.13
Total	**1223.13**

The Equity Shares of REVL are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

Subsequently, REVL has allotted 122,31,30,422 Equity Shares of Rs 10 each fully paid up to the shareholders of Reliance Industries Limited. Consequently, the revised Share Capital of REVL is as under:

	Rs. in Crore
Authorised	
125,00,00,000 Equity Shares of Rs 10 each	1250.00
Total	**1250.00**
Issued, Subscribed & Paid-up	
122,31,30,422 Equity Shares of Rs. 10 each fully paid up	1223.13
Total	**1223.13**

16. The shareholding pattern of REVL as of 17th March, 2006 is as follows:

Shareholders	Shares	%
Promoters		
- Shri Anil D. Ambani and Associates	467787425	38.24
- Reliance Capital Limited	16493158	1.35
Sub-total	484280583	39.59
Mutual Funds and UTI	52224126	4.27
Banks, Financial Institutions, Insurance Companies	80193507	6.56
FIIs	265850593	21.74
Private Corporate Bodies	66909289	5.47
Indian Public	197632162	16.15
NRIs/OCBs	12370421	1.01
Any other(GDR/ Clearing Members)	63669741	5.21
Total	**1223130422**	**100.00**

17. The objects of REVL are set out in the Memorandum of Association. The main objects are briefly as under:

"1. To carry on and undertake the business of finance, investment, loan and guarantee company and to invest in acquire, subscribe, purchase, hold, sell, divest or otherwise deal in securities, shares, stocks, equity linked securities, debentures, debenture stock, bonds, commercial papers, acknowledgements, deposits, notes, obligations, futures, calls, derivatives, currencies and securities of any kind whatsoever, whether issued or guaranteed by any person, company, firm, body, trust, entity, government, state, dominion sovereign, ruler, commissioner, public body or authority, supreme, municipal, local or otherwise, whether in India or abroad. The Company will not carry any NBFC Activity as per Section 45(1A) of the RBI Act, 1934.

2. To carry on and undertake the business of financial services like financial restructuring / reorganization, investment counseling, portfolio management and all activities and facilities of every description including all those capable of being provided by bankers, stockbrokers, merchant bankers, investment bankers, portfolio managers, trustees, agents, advisors, consultants, providing other financial or related services and to carry on the activities of hire-purchase, leasing and to finance lease operations of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment and to assist in financing of all and every kind and description of hire- purchase or deferred payment or similar transactions and to subsidize, finance or assist in subsidizing or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all forms of movable property including plant and machinery, equipments, ships, aircrafts, automobiles, computers, and all consumer, commercial, medical and industrial items with or without security and to lease or otherwise deal with them including resale thereof, regardless of whether the property purchased and leased is new and/or used and from India or abroad.

3. To carry on and undertake the business of acting as agent of any person, public or private sector enterprises, financial institutions, banks, central government and state governments and to do financial research, design and preparation of feasibility study reports, project reports and

appraisal report in India and abroad.

4. To carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, distributing and dealing in electricity and all forms of energy and power generated by any source whether nuclear, steam, hydro or tidal, water, wind, solar, hydrocarbon, fuel or any other form, kind or description."

18. REVL is presently engaged in the business of generating and distributing electricity, which business is carried out through its investee companies including in particular, the Applicant Company.

19. Summary of the Audited financial statements of REVL for year ended March 31, 2005 is enclosed as Annexure C. Further, the Audited Financial Statements for the period of 9 months ended on December 31, 2005 is enclosed as Annexure D.

20. The background of the Board of Directors of REVL is as follows:

Sr. No	Names and Addresses of Directors	Desig-nations	Age (years)	Educational Qualifications
1	Shri Anil D. Ambani	Chairman	46	B Sc - Mumbai University MBA-The Wharton School of University of Pennsyvania, USA
2	Shri Satish Seth	Director	49	FCA, LLB
3	Shri S L Rao	Director	70	B.Com,MA
4	Shri V R Galkar	Director	62	FCA, LLB

BACKGROUND TO THE AMALGAMATION

21. Reliance Industries Limited (RIL) has demerged its 'Coal Based Energy Undertaking', Gas Based Energy Undertaking, Financial Service Undertaking and Telecommunication Undertaking into Reliance Energy Ventures Limited, Reliance Natural Resources Limited, REVL and Reliance Communication Ventures Limited (Collectively referred to as the 'Resulting Companies'), respectively, vide a Scheme of Arrangement ('Demerger Scheme') effective from September 1, 2005, being the Appointed Date.

22. Pursuant to the Demerger Scheme, the Resulting Companies have issued Shares ("Equity Shares") to the shareholders of RIL.

23. The Demerger Scheme provides for the listing of the Shares issued by the Resulting Companies on the stock exchanges where the Shares of RIL are listed. Accordingly, the Resulting Companies have been listed on the relevant stock exchanges.

RATIONALE OF THE AMALGAMATION

24. Pursuant to the Demerger Scheme, REVL holds 9,09,24,724 equity shares of Rs. 10 each in the Applicant Company.

25. The current proposal envisages:

    (a) The amalgamation of REVL with the Applicant Company;

    (b) Issue of equity shares of the Applicant Company to the shareholders of REVL in the ratio of 7.5 equity shares of the Applicant Company for every 100 equity shares held by them in REVL; and

    (c) Cancellation of shares held by REVL in the Applicant Company.

26. Consolidation of REVL with the Applicant Company will have the following benefits:

    - Direct shareholding of REL by more than 20 lakh shareholders of Reliance Industries Limited, leading to enhancement of their value.
    - Elimination of dual listing of REL and REVL.

- Elimination of potential "holding company" discount through REVL market price.
- Increased liquidity for all REL's shareholders.
- Wider domestic and international shareholder base for REL.
- Enhanced financial strength and flexibility.

SALIENT FEATURES OF THE SCHEME

27. The salient features of the Scheme of Amalgamation and Arrangement are:-

    i. The Appointed Date of the Scheme shall be the Effective Date.

    ii. On the scheme becoming effective, REVL shall stand merged with the Applicant Company such that, the entire business and undertakings of REVL including all its assets and properties of whatsoever nature shall be transferred to the Applicant Company so as to become the business, assets and properties of the Applicant Company as a part of the amalgamation.

    iii. On the Scheme becoming effective, the investments in the equity share capital of the Applicant Company as appearing in the books of accounts of REVL shall stand cancelled.

    iv. All debts, liabilities, duties and obligations of whatsoever nature of REVL shall be transferred to and vest in and be assumed by the Applicant Company.

    v. In consideration for the merger, the Applicant Company shall issue and allot to the equity shareholders of REVL, whose names are recorded in the Register of Members, on the Record Date, equity shares of Rs. 10 (Rupees ten only) each, in the ratio of 7.5 (Seven and half) equity shares of the face value of Rs. 10 (Rupees ten only) each in the Applicant Company for every 100 (One Hundred) equity shares of the face value of Rs. 10 (Rupees ten only) each held in REVL ('Share Exchange Ratio').

    vi. No shares shall be issued by the Applicant Company in respect of fractional entitlements, if any. The Board of Directors of the Applicant Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to a director or an officer of the Applicant Company who shall hold the shares in trust on behalf of the Members entitled to fractional entitlements with the express understanding that such director(s) or officer(s) shall sell the same in the market at such times and at such prices in the market, as she or he deems fit, and pay to the Applicant Company, the net sale proceeds thereof, whereupon the Applicant Company shall distribute such net sale proceeds to the Members in proportion to their respective fractional entitlements.

    vii. It is clarified that the Applicant Company shall also issue to The Bank of New York, Equity Shares of the Applicant Company against the extinguishment of the Equity Shareholding in REVL, if any, in accordance with the Share Exchange Ratio.

    viii. All the employees of REVL in service on the Effective Date shall become the employees of the Applicant Company on the Effective Date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to REVL as on the said date.

    ix. On the Scheme becoming effective, REVL shall be dissolved without being wound up.

    The features set out above being only the salient features of the Scheme, the members are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof.

28. The rights and interests of the members and the creditors of the Applicant Company and REVL will not be prejudicially affected by the Scheme.

29. The Scheme of Amalgamation and Arrangement was approved by the Board of Directors of both the Applicant Company and REVL on 3rd day of January, 2006 and on 8th day of February, 2006 respectively.

30. No investigation proceedings have been instituted or are pending in relation to the Applicant Company under Sections 235 to 250A of the Act.

31. On the Scheme of Amalgamation and Arrangement being approved as per the requirements of Section 391 of the Act, the Applicant Company and REVL will seek the sanction of the Hon'ble High Court of Judicature at Bombay to the Scheme.

32. The Applicant Company is not a subsidiary of REVL in any manner whatsoever as provided in Section 4 of the Companies Act, 1956.

33. The financial position of the Applicant Company will not be adversely affected by the Scheme. The financial position of the Applicant Company will continue to remain strong and it will be able to meet and pay its debts as and when they arise.

34. The Applicant Company has received no objection letters from all the Indian stock exchanges where the Applicant Company is listed.

35. The Scheme provides that in the event the Scheme fails to take effect within 12 months of the first filing with the High Court of Judicature at Bombay or by such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case, each company shall bear its own costs or as may be mutually agreed.

36. The Directors of applicant company and Directors/ Manager of transferor company may be deemed to be interested to the extent of their shareholdings, in the Scheme as disclosed in the Explanatory Statement enclosed along with the Notice under Section 391 of the Act. Save as aforesaid, none of the Directors of the Company, is in any way concerned or interested in the Special Resolution.

37. The extent of shareholding (singly or jointly) of the Directors of the Applicant Company in the Applicant Company and REVL as on 17th March, 2006 is as under:

Sr. No.	Names of Directors of the Applicant Company	No. of shares held in the Applicant Company	No. of shares held in REVL
1	Shri Anil D. Ambani	Nil	1859271
2	Shri Satish Seth	Nil	Nil
3	Gen V P Malik	Nil	Nil
4	Shri S L Rao	Nil	100
5	Dr. Leena Srivastava	Nil	Nil
6	Shri V R Galkar	Nil	Nil
7	Shri S C Gupta	Nil	Nil
8	Shri J P Chalasani	Nil	Nil

38. The extent of shareholding (singly or jointly) of the Directors of REVL in REVL and the Applicant Company as on 17th March, 2006 is as under:

Sr.	Names of Directors of REVL	No. of shares held in REVL	No. of shares held in the Applicant Company
1	Shri Anil D. Ambani	18,59,271	Nil
2	Shri Satish Seth	Nil	Nil
3	Shri S L Rao	100	Nil
4	Shri V R Galkar	Nil	Nil

39. The post amalgamation shareholding pattern of REL would be as under:

Shareholders	Shares	%
Promoters		
- Shri Anil D. Ambani and Associates	35084057	17.31
- Reliance Capital Limited	13232126	6.52
Sub-total	48316183	23.83
Mutual Funds and UTI	8630080	4.26
Banks, Financial Institutions, Insurance Companies	45327306	22.36
FIIs	56420462	27.83
Private Corporate Bodies	6437199	3.18
Indian Public	26832207	13.23
NRIs/OCBs	1351462	0.67
Any other(GDR/Clearing Members)	9399410	4.64
Total	**202714309**	**100.00**

40. The post amalgamation capital structure of REL is as under:

	Rs in Crore
Authorised	
25,00,00,000 Equity Shares of Rs. 10 each	250.00
80,00,000 Equity Shares of Rs. 10 each with differential rights	8.00
1,55,00,00,000 Cumulative Redeemable Preference Shares of Rs. 10 each	1550.00
4,20,00,000 Unclassified shares of Rs. 10 each	42.00
Total	**1850.00**
Issued & Subscribed	
20,27,14,309 Equity Shares of Rs. 10 each	202.71
Total	**202.71**
Paid Up Share Capital	
20,27,14,208 Equity Shares of Rs 10 each	202.71
Add: Forfeited Shares – Amounts originally paid-up	0.04
Total	**202.75**

41. Inspection of the following documents may be had at the Registered Office of the Applicant Company up to one day prior to the date of the meeting between 11.00 a.m. and 4.00 p.m. on all working days (except Saturdays):

(a) Certified copy of the Order dated 24th day of March, 2006 of the High Court of Judicature at Bombay, passed in Company Application No. 429 of 2006, directing the convening of the meeting of the Equity Shareholders of the Applicant Company.

(b) Scheme of Amalgamation and Arrangement.

(c) Memorandum and Articles of Association of the Applicant Company and of REVL.

(d) Audited Accounts of the Applicant Company for three previous financial years ended March 31, 2003, March 31, 2004 and March 31, 2005 and REVL for the year ended March 31, 2005 and for 9 months ended December 31, 2005.

(e) Exchange Ratio Report of M/s KPMG India Private Limited.

(f) Copies of the no objection letters dated 14th March, 2006 and 16th March, 2006 received respectively from the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956. A copy of the Scheme and Explanatory Statement may be obtained from the Registered Office of the Applicant Company.

Sd/-
M. H. Kania
(Former Chief Justice of India)
Chairman appointed for the meeting

Dated this 24th day of March, 2006.

Registered Office:
Reliance Energy Centre
Santa Cruz (East)
Mumbai 400 055

SCHEME OF AMALGAMATION AND ARRANGEMENT OF

Reliance Energy Ventures Limited,
The Transferor Company

WITH

Reliance Energy Limited,
The Transferee Company

AND

Their Respective Shareholders and Creditors

This Scheme of Amalgamation and Arrangement provides for the amalgamation of Reliance Energy Ventures Limited with Reliance Energy Limited, pursuant to Sections 391 to 394 read with Sections 100 to 103 and other relevant provisions of the Companies Act, 1956.

1. The Scheme is divided into following parts:
   (a) Part 1 deals with the Definitions and Share Capital
   (b) Part 2 deals with the Amalgamation of Reliance Energy Ventures Limited with Reliance Energy Limited.
   (c) Part 3 deals with the Reorganisation of Capital and Accounting Treatment
   (d) Part 4 deals with the General Terms and Conditions that will be applicable to Part 2 and Part 3 of the Scheme.
2. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

PART 1

DEFINITIONS

3. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

3.1. "The Effective Date" or "Coming into effect of this Scheme" means the date on which the certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra, Mumbai; being a date not later than 30 days from the date on which the last of the Certified Copies of the High Court Order is received;

3.2. **"GDRs" means** global depositary receipts issued by a bank or a depositary outside India representing underlying equity shares of an Indian company, pursuant to The Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable laws;

3.3. **"REL" or "the Transferee Company"** means Reliance Energy Limited, a company incorporated under the Indian Companies Act, 1913, and having its registered office at Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055;

3.4. **"REVL" or "the Transferor Company"** means Reliance Energy Ventures Limited, a company incorporated under the Companies Act, 1956, and having its registered office at 'H' Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710;

3.5. **"Record Date" means** the date to be fixed by the Board of Directors of REVL and REL for the purpose of issue of shares of REL to the shareholders of REVL;

3.6. **"The Act" means** the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force;

3.7. **"Appointed Date"** means the Effective Date; and

3.8. **"The Scheme" or "this Scheme"** means this Scheme of Amalgamation and Arrangement in its present form with or without any modifications or amendments thereto.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

4. SHARE CAPITAL

4.1. Transferor Company

The Share Capital of the Transferor Company as on 31st December, 2005 was as under:

	Rs in Crore
Authorised	
125,00,00,000 Equity Shares of Rs 10 each	1250.00
Total	**1250.00**
Issued, Subscribed & Paid-up	
50,000 Equity Shares of Rs 10 each fully paid up	0.05
Total	**0.05**
Shares Pending Allotment	
122,31,30,422 Equity Shares of Rs 10 each	1223.13
Total	**1223.13**

Subsequently, the Transferor Company has allotted 122,31,30,422 Equity Shares of Rs 10 each fully paid up to the shareholders of Reliance Industries Limited and existing 50,000 Equity Shares of Rs. 10 each fully paid have been cancelled.

The Equity Shares of the Transferor Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

4.2. Transferee Company

The Share Capital of the Transferee Company as on 31st March, 2005 was as under:

	Amount (Rs in Crore)
Authorised	
25,00,00,000 Equity Shares of Rs. 10 each	250.00
80,00,000 Equity Shares of Rs. 10 each with differential rights	8.00
1,55,00,00,000 Cumulative Redeemable Preference Shares of Rs. 10 each	1550.00
4,20,00,000 Unclassified shares of Rs. 10 each	42.00
Total	**1850.00**
Issued	
15, 08,87,630 Equity Shares of Rs. 10 each	150.89
4,74,37,052 Equity Shares of Rs. 10 each by way of Global Depository Receipts	47.44
Total	**198.33**
Subscribed	
18,55,72,799 Equity Shares of Rs 10 each	185.57
Add: Forfeited Shares – Amounts originally paid-up	0.04
Total	**185.61**

The Transferee Company has issued 2,58,16,000 warrants, entitling the holders thereof to subscribe for equal number of Equity Shares of Rs. 10 each at an issue price of Rs.573 per Share, at any time on or before February 1, 2007.

The Company has also issued Zero Coupon Foreign Currency Convertible Bonds ('FCCBs') aggregating US$ 178.058 million. Conversion of these FCCBs would result in issue of further 79,99,984 equity shares. These FCCBs are listed on the Singapore Stock Exchange.

The Equity Shares of the Transferee Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The GDRs representing the underlying equity shares of the Transferee Company are listed on the London Stock Exchange.

PART 2

AMALGAMATION OF RELIANCE ENERGY VENTURES LIMITED WITH RELIANCE ENERGY LIMITED

5. DATE WHEN THE SCHEME COMES INTO OPERATION

This Scheme shall become effective from the Effective date

6. AMALGAMATION

Upon the Scheme becoming effective and upon the High Court of Judicature at Bombay giving under Section 394 of the Act an Order for dissolution without winding up of the Transferor Company, the Transferor Company shall be amalgamated into and form part of the Transferee Company.

7. TRANSFER OF UNDERTAKING

7.1. The entire business and undertakings of Transferor Company including all its assets and properties of whatsoever nature shall be transferred to the Transferee Company so as to become the business, assets and properties of the Transferee Company as a part of the amalgamation as under:

7.1.1 The immoveable properties, shall be transferred to the Transferee Company by a duly stamped deed of conveyance after the Scheme is sanctioned by the High Court of Judicature at Bombay but before the Effective Date however not later than 7 days from the date on which the Scheme is sanctioned by the High Courts.

7.1.2. The moveable assets of the Transferor Company and the assets (other than the shares of the Transferee Company for which separate provision is made in Clause 7.2 below), which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash on hand, shall be so transferred to the Transferee Company and be physically handed over or be deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of Directors of the Transferor Company and the Transferee Company being a Date after the sanction of the Scheme by the High Court of Judicature at Bombay but before the Effective Date however not later than 7 days from the date on which the Scheme is sanctioned by the High Courts. Particularly, the Investments if any, held by the Transferor Company in physical certificate form will be transferred by duly executed transfer deeds. The Investments held in dematerialised form will be transferred to the Transferee Company by issuing appropriate delivery instructions to the depository participant with which the Transferor Company has an account.

7.1.3. With respect to any intangible moveable assets of the Transferor Companies other than those mentioned above, including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, Semi-Government, local and other authorities and bodies and customers, the transfer shall be carried out after the date of sanction of the Scheme by the High Courts but before the Effective Date however not later than 7 days from the date on which the Scheme is sanctioned by the High Courts, by the Transferor Company issuing if so required by the Transferee Company, and/ or the Transferee Company issuing joint and / or several notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the High Court of Judicature at Bombay having sanctioned this Scheme between the Transferor Company and the Transferee Company and having made an Order under Section 394 of the Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company and that appropriate entries should be passed in the books of the Transferee Company to record the aforesaid changes.

7.2. On the Scheme becoming effective, the investments in the equity share capital of the Transferee Company as appearing in the books of accounts of the Transferor Company shall stand cancelled. The cancellation which amounts to reduction of share capital of the Transferee Company, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

7.3. All debts, liabilities, duties and obligations of whatsoever nature of the Transferor Company shall under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, and without any further act or deed be also transferred or be deemed to be transferred to and vest in and be assumed by the Transferee Company so as to become as from the Effective Date the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

8. CONDUCT OF BUSINESS

8.1. With effect from the date of filing of this Scheme with the High Court of Judicature at Bombay and upto and including the Effective Date:

(a) The Transferor Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking save and except in each case in the following circumstances:

i. if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court of Judicature at Bombay; or

ii. if the same is expressly permitted by this Scheme; or

iii. if written consent of the Transferee Company has been obtained.

(b) The Transferee Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking save and except in each case in the following circumstances:

i. if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court of Judicature at Bombay ; or

ii. if the same is expressly permitted by this Scheme; or

iii. if written consent of the Transferor Company has been obtained.

(c) The Transferor Company and the Transferee Company shall not make any change in their respective capital structure either by any increase, (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner which may, in any way, affect the Share Exchange Ratio (as defined in Clause 12.1 below), except by mutual consent of the respective Boards of Directors of the Transferor Company and the Transferee Company or except as may be expressly permitted under this Scheme

9. LEGAL PROCEEDINGS

9.1. Upon the coming into effect of this Scheme, all suits, actions and proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.

9.2. The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause (9.1) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

10. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

10.1. Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company shall, at any time prior to the Effective Date, wherever necessary, enter into, and/or issue and/or execute deeds, writings, confirmations, any tripartite arrangements or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

10.2. The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

11. STAFF, WORKMEN & EMPLOYEES

Upon the coming into effect of this Scheme:

11.1. All the employees of the Transferor Company in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies, and shall not be entitled to avail of any schemes and benefits that are applicable and available to any of the employees of the Transferee Company, unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Company with any union/employee of the Transferor Company.

11.2. The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Company or any other special funds created or existing for the benefit of the employees of the Transferor Company shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time shall be maintained separately. In the event that the Transferee Company does not have its own fund with respect to any such matters, the Transferee Company shall create its own funds to which the contributions pertaining to the employees of Transferor Company shall be transferred.

PART 3

REORGANISATION OF CAPITAL AND ACCOUNTING TREATMENT

12. ISSUE OF SHARES

12.1. Upon the coming into effect of this Scheme and in consideration of the shareholders of the Transferor Company agreeing to the extinguishment of the shares of the Transferor Company, consequent upon the amalgamation of the Transferor Company in the Transferee Company and the dissolution without winding up of the Transferor Company in terms of the Scheme, the Transferee Company shall without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are recorded in the Register of Members (the "Members"), on the Record Date, equity shares of Rs. 10 (Rupees ten only) each, credited as fully paid up, in the ratio of 7.5 (Seven and half) equity shares of the face value of Rs. 10 (Rupees ten only) each in the Transferee Company for every 100 (One hundred) equity shares of the face value of Rs. 10 (Rupees ten only) each held in the Transferor Company .

(The above ratio in which the shares of the Transferee Company are to be allotted to the shareholders of the Transferor Company by the Transferee Company is hereinafter referred to as the "Share Exchange Ratio").

12.2. The shares or the share certificates of the Transferor Company in relation to the shares held by its Members shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect on and from the Record Date. The equity shares to be issued by the Transferee Company pursuant to Clause 12.1 above shall be issued in dematerialized form by the Transferee Company, unless otherwise notified in writing by the shareholders of the Transferor Company to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferor Company or a committee thereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Company, the equity shares shall be issued to such members in dematerialised form provided that the members of the Transferee Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that the Transferee Company has received notice from any member that equity shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a depository participant or other confirmations as may be required or if the details furnished by any member do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company shall issue equity shares in physical form to such member or members.

12.3. In the event of there being any pending share transfers with respect to any application lodged for transfer by any shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferor Company if in existence, or failing which the Board of Directors or any committee thereof of the Transferee Company shall be empowered in appropriate cases, even subsequent to the Record Date to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or the transferee of the share(s) in the Transferee Company and in relation to the new shares after the Scheme becomes effective.

12.4. No certificate(s) shall be issued in respect of fractional entitlements, if any, by the Transferee Company, to which the Members may be entitled on issue and allotment of shares of the Transferee Company as aforesaid in Clause 12.1 The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to a director or an officer of the Transferee Company or such other person as the Board of Directors of the Transferee Company shall appoint in this behalf who shall hold the shares in trust on behalf of the Members entitled to fractional entitlements with the express understanding that such director(s) or officer(s) or person(s) shall sell the same in the market at such time or times and at such price or prices in the market and to such person or persons, as it/he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof, whereupon the Transferee Company shall distribute such net sale proceeds to the Members in proportion to their respective fractional entitlements.

12.5. Equity shares issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu in all respects with the then existing equity shares of the Transferee Company, including in respect of dividends, if any, that may be declared by the Transferee Company, on or after the Effective Date.

12.6. Equity shares of the Transferee Company issued in terms of this Scheme shall be listed on the stock exchange/s in India, where the existing equity shares of the Transferee Company are presently listed.

12.7. The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of Equity Shares to the members of the Transferor Company under the Scheme.

12.8. The Equity Shares to be issued by the Transferee Company in respect of any Equity Shares of the Transferor Company which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Transferee Company.

13. ISSUE OF GDRs

13.1. (a) The Bank of New York acting as the Depositary representing the holders of GDRs of Reliance Industries Limited (RIL GDR) holds Equity Shares of the Transferor Company on behalf of the said GDR holders, in terms of the Scheme of Arrangement sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated 9th December, 2005.

(b) Pursuant to provisions of Clause 12.1 above, the Transferee Company shall issue to The Bank of New York, Equity Shares of the Transferee Company against the extinguishment of the Equity Shareholding in the Transferor Company, if any, in accordance with the relevant Share Exchange Ratio. Subject to Clause (c) below, The Bank of New York shall hold such shares of the Transferee Company on behalf of the said holders of GDRs.

(c) The Transferee Company may, on or before expiry of 150 (One hundred and fifty) days from the Record Date, in consultation with The Bank of New York as Depositary for the holders of RIL GDRs by entering into appropriate agreements with the said Depositary or any other Depositary (appointed by the Transferee Company) for the issuance of GDRs, (whether listed or otherwise), instruct such Depositary to issue GDRs of the Transferee Company, to the holders of RIL GDRs. Subject to sub-clause (d) below, if the Transferee Company has not had such GDRs issued as aforesaid, The Bank of New York as the Depositary for RIL GDRs shall, in consultation with the Transferee Company, sell the shares of the Transferee Company in the open domestic market and distribute the net sale proceeds to such GDR holders on a proportionate basis.

(d) Notwithstanding anything contained in sub-clause (c) of Clause 13.1 above, any holder of RIL GDRs may at any time after the Record Date, but prior to the issuance of GDRs by the Transferee Company, instruct the Depositary to transfer the underlying shares of the Transferee Company to such RIL GDR holders. In such case, the Transferee Company shall obtain such permissions as may be necessary.

(e) The holders of GDRs of RIL who wish to directly receive shares of the Transferee Company may surrender the GDRs of RIL held by them before the Record Date in exchange for shares of the Transferor Company. Such GDR holders holding shares of the Transferor Company on the Record Date shall then be entitled to receive shares of the Transferee Company in accordance with the Share Exchange Ratio under Clause 12.1 above.

13.2. The Transferee Company may take all such steps and do all such acts, deeds and things as may be necessary for the issue of GDRs pursuant to sub-clause (c) of Clause 13.1 for listing the GDRs on one or more overseas Stock Exchange(s) and if deemed necessary for the registration of the GDRs under the appropriate provisions of the Securities Act of 1933, as amended, of the United States of America (the “Securities Act”).

13.3. The equity shares underlying the GDRs issued, if any, will not be registered under the Securities Act in reliance upon the exemption from registration contained in Section 3(a)(10) of the Securities Act. To obtain this exemption, the Transferee Company will rely on the approval of the Scheme by the High Court of Judicature at Bombay following the hearing by the court. However the GDRs to be issued will be, if deemed necessary, registered in terms of the appropriate provisions of the Securities Act.

13.4. If, on account of the Share Exchange Ratio, fractional GDRs of the Transferee Company have to be issued, then, in accordance with the terms and conditions of the Deposit Agreement, in lieu of delivering receipts for fractional GDRs, the Depositary may, in its discretion, sell the shares represented by the aggregate of such fractions, at public or private sale, at such place or places and at such price or prices as it may deem proper, and distribute the net proceeds of any such sale in accordance with the terms of the Deposit Agreement.

13.5. The GDRs issued, if any, by the Transferee Company pursuant to sub-clause (c) of Clause 12.1 shall be similar in all material respects with the existing GDRs of the Transferee Company.

14. ACCOUNTING TREATMENT

14.1. On the Scheme becoming effective, the Transferee Company shall provide for the following accounting treatment in its books of accounts as under:

(a) The investments in the equity share capital of the Transferee Company as appearing in the books of accounts of the Transferor Company, shall stand cancelled. The cancellation which amounts to reduction of share capital of the Transferee Company, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the High Court of Judicature at Bombay sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

(b) All the assets (other than shares of Transferee Company which would be cancelled pursuant to sub-clause 7.2 hereof) recorded in the books of Transferor Company shall be recorded by the Transferee Company at their respective book value as appearing in the books of the Transferor Company. All the liabilities recorded in the books of Transferor Company shall upon becoming the liabilities of the Transferee Company be recorded by the Transferee Company at their respective book values as appearing in the books of the Transferor Company.

(c) Inter-company balances if any, will stand cancelled

(d) The excess or shortfall of the Net Assets Value transferred to the Transferee Company would be credited to the 'General Reserve Account' or Goodwill or as the case may be.

Explanation:

"Net Assets Value" shall be computed as the value of the Assets transferred to the Transferee Company less the value of the liabilities becoming liability of the Transferee Company and the difference if positive shall be considered to be an "excess" and if negative shall be considered to be a "shortfall".

(e) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in the General Reserve of the Transferee Company.

PART 4

GENERAL TERMS AND CONDITIONS

15. DIVIDENDS, PROFITS, BONUS/ RIGHTS SHARES

15.1. With effect from the date of filing of this Scheme with the High Court of Judicature at Bombay and upto and including the Effective Date, the Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders in respect of the accounting period prior to the Effective Date, provided that the Transferor Company shall not make any such declaration, except with the prior approval of the Board of Directors of the Transferee Company.

15.2. Until the coming into effect of this Scheme, the holder of equity shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

15.3. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.

16. WINDING UP OF THE TRANSFEROR COMPANY

16.1. On the Scheme becoming effective the Transferor Company shall be dissolved without being wound up.

16.2. The Board of Directors, (or any committee thereof) of the Transferor Company shall without any further, act, instrument or deed be and stand dissolved.

17. APPLICATION TO THE HIGH COURT

17.1. The Transferor Company shall with all reasonable despatch, make all applications/petitions under Sections 391 and 394 and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanctioning of this Scheme and for dissolution of the Transferor Company without winding up under the provisions of law, and obtain all approvals as may be required under law.

17.2. The Transferee Company shall with all reasonable despatch, make all applications/petitions under Sections 391 and 394 read with Sections 100-103 and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanctioning of this Scheme under the provisions of law, and obtain all approvals as may be required under law.

18. MODIFICATION / AMENDMENT TO THE SCHEME

18.1 The Transferor Company and the Transferee Company may assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which either the Boards of Directors or a committee or committees of the concerned Board or any Director authorised in that behalf by the concerned Board of Directors (hereinafter referred to as the "Delegates") of the Transferor Company and the Transferee Company deem fit, or which the High Court of Judicature at Bombay or any other authorities under law may deem fit to approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or to review the position relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing this Scheme into effect. (In the event that any of the conditions may be imposed by the Courts or other authorities which the Transferor Company or the Transferee Company may find unacceptable for any reason, then the Transferor Company and the Transferee Company are at liberty to withdraw the Scheme). The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegates of the respective Companies. In particular and without prejudice to the generality of the foregoing the modifications and amendments referred to in this sub-clause may include modifications and amendments relating to the mode by which the business undertaking assets and properties of the Transferor Company are transferred to the Transferee Company.

18.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegate of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

19. CONDITIONS

19.1. The Scheme is conditional upon and subject to the following:

(a) The Scheme being agreed to by the requisite majority of the members of the Transferor Company and the Transferee Company as required under the Act and the requisite orders of the High Court of Judicature at Bombay being obtained;

(b) Such other sanctions and approvals including sanctions of any governmental or regulatory authority, creditor, lessor, or contracting party as may be required by law or contract in respect of the Scheme being obtained; and

(c) The certified copies of the order of the High Court of Judicature at Bombay referred to in this Scheme being filed with the Registrar of Companies, Maharashtra, Mumbai.

19.2. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the Transferor Company and the Transferee Company by their respective Board of Directors or any Committee constituted by them.

20. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of this Scheme failing to take effect within 12 months of the first filing with the High Court of Judicature at Bombay, or by such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each Company shall bear its own costs or as may be mutually agreed.

21. COSTS

The Order of the High Courts under Sections 391 to 394 of the Act not being a conveyance as understood under the Bombay Stamp Act, 1958, stamp duty would only be payable on the conveyance referred to in Clause 7.1.1 of this Scheme, which stamp duty shall be payable by the Transferor Company. All other costs, charges and expenses, including any taxes and duties of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

Annexure A

SUMMARY OF AUDITED FINANCIAL STATEMENTS OF RELIANCE ENERGY LIMITED FOR THE 3 YEARS ENDED

BALANCE SHEET (Rs. Crore)

Particulars	March 31, 2005	March 31, 2004	March 31, 2003
Sources of Funds			
Shareholder's funds			
Equity Share Capital	185.61	175.26	137.83
Equity Warrants Issued and Subscribed	568.01	-	-
Reserve and Surplus	5,586.27	4,935.71	2,425.67
Loan Funds			
Secured Loans	785.00	685.02	60.00
Unsecured Loans	2953.67	1,345.81	571.94
Deferred Tax Liabilities	260.55	236.55	177.86
Service Line deposits from consumers	22.11	17.74	14.44
Total	10,361.22	7,396.09	3,387.74
Application of Funds			
Fixed Assets	2,912.31	3,093.21	1,815.62
Investments	696.22	2,875.04	1,030.34
Net Current Assets	6,752.69	1,427.84	541.78
Total	10,361.22	7,396.09	3,387.74

PROFIT AND LOSS ACCOUNT (Rs. Crore)

Particulars	March 31, 2005	March 31, 2004	March 31, 2003
Income			
Net Sales of Electrical Energy	2,895.99	2820.96	2303.31
Income from EPC and Contracts	1,234.68	578.55	367.24
Other Income	461.88	183.19	88.74
	4,592.55	**3582.7**	**2759.29**
Expenditure			
Cost of Electrical Energy purchased	1,004.10	1033.71	1132.89
Cost of Fuel	735.93	673.83	429.90
Tax on Electricity	99.12	47.43	37.23
Cost of Materials and Sub-contract (EPC and Contracts)	1,086.27	467.10	291.80
Staff Cost	232.53	204.60	110.03
Other Expenses and Provisions	383.70	350.02	268.64
Interest and Finance Charges	134.82	69.93	76.35
Depreciation	346.44	318.72	259.81
Profit before tax	**569.64**	**417.36**	**152.64**
Provision for Current Tax	25.50	28.65	17.28
Provision for Deferred Tax	24.00	21.63	(26.97)
Net Profit for the period	**520.14**	**367.08**	**162.33**

Annexure B

SUMMARY OF UNAUDITED FINANCIAL STATEMENTS OF RELIANCE ENERGY LIMITED FOR THE NINE MONTHS ENDED DECEMBER 31, 2005

(Rs. Crore)

Particulars	Nine Months ended December 31, 2005
Income	
Net Sales of Electrical Energy	2,407.98
Income from EPC and Contracts	572.91
Other Income	402.54
	3,383.43
Expenditure	
Cost of Electrical Energy purchased	834.84
Cost of Fuel	602.55
Tax on Electricity	86.73
Cost of Materials and Sub-contract (EPC and Contracts)	397.05
Staff Cost	193.71
Other Expenses and Provisions	322.98
Interest and Finance Charges	144.15
Depreciation	259.50
Profit before tax	**541.92**
Provision for Current Tax	75.00
Provision for Deferred Tax	(17.55)
Provision for Fringe Benefit Tax	3.60
Net Profit for the period	**480.87**

Annexure C

SUMMARY OF AUDITED FINANCIAL STATEMENTS OF RELIANCE ENERGY VENTURES LIMITED FOR THE 3 YEARS ENDED

BALANCE SHEET (Amount in Rupees)

Particulars	March 31, 2005	March 31, 2004	March 31, 2003
Sources of Funds			
Shareholder's funds			
Equity Share Capital	1,00,000	1,00,000	1,00,000
Reserve and Surplus	(44,902)	(35,818)	(27,068)
Loan Funds			
Unsecured Loans	61,000	41,000	-
Total	**1,16,098**	**1,05,182**	**72,932**
Application of Funds			
Investments	1,04,000	1,04,000	83,000
Net Current Assets	11,739	(585)	(13,243)
Miscellaneous Expenditure to the extent not written off	359	1767	3,175
Total	**1,16,098**	**1,05,182**	**72,932**

PROFIT AND LOSS ACCOUNT (Amount in Rupees)

Particulars	March 31, 2005	March 31, 2004	March 31, 2003
Income	-	-	-
Expenditure			
Audit fees	6,612	6,480	6,480
General expenses	1,064	862	2198
Misc. expenditure written off	1,408	1,408	1,408
Loss before tax	**(9,084)**	**(8,750)**	**(10,086)**
Provision for tax	-	-	-
Loss after tax	**(9,084)**	**(8,750)**	**(10,086)**

Annexure D

SUMMARY OF AUDITED FINANCIAL STATEMENT OF RELIANCE ENERGY VENTURES LIMITED FOR THE PERIOD ENDED DECEMBER 31, 2005

BALANCE SHEET (Amount in Rupees)

Particulars	As at December 31, 2005
Sources of Funds	
Shareholder's funds	
Equity Share Capital	5,00,000
Reserve and Surplus	16,97,87,61,708
Share Capital – Pending Allotment	12,23,13,04,220
Loan Funds	
Unsecured Loans	-
Total	**29,21,05,65,928**
Application of Funds	
Fixed Assets	90,13,552
Investments	29,12,82,92,408
Deferred tax asset	1,09,137
Net Current Assets	7,31,50,831
Total	**29,21,05,65,928**

PROFIT AND LOSS ACCOUNT (Amount in Rupees)

Particulars	For the period ended December 31, 2005
Income	-
Expenditure	
Depreciation	1,53,198
Audit fees	1,65,300
General expenses	5,377
Misc. expenditure written off	359
Loss before tax	**(3,24,234)**
Provision for tax - deferred	(1,09,137)
Loss after tax	**(2,15,097)**

IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORIGINAL JURISDICTION COMPANY APPLICATION NO. 429 OF 2006

In the matter of Scheme of Amalgamation and Arrangement under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956;

- AND -

In the matter of Reliance Energy Limited, a company incorporated under the Indian Companies Act, VII of 1913 and having its registered office at Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055.

- AND -

In the matter of Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited with Reliance Energy Limited and their respective shareholders and creditors.

Reliance Energy Limited, a Company incorporated under the Indian Companies)
Act, VII of 1913 and having its registered office at Reliance Energy Centre)
Santa Cruz (E), Mumbai 400 055)......... Applicant Company

FORM OF PROXY

I/We the undersigned, being the Equity Shareholder(s) of Reliance Energy Limited, the Applicant Company do hereby appoint ______________________________ of _____________________________________ and failing him / her _________________ of ____ as my / our proxy to act for me/ us at the meeting of the Equity Shareholders of the Applicant Company to be held at Shri Bhaidas Maganlal Sabhagriha, U-1 Juhu Development Scheme, Vile Parle (West), Mumbai 400 056 on Wednesday the 26th day of April, 2006 at 5.00 p.m. for the purpose of considering and, if thought fit, approving, with or without modification, the arrangement embodied in the proposed Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited, the Transferor Company with Reliance Energy Limited, the Applicant Company and their respective shareholders and creditors at such meeting, and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s) ___________________________________ (here, if for, insert 'for', if against, insert 'against', and in the latter case strike out the words "either with or without modifications" after the word "Amalgamation and Arrangement") the said arrangement embodied in the Scheme of Amalgamation and Arrangement either with or without modification(s) * as my/our proxy may approve.

* *strike out what is not necessary*

Dated this _____ day of ____________ 2006

Name: ____

Address: ____

____

____

Affix
Re 1
revenue
stamp

(For Demat holding)

DP Id. ________________________________ Client Id. ________________________________

(For Physical holding)

Folio No. ________________________________ No. of Shares held : ________________________

Signature of Shareholder(s) :

Sole holder / First holder - ______________________________

Second holder - ______________________________

Third holder - ______________________________

Signature of Proxy : - ______________________________

NOTES:
1. Proxy need not be a member.
2. Alterations, if any, made in the Form of Proxy should be initialled.
3. Proxy must be deposited at the Registered Office of the Applicant Company, not later than FORTY EIGHT hours before the time scheduled / fixed for the said meeting.
4. In case of multiple proxies, the proxy later in time shall be accepted.

ATTENDANCE SLIP

Reliance Energy Limited
Registered Office: Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055

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

DP. Id*		Folio No.	
Client Id*		No. of Share(s) held	

NAME AND ADDRESS OFTHE EQUITY SHAREHOLDER (in block letters):

____

____

NAME AND ADDRESS OF THE PROXY HOLDER
(in block letters, to be filled in by the proxy attending instead of the Equity Shareholder):

____

____

____

I hereby record my presence at the meeting, convened pursuant to the Order dated 24th March, 2006 of the Hon'ble High Court of Judicature at Bombay of the Equity Shareholders of the Company on Wednesday, the 26th day of April, 2006 at Shri Bhaidas Maganlal Sabhagriha, U-1 Juhu Development Scheme, Vile Parle (West), Mumbai 400 056 at 5.00 p.m..

Signature of the Equity Shareholder or proxy: ______________________

* Applicable for shareholders holding shares in dematerialised form.

Notes:

1. Shareholders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after fixing their signature on it.
2. Shareholders who come to attend the meeting are requested to bring with them copy of the Scheme of Arrangement.

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that an Extraordinary General Meeting of the Members of Reliance Energy Limited (hereinafter referred to as "the Company" or "the Applicant Company" or "REL") will be held on Wednesday, 26th day of April, 2006 at 7.00 p.m. or soon after the conclusion of the Court Convened meeting of the Equity Shareholders whichever is later to be held for approving the Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited ("the Transferor Company" or "REVL") with Reliance Energy Limited and their respective shareholders and creditors, at Shri Bhaidas Maganlal Sabhagriha, U-1 Juhu Development Scheme, Vile Parle (West), Mumbai 400 056 to transact as Special Business the following:

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 100 and other applicable provisions, if any, of the Companies Act, 1956 and Article 10 of the Articles of Association of the Company and subject to the Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited ("the Transferor Company" or "REVL") with Reliance Energy Limited ("the Company" or "the Applicant Company" or "the Transferee Company" or "REL") and their respective shareholders and creditors ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956, becoming effective 9,09,24,724 Equity Shares of Rs. 10 each of the Company held by REVL shall stand cancelled.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be necessary, proper or expedient, to give effect to these resolutions including to appoint Advocates, file and verify the Petition, affirm Affidavits, appear in the High Court and do all acts, deeds, matters and things, connected with or incidental to giving effect to these resolutions. The Board is also authorized to delegate this authority to such persons thought fit by them."

NOTES

1. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE EXTRAORDINARY GENERAL MEETING.
3. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company on any working day (except Saturdays) prior to the date of the meeting between 11.00 a.m. and 4.00 p.m.

By Order of the Board of Directors

Sd/-

Ramesh Shenoy
Company Secretary

Dated this 24th day of March, 2006

Registered Office:
Reliance Energy Centre
Santa Cruz (East)
Mumbai 400 055

Note: All alterations made in the Form of Proxy should be initialled.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 for the accompanying notice is as under:

1. The Board of Directors of Reliance Energy Limited ("REL" or "the Company") in their meeting dated January 3, 2006 have approved a Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited ("REVL") with Reliance Energy Limited, the Company and their respective shareholders and creditors ("the Scheme").

2. The proposed Scheme interalia envisages the following:

   (a) Merger of REVL into REL;

   (b) Transfer and vesting of the entire business and undertaking of REVL into the Company;

   (c) Issue of Equity shares of REL to the shareholders of REVL in the ratio of 7.5 equity shares of REL for every 100 equity shares held by them in REVL; and

   (d) Consequent cancellation of the equity shares of the Company held by REVL.

3. REVL currently holds 9,09,24,724 Equity Shares of Rs. 10 each of REL. Consequently, upon merger of REVL into REL, the shares of the Company held by REVL shall stand cancelled.

4. Accordingly, since the Scheme results in reduction of Equity Share Capital, the approval of the Equity Shareholders by a Special Resolution would be required in terms of Section 100 of the Companies Act, 1956.

5. The detailed features of the Scheme, approved by the Board of Directors of the Company in its meeting held on January 3, 2006 have been appropriately described in the Explanatory Statement under Section 393 of the Companies Act, 1956, which has been enclosed along with the Notice convening the meeting of the Equity Shareholders pursuant to Order made by the High Court of Judicature at Bombay on the 24th March, 2006.

6. The pre and post-amalgamation (expected) shareholding pattern and capital structure of the Company based on the shareholding pattern as on 17th March, 2006 is as under:

Shareholders	**Pre-amalgamation**		**Post-amalgamation**	
	Shares	**%**	**Shares**	**%**
Promoters				
- Shri Anil D. Ambani and Associates	–	–	35084057	17.31
- Reliance Capital Limited	11995139	5.94	13232126	6.52
- REVL	90924724	45.03	–	–
Sub-Total	**102919863**	**50.97**	**48316183**	**23.83**
Mutual Funds and UTI	4713271	2.33	8630080	4.26
Banks, Financial Institutions, Insurance Companies	39312793	19.47	45327306	22.36
FIIs	36481668	18.07	56420462	27.83
Private Corporate Bodies	1419002	0.70	6437199	3.18
Indian Public	12009795	5.96	26832207	13.23
NRIs/OCBs	423680	0.21	1351462	0.67
Other(GDR)	4624179	2.29	9399410	4.64
Total	**201904251**	**100.00**	**202714309**	**100.00**

7. The Directors of the Company may be deemed to be interested in the Scheme as disclosed in the Explanatory Statement enclosed along with the Notice under Section 391 of the Act. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the Special Resolution.

8. Your Directors recommend the resolution for approval

By Order of the Board of Directors

Sd/-
Ramesh Shenoy
Company Secretary

FORM OF PROXY

I/We ______________________________ of ____________________ being a member / members of Reliance Energy Limited, hereby appoint ______________________ of ____________________ failing him ____________________________________ of ________________________ as my / our proxy to attend and vote for me / us on my / our behalf at the Extraordinary General Meeting of the Company to be held on Wednesday, the 26th day of April, 2006 at 7.00 p. m. or soon after the conclusion of the Court Convened Meeting of the Equity Shareholders whichever is later, at Shri Bhaidas Maganlal Sabhagriha, U-1 Juhu Development Scheme, Vile Parle (West), Mumbai 400 056 and at any adjournment thereof.

Dated this _______ day of ____________, 2006

Signature

Affix
Re 1
revenue
stamp

Name : ______________________________

Address : ______________________________

____

____

Folio No. : ______________________________

Client ID No. : ______________________________

DP ID No. : ______________________________

No. of shares : ______________________________

NOTES:

1. Proxy need not be a member.
2. Alterations, if any, made in the Form of Proxy should be initialled.
3. Proxy must be deposited at the Registered Office of the Applicant Company, not later than FORTY EIGHT hours before the time scheduled / fixed for the said meeting.
4. In case of multiple proxies, the proxy later in time shall be accepted.

ATTENDANCE SLIP

Reliance Energy Limited

Registered Office: Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055

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

DP. Id*		Folio No.	
Client Id*		No. of Share(s) held	

NAME AND ADDRESS OFTHE EQUITY SHAREHOLDER (in block letters):

NAME AND ADDRESS OF THE PROXY HOLDER
(in block letters, to be filled in by the proxy attending instead of the Equity Shareholder):

I hereby record my presence at the Extraordinary General Meeting of the Company, convened at Shri Bhaidas Maganlal Sabhagriha, U-1 Juhu Development Scheme, , Vile Parle (West), Mumbai 400 056 of the Equity Shareholders of the Company on Wednesday, the 26th day of April, 2006 at 7.00 p.m. or soon after the conclusion of the Court Convened meeting of the Equity Shareholders whichever is later.

Signature of the Equity Shareholder or proxy:

* Applicable for shareholders holding shares in dematerialised form.

Note:
Shareholders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after fixing their signature on it.

BOOK POST

(Under Certificate of Posting)

If undelivered please return to:
Karvy Computershare Private Limited
(Unit: Reliance Energy Limited)
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081