

September 24, 2018

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001  
**BSE Scrip Code: 500390**

National Stock Exchange of India Ltd  
Exchange Plaza, C-1, Block G  
Bandra-Kurla Complex, Bandra (East)  
Mumbai 400 051  
**NSE Scrip Symbol: RELINFRA**

Dear Sirs,

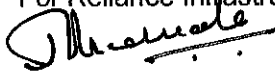
**Sub: Annual Report of Reliance Infrastructure Limited**

The 89<sup>th</sup> Annual General Meeting of the members of the Company was held on September 18, 2018 at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020. Pursuant to the requirements of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report of the Company is submitted herewith.

Kindly take the same on record.

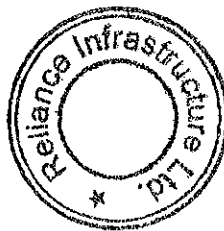
Thanking you.

Yours faithfully,  
For Reliance Infrastructure Limited



Aashay Khandwala  
Company Secretary

Encl. : As above.



**ReLIANCE**

Infrastructure

# Annual Report 2017-18



**Padma Vibhushan**  
**Shri Dhirubhai H. Ambani**  
(28th December, 1932 – 6th July, 2002)  
Reliance Group – Founder and Visionary

# Profile

Reliance Infrastructure Limited (RInfra), Constituent of the Reliance Group was incorporated in 1929 and is one of the largest infrastructure companies, developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors such as power, roads, metro rail and airport in the infrastructure space and in the defence sector.

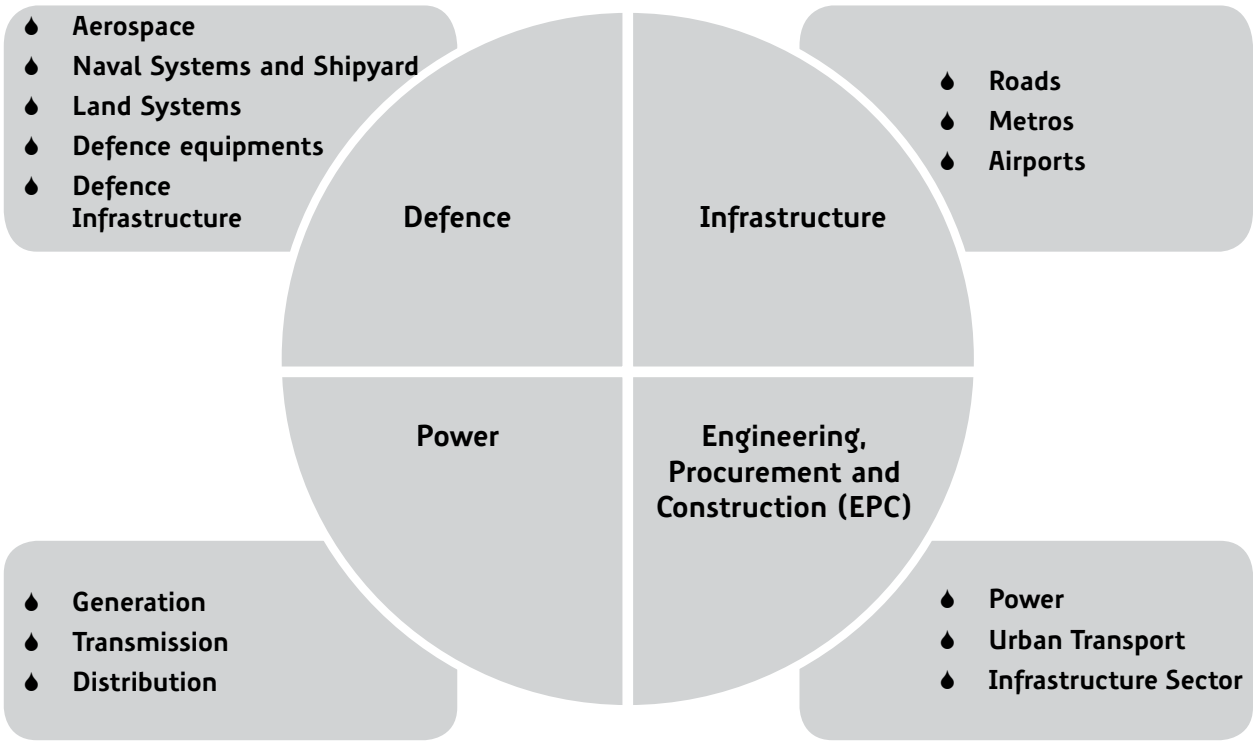
RInfra is a major player in providing Engineering, Procurement and Construction (EPC) services for developing power, infrastructure, metro and road projects.

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

## Mission: Excellence in Infrastructure

- To attain global best practices and become a world-class Company.
- 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.

Business Mix



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**89<sup>th</sup> Annual General Meeting on Tuesday, September 18, 2018 at 10.45 a.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](http://www.rinfra.com).*



My dear fellow Shareowners

Under the leadership of Hon'ble Prime Minister, Shri Narendra Modi, the Indian economy has continued its high growth momentum. According to the International Monetary Fund, India is forecast to grow at 7.4 per cent in 2018, making us the fastest-growing economy in the world. Series of new initiatives initiated by the Government have moved India into world's top countries towards ease of doing business. The global economy is also growing at its fastest pace and expected to strengthen further in years to come.

Reliance Infrastructure Limited (the Company) has successfully transformed itself from a power utility Company to a well diversified defence and infrastructure Company. We have widened our business canvas by diversifying into wide spectrum of infrastructure businesses with focus on roads, metro rail, airports and defence sector. With our focus on 'asset light' and 'high growth' Engineering, Procurement and Construction (EPC) business, we have established ourselves as a leading provider of EPC Services for power sector, metro and road projects across the country.

In line with the Reliance Group's vision of bringing in modern cutting edge using advance technology in Defence to the country, the Company has ventured into the defence sector. Towards this end, the Company has sealed a number of strategic partnerships and entered joint ventures with leading global original equipment manufacturers (OEMs).

### Performance Review

I wish to share with you the highlights of our financial and operational performance (consolidated) during the year 2017-18.

- Total Income of ₹ 28,429 crore (US\$ 4.36 billion)
- Net Profit of ₹ 1,340 crore (US\$ 205.52 million)
- EBITDA of ₹ 9,070 crore (US\$ 1.39 billion)
- Earnings per Share (EPS) of ₹ 50.93 (US\$ 0.78)
- Cash profit of ₹ 3,274 crore (US\$ 502.36 million)
- Consolidated Net Worth of ₹ 24,219 crore (US\$ 3.72 billion)

With a net worth of ₹ 24,219 crore (US\$ 3.72 billion), Reliance Infrastructure ranks amongst the top performing private sector companies in the country.

### Mumbai Distribution Business

Our power generation plant continues to achieve across major performance indicators such as operations, efficiency, environment and safety, certified under various Integrated Management Systems, the Dahanu Thermal Power Station (DTPS) has won several awards for Energy Management, Power Generation and healthy workplace.

Mumbai Power Distribution Division serves nearly 3 million customers in the suburbs of Mumbai, operating its distribution network at 99.99 per cent reliability. The Division has managed to reduce aggregate technical and commercial (AT&C) losses to 8.12 per cent, one of the lowest in the country.

### Debt Reduction and Monetization of Mumbai Power Business

The Scheme of Arrangement between the Company and Reliance Electric Generation and Supply Limited (REGSL) and their respective shareholders (the 'Scheme') was sanctioned by the Hon'ble High Court of Bombay, subject to approval from regulatory authorities and the lenders. On the Scheme becoming effective, the Mumbai Power Business of the Company comprising integrated business of generation, transmission and distribution would be vested in REGSL. The Company has already received approvals from the Competition Commission of India, Maharashtra Electricity Regulatory Commission (MERC), and the Shareholders. The requisite approvals from the lenders are under process.

The Company, in December 2017, signed Definitive Binding Agreement with ATL for sale of 100 per cent equity stake in REGSL for an estimated deal value of ₹ 18,800 crore. The Company will utilize the proceeds of this transformative transaction to reduce its debt.

### Transmission

Parbati Koldam Transmission Corporation Limited (PKTCL), joint venture with Power Grid Corporation of India Limited has been serving as power evacuation backbone for many hydro power plants in the Koldam Ludhiana region and many other northern region States. In spite of the treacherous terrain, all lines are being operated successfully with maintaining an average availability of 99.94 per cent during 2017-18.

### Delhi Power Distribution Business

The Company's two major subsidiaries viz BSES Rajdhani Power Limited (BRPL) and BSES Yamuna Power Limited (BYPL) in Delhi (Delhi Discoms) distribute power to over 41 lakh consumers of Delhi. The combined revenue of Delhi Discoms was ₹ 15,344 crore, a growth of 7 per cent over the previous year. During 2017 - 18, these Discoms achieved system reliability of over 99.9 per cent with AT&C losses declining to 9.44 per cent at BRPL and 10.41 per cent at BYPL. It is heartening to note that BRPL succeeded in bringing down AT&C losses from 48.1 per cent and BYPL from 57.2 per cent in 2002, when these Discoms were acquired by the Company.

**Letter to Shareowners****The EPC Business**

Our EPC Division is a leading service provider of integrated design, engineering, procurement and project management services for undertaking turnkey contracts including coal-based thermal projects, nuclear power projects, gas-power projects, metro, rail and road projects. The EPC Division has taken remarkable steps towards building a niche for itself and contributes to the faster growth of the Company. The significant initiatives taken to achieve this objective are elaborated in detail in the Management Discussion and Analysis which is appended to the Directors' Report.

A Centre of Engineering Excellence has been formed to build Knowledge Capital in order to enable the execution of large projects at optimum cost, while ensuring high standards of quality and strict adherence to timelines. Our EPC and Contracts Division order book position stood at ₹ 20,557 crore as on March 31, 2018.

The EPC Division is aggressively positioning itself in India's growing mega infrastructure sector by booking orders from sectors like defence, power and urban transport which includes metro and road projects. Backed by a young and highly talented workforce, our EPC division has built capabilities to execute projects in a time-bound and cost effective manner. This year, EPC Division has bagged various prestigious orders, including ₹ 7,000 crore Versova-Bandra Sea Link Project, ₹ 3,647 crore Uppur Thermal Power Project, ₹ 1,881 crore Road Projects from NHAI, ₹ 1,585 crore Mumbai Metro Line-4 Project, ₹ 1,081 crore Kudankulam Nuclear Power Project and ₹ 567 crore NTPC's flue gas desulphurisation works and 441 crore Kashedi Ghat Project from MoRTH.

The Company has entered into joint venture with Astaldi S.P.A, Italy, an European EPC major for execution of the Versova-Bandra Sea Link Project and Mumbai Metro Line - 4 Project.

**Road Projects**

Over the last decade, we have emerged as one of the largest road developers on Build, Own and Transfer (BOT) basis, with a portfolio of 11 projects at an aggregate outlay of approximately ₹ 11,500 crore. We have urban centric roads in high traffic density corridors and on Golden Quadrilateral, spread across six States in India and have emerged as one of the largest concessionaires of the National Highways Authority of India. All our 11 road projects are now generating revenue.

**Metro Project**

The Mumbai Metro Line 1 project covering Versova-Andheri-Ghatkopar corridor which commenced operations in June 2014 has served more than 400 million passengers. Mumbai Metro has emerged as the eighth densest metro corridor in the world with a peak ridership of around 4 lakh commuters per day as it is the fastest mode of East West connectivity in Mumbai. Mumbai Metro has continued to achieve excellence in field of public transport operation. It has been achieving 100 per cent train availability and 99.9 per cent on time performance since inception.

**Corporate Governance**

Our Company has always maintained the highest governance standards and practices by adopting, as a 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 continues to contribute actively to community welfare activities and has taken several initiatives and measures related to education and healthcare. As a responsible corporate, the Company continues to undertake several initiatives to make a positive economic, social and environmental impact in the neighbourhood of our power stations and other business units.

**Reliance Group**

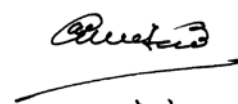
Reliance Infrastructure Limited is a constituent of the Reliance Group which is a prominent business house, widely recognized in India and abroad as one of the leading creators of projects of national importance – in infrastructure, power generation, transmission and distribution, financial services, defence manufacturing, entertainment and telecommunications, amongst others.

The Reliance Group has the largest investor base in India with over 15.5 million retail investors. The Reliance Group has over 75,000 employees and serves over 200 million customers. The Reliance Group has assets under management of over ₹ 4.5 lakh crore and also manages the funds of the Government of India's Employees' Provident Fund Organisation (EPFO), Pension Fund Regulatory and Development Authority (PFRDA) and Coal Mines Provident Fund Organisation (CMPFO) funds.

Currently, the Reliance Group has assets worth ₹ 3,50,000 crore, net worth of about ₹ 70,000 crore and cash flows of over ₹ 21,000 crore.

**Our Commitment**

Our founder, the legendary Padma Vibhushan Shri Dhirubhai Ambani always emphasized on one simple but essential mantra for doing business: To think big and dream even bigger. We will follow his lead and his inspiration in striving for bigger and better in everything that we do, paving the way for ever faster growth and ever higher value for all our stakeholders.



**Anil Dhirubhai Ambani**  
Chairman



<b>Highlights – at a glance (Standalone)</b>											
<b>Year Ended 31<sup>st</sup> March</b>	<b>2018*</b>	<b>2017*</b>	<b>2016*</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	
<b>Financial Data (₹ in crore)</b>											
Fixed Assets (Net)	16,151	16,601	17,071	7,702	6,509	7,349	7,754	6,844	4,079	3,905	
Investments	17,554	16,876	15,604	18,107	17,552	13,301	12,785	12,584	10,020	12,147	
Share Capital	263	263	263	263	263	263	263	267	245	226	
Reserves and Surplus	21,722	20,732	19,036	20,924	21,030	19,973	18,387	17,400	14,366	10,898	
Borrowings	16,399	19,845	20,343	16,814	14,841	11,451	9,189	3,969	4,115	7,332	
Gross Revenue	11,141	10,854	11,866	12,013	12,581	15,405	18,615	10,210	10,908	10,959	
Profit Before Tax	1,581	1,205	1,197	1,518	1,797	2,143	2,498	1,135	1,297	1,193	
Profit After Tax	1,664	1,288	967	1,533	1,588	2,000	2,000	1,081	1,152	1,139	
Dividends	250 <sup>@</sup>	237	224	210	197	195	194	191	174	156	
Retained Earnings (including statutory reserves)	1,381	1,037	741	1,280	1,365	1,787	1,779	859	968	956	
Rate of Dividend on Equity Shares	95% <sup>@</sup>	90%	85%	80%	75%	74%	73%	72%	71%	70%	
Earnings Per Share of face value of ₹ 10 each (in ₹)	63	49	76	58	60	76	76	43	51	49	

1 Crore = 10 million

\*As per Ind AS

<sup>@</sup>Proposed dividend

Notice

Notice is hereby given that the 89<sup>th</sup> Annual General Meeting of the Members of **Reliance Infrastructure Limited** will be held on Tuesday, September 18, 2018 at 10.45 a.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, 2018 and the reports of the Board of Directors and Auditors thereon, and
  - (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2018 and the report of the Auditors thereon.

2. To declare dividend on equity shares.

3. To appoint a Director in place of Shri Shiv Prabhat (DIN: 07319520), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

4. To confirm holding of office by the Auditor for the remaining term and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the relevant Rules there under as amended from time to time, the appointment of M/s Pathak H.D. & Associates, Chartered Accountants (Firm Registration No. 107783W) as the Statutory Auditors of the Company which was approved by the Members at the 87<sup>th</sup> Annual General Meeting (AGM), to hold office from the conclusion of the 87<sup>th</sup> AGM for a term of 4 (four) consecutive years till the conclusion of the 91<sup>st</sup> AGM, be and is hereby confirmed to hold office for the said period."

5. To confirm holding of office by the Auditor for the remaining term and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the relevant Rules there under as amended from time to time, the appointment of M/s B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company which was approved by the Members at the 88<sup>th</sup> Annual General Meeting (AGM), to hold office from the conclusion of the 88<sup>th</sup> AGM for a term of 5 (five) consecutive years till the conclusion of the 93<sup>rd</sup> AGM, be and is hereby confirmed to hold office for the said period."

**Special Business:**

6. **Private placement of Non Convertible Debentures (NCD) and/or other Debt Securities**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("hereinafter referred to as 'the Act'), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the relevant Rules made there under, as amended from time to time, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the provisions contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, to the extent they are applicable, and/or any other Rules/Regulations/ Guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and/ or any other statutory/ regulatory authority/ body and subject to the provisions of the Memorandum and Articles of Association of the Company, the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute, to exercise its powers including the powers conferred by this Resolution), be and is hereby authorised to create, offer, invite to subscribe, issue and allot, from time to time, in one or more tranches and/or in one or more series, Secured/ Unsecured/ Redeemable/ Non- Redeemable/ Non-Convertible Debentures (NCDs) including but not limited to subordinated Debentures, bonds, and/or other debt securities, etc., on private placement basis, in one or more series / tranches, within the overall borrowing limits of the Company, as approved by the Members from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board / Committee be and is hereby authorised to determine the terms of issue including the class of investors to whom NCDs are to be issued, time of issue, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium / discount, listing, redemption period, utilisation of the issue proceeds and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds / documents / undertakings / agreements / papers / writings, as may be required in this regard."

7. **Remuneration to Cost Auditors**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the relevant Rules there under, as amended from time to time, M/s V J Talati & Company, Cost Accountants (Firm Registration Number R/000213), appointed as the Cost Auditors of the Company for audit of the cost accounting records of the Company for the financial year ending March 31, 2019, be paid remuneration of ₹ 3.50 lakh (Rupees three lakh fifty thousand only) plus applicable taxes and out of pocket expenses, if any.

## Notice

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, to give effect to this resolution."

By Order of the Board of Directors

Aashay Khandwala  
Company Secretary

Registered Office:  
H Block, 1st Floor  
Dhirubhai Ambani Knowledge City  
Navi Mumbai 400 710  
CIN : L75100MH1929PLC001530  
Website: www.rinfra.com  
August 1, 2018

### Notes :

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 (the "Act") relating to the special business to be transacted at the Annual General Meeting (the "AGM") is annexed hereto.
2. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll, instead of self 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.**
3. 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 shareholder.
4. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company, a certified true copy of their Board Resolution authorising their representative(s) together with their specimen signature(s) to attend and vote on their behalf at the Meeting.
5. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
6. Members/Proxies are requested to bring their duly filled attendance slip sent herewith along with their copy of the annual report to the Meeting. The holder of proxy shall prove his identity at the time of attending the Meeting.
7. 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 at the Meeting.
8. 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 numbers in the attendance slips for attending the Meeting to facilitate identification of membership at the Meeting.

9. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office and Corporate 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. The aforesaid documents will also be available for inspection by members at the Meeting.
10. (a) The Company's Register of Members and Transfer Books will remain closed from Saturday, September 15, 2018 to Tuesday, September 18, 2018 (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 financial year ended March 31, 2018.  
(b) The dividend on equity shares as recommended by the Board of Directors, if declared at the meeting, will be paid after the meeting to:
  - i. all those equity shareholders, whose names appear in the Register of Members as on September 14, 2018; and
  - ii. those whose names appear as beneficial owners as on September 14, 2018 as furnished by the National Securities Depository Limited and Central Depository Services (India) Limited for the purpose.(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.
11. 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.
12. Re-appointment of Director

At the ensuing Annual General Meeting, Shri Shiv Prabhat, Director of the Company shall retire by rotation under the provisions of the Act and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the re-appointment.

The details pertaining to Shri Shiv Prabhat pursuant to the requirements of Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the Listing Regulations) are furnished below and in the Corporate Governance Report forming part of this Annual Report.

Notice

**Shri Shiv Prabhat**, 60 years, B.A. (Hons.), Masters in English Literature, joined the Life Insurance Corporation of India (LIC) in 1985 as Assistant Administrative Officer and rose to the position of Executive Director (Micro Business), from which he superannuated in March 2018. During his tenure spanning over 30 years, Shri Shiv Prabhat has taken up important assignments such as Marketing Manager and then as Divisional Manager at Divisional Office and as Senior Divisional Manager, Secretary (Marketing) at Central Mumbai Office, wherein he was involved in various strategy formulation of the Corporation for business growth and new initiatives. On elevation to the cadre of Zonal Manager, he was posted as Regional Manager (Marketing.), North Zone, Delhi where he was heading the Marketing Departments of North zone consisting of State of Haryana, Punjab, Rajasthan, Himachal Pradesh, Jammu and Kashmir. He was also Chief (SBU-Estates), Central office and Chief (Office Services) at Central Office, Mumbai during the years 2013-15 and thereafter he was elevated to the position of Executive Director (Micro Insurance). Micro Insurance is a separate business vertical and one of the alternative channels of business of LIC.

He was appointed by the Board as a Director of the Company with effect from November 4, 2015.

In terms of Section 152(6) of the Act, he was appointed as a Non Executive Director at the Annual General Meeting held on September 27, 2016 liable to retire by rotation.

He is the member of the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Environment, Health and Safety Committee of the Company.

As on March 31, 2018, Shri Shiv Prabhat does not hold any shares of the Company and does not hold any relationship with other Directors and Key Managerial Personnel of the Company.

13. In terms of Notification No. S.O. 1883 (E) dated May 7, 2018, issued by the Ministry of Corporate Affairs, Government of India, the requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting (AGM) has since been done away. Members at the AGM held on September 27, 2016 and September 26, 2017 had approved the appointment of M/s Pathak H.D.& Associates, Chartered Accountants (Firm Registration No. 107783W) and M/s B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as Statutory Auditors of the Company for a term of four and five consecutive years, respectively. Keeping in view that appointment of above Statutory Auditors was subject to ratification at every AGM, resolutions set out at item No. 4 and 5 are proposed as an abundant caution, seeking confirmation of the Members for the above Statutory Auditors to continue to hold office for their remaining terms. The above Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.
14. Members holding shares in physical form are requested to advise any change of their address or bank mandates immediately to the Company/Registrar and Transfer Agent.
15. 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 with pin code number, if not furnished earlier.
16. Members are advised to refer to the section titled "Investor Information" provided in this Annual Report.
17. **Securities and Exchange Board of India (SEBI) has decided that securities of listed companies can be transferred only in dematerialised form with effect from December 5, 2018. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form.**
18. Members are requested to fill in and submit online the Feedback Form provided in the 'Investor Relations' section on the Company's website [www.rinfra.com](http://www.rinfra.com) to aid the Company in its constant endeavour to enhance the standards of service to the investors.
19. The Statement containing the salient features of the Balance Sheet, the Statement of Profit and Loss and Auditors' Report on the abridged financial statement, 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 Company or Karvy.
20. Members holding shares in physical mode:
  - a. are required to submit their Permanent Account Number (PAN) and bank account details to the Company / Karvy, if not registered with the Company as mandated by SEBI.
  - b. are advised to register the nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is put on the Company's website and can be accessed at link <https://www.rinfra.com/web/rinfra/nomination-facility>
  - c. are requested to register / update their e-mail address with the Company / Karvy for receiving all communications from the Company electronically.
21. Members holding shares in electronic mode:
  - a. are requested to submit their PAN and bank account details to their respective Depository Participants with whom they are maintaining their demat accounts.
  - b. are advised to contact their respective DPs for registering the nomination.
  - c. are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.
22. SEBI vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated to all the members who hold securities of the company in physical form, to furnish to the company / its registrar and transfer agent, the details of their valid Permanent Account Number (PAN) and bank account. To support the SEBI's initiative, the Members are requested to furnish the details of PAN and bank account to the Company or Karvy. **Form for updating PAN / Bank details is provided as a part of this Annual Report. Members are requested to send duly filled form along with (a) self-attested**

**copy of PAN card of all the holders; and (b) original cancelled cheque leaf with names of shareholders or bank passbook showing names of Members, duly attested by an authorised bank official.**

23. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Karvy, for consolidation into a single folio.
24. In compliance with the provisions of Section 108 of the Act read with rules made thereunder and Regulation 44 of the Listing Regulation, the Company is offering e-voting facility to all Members of the Company through Notice dated August 1, 2018 (remote e-voting). A person, whose name is recorded in the register of members or in the register of beneficial owner (in case of electronic shareholding) maintained by the depositories as on the cut-off date i.e. Tuesday, September 11, 2018 only shall be entitled to avail the facility of remote e-voting/voting. Karvy will be facilitating remote e-voting to enable the Members to cast their votes electronically. The Members can cast their vote online from Friday, September 14, 2018 10.00 A.M. to 5.00 P.M on Monday, September 17, 2018. At the end of Remote e-voting period, the facility shall forthwith be blocked. Members may refer to the detailed procedure on remote e-voting given in the e-voting instruction slip.

The facility for voting shall also be available at the Meeting. The Members who have cast their votes by remote e-voting prior to the Meeting may also attend the Meeting, but shall not be entitled to cast their votes again at the Meeting.

The Board of Directors have appointed Shri Anil Lohia or in his absence Shri Rinkit Kiran Uchat, Partners, M/s. Dayal & Lohia, Chartered Accountants as Scrutinizers to scrutinize the voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the Meeting of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting. The result of the voting will be submitted to the Stock Exchanges, where the shares of the Company are listed and posted on the website of the Company at [www.rinfra.com](http://www.rinfra.com) and also posted on the website of Karvy Computershare Private Limited.

## **Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 1, 2018**

### **Item No. 6: Private placement of Non Convertible Debentures (NCDs) and/or other Debt Securities.**

As per the provisions of Section 42 of the Companies Act, 2013 ("the Act") read with the Rules made there under, a Company offering or making an invitation to subscribe to Non Convertible Debentures (NCDs) on a private placement basis is required to obtain the approval of the Members by way of a Special Resolution. The Act provides that such approval can be obtained once in a year for all the offers or invitations for NCDs to be issued during the year.

NCDs including subordinated debentures, bonds, and/or other debt securities etc., issued on a private placement basis constitute a significant source of borrowings for the Company and meet the ongoing funding requirements for the Company's business activities, for general corporate purposes and refinancing of the existing debt obligations of the Company.

The Board of Directors at its meeting held on April 23, 2018 considered the proposal to make an offer or invitation, to subscribe to securities through private placement subject to the shareholders' approval at the ensuing AGM for all the offers or invitations for NCDs to be made during the year.

It is proposed to obtain an enabling approval of shareholders to offer or invite subscriptions for NCDs including subordinated debentures, bonds, and/or other debt securities, etc. on private placement basis, at appropriate time in one or more tranches, within the overall borrowing limits of the Company, as may be approved by the members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the NCDs, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the Members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any, of the Act and its Rules thereunder as set out in Item No. 6 appended to this notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in this resolution, except of their shareholding in the Company, if any.

The Board recommends the Special Resolution set out at Item No. 6 of the accompanying Notice for approval of the Members.

### **Item No. 7: Remuneration to the Cost Auditors for the financial year ending March 31, 2019**

The Board of Directors on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. V.J.Talati & Co., Cost Accountants (Firm Registration No. R/000213), as the Cost Auditors for audit of the cost accounting records of the Company for the financial year ending March 31, 2019, at a remuneration of ₹ 3.50. lakh (Rupees three lakh fifty thousand only) plus applicable taxes and out-of-pocket expenses.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditor needs to be ratified by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested financially or otherwise in this resolution set out at Item no. 7 of the Notice.

The Board accordingly recommends the Ordinary Resolution set out at Item No.7 of the accompanying Notice for approval of the Members.

By Order of the Board of Directors

Aashay Khandwala  
Company Secretary

Registered Office:  
H Block, 1st Floor  
Dhirubhai Ambani Knowledge City,  
Navi Mumbai 400 710  
CIN : L75100MH1929PLC001530  
Website : [www.rinfra.com](http://www.rinfra.com)

August 1, 2018



**Directors' Report**

Dear Shareowners,

Your Directors present the 89<sup>th</sup> Annual Report and the audited financial statements for the financial year ended March 31, 2018.

**Financial Performance and state of the Company's affairs**

The standalone financial performance of the Company for the financial year ended March 31, 2018 is summarised below;

Particulars	Financial year ended March 31, 2018		*Financial year ended March 31, 2017	
	₹ in crore	** US \$ Million	₹ in crore	** US \$ Million
Total Income	11,430	1,754	11,610	1,790
Gross Profit before depreciation	2,437	374	2,061	318
Depreciation	889	136	930	144
Profit before taxation	1,548	238	1,130	174
Tax expenses (Net) (including deferred tax and tax for earlier years)	(83)	(13)	(84)	(13)
Net profit from discontinuing operation	34	5	74	11
Profit after taxation	1,665	256	1,288	198
Balance of profit brought forward from previous year	377	57	(442)	(68)
Other comprehensive income recognised directly in retained earnings	19	3	(24)	(4)
Add: Transfer on Scheme of Amalgamation	-	-	6	1
Profit available for appropriations	2,061	316	828	127
Dividend on equity shares (including tax on dividend) (Net)	283	43	251	39
Transfer to General Reserve	1,000	153	--	--
Transfer to Debenture Redemption Reserve	150	23	200	31
Balance carried to Balance Sheet	627	97	377	57

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

@\*\* ₹ 65.1750= US \$ 1 Exchange rate as on March 31, 2018 (₹ 64.8500 = US \$ 1 Exchange rate as on March 31, 2017)

**Financial Performance**

During the year under review, your Company earned an income of ₹ 11,430 crore against ₹ 11,610 crore in the previous year. The Company earned a profit after tax of ₹ 1,665 crore for the year as compared to restated profit of ₹ 1,288 crore in the previous year.

The performance and financial position of the subsidiary companies and associate companies are included in the consolidated financial statements of the Company and presented in the Management Discussion and Analysis forming part of this Annual Report.

**Dividend**

Your Directors have recommended a dividend of ₹ 9.50 per equity share (Previous year ₹ 9.00 per equity share) aggregating to ₹ 283 crore (inclusive of dividend distribution tax) for the financial year 2017-18 which, if approved at the ensuing 89<sup>th</sup> Annual General Meeting (AGM), will be paid to (i) all those equity shareholders whose names appear in the Register of Members as on Friday, September 14, 2018 and (ii) to those members whose names appear as beneficial owners as on Friday, September 14, 2018 as furnished by National Securities Depository Limited and Central Depository Services (India) Limited for the purpose.

The Dividend payout as proposed is in accordance with the Company's Dividend Distribution Policy which forms part of this Annual Report.

**Business Operations**

The Company is in the business of generation, transmission and distribution of electricity. The Company is amongst the

leading player in the country in the Engineering, Procurement and Construction (EPC) segment for power, roads, metro and other infrastructure sectors. The Company is also engaged in implementation, operation and maintenance of several projects in defence sector and infrastructural areas through its special purpose vehicles.

**Monetisation of Assets and Debt Reduction**
**i. Sale of Mumbai Power Business**

The Scheme of Arrangement between the Company and Reliance Electric Generation and Supply Limited (REGSL) and their respective shareholders (the 'Scheme') was sanctioned by the Hon'ble High Court of Bombay vide its orders dated January 19, 2017, January 31, 2017, November 20, 2017 and November 28, 2017, subject to the approvals from regulatory authorities and the lenders. On the Scheme becoming effective, the Mumbai Power Business of the Company comprising integrated business of generation, transmission and distribution would stand vested in REGSL. The Company has already received approvals from the Competition Commission of India, Maharashtra Electricity Regulatory Commission (MERC), and the Shareholders. The requisite approvals from the lenders are under process.

The Company, in December 2017, signed Definitive Binding Agreement with ATL for sale of 100 per cent equity stake in REGSL for an estimated deal value of ₹ 18,800 crore. The Company will utilize the proceeds of this transformative transaction to reduce its debt.

### ii. Transmission Business

During the year, the Company successfully monetized its investments made in transmission Companies and has completed the sale of its assets under Western Region System Strengthening Scheme (WRSSS) to Adani Transmission Limited.

### Management Discussion and Analysis

The Management Discussion and Analysis for the year under review as stipulated under Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), is presented in a separate section forming part of this Annual Report.

### Issue of Non-Convertible Debentures

During the year under review, the Company issued Secured Redeemable Non Convertible (Debentures) aggregating to ₹ 75 crore (Series 27) on Private Placement basis to financial institutions. These Debentures are listed on National Stock Exchange of India Limited.

### Deposits

The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 ('the Act') and the Companies (Acceptance of Deposits) Rules, 2014. There are no unclaimed deposits, unclaimed/unpaid interest refunds due to the deposit holders or to be deposited with the Investor Education and Protection Fund as on March 31, 2018.

### Particulars of Investments

Pursuant to Section 186 of the Act, details of the Investments are provided in the standalone financial statement (Please refer to Note No. 7 to the standalone financial statements).

### Subsidiary Companies, Associates and Joint Ventures

During the year under review, Reliance Armaments Limited, Reliance Ammunition Limited, Reliance Velocity Limited, Thales Reliance Defence Systems Limited became subsidiaries of the Company, Western Transco Power Limited, and Western Transmission (Gujarat) Limited ceased to be subsidiaries of the Company.

The operating and financial performance of the major subsidiaries is presented in Management Discussion and Analysis forming part of this Annual Report. Also, a report on the performance and financial position of each of the subsidiaries, associates and joint ventures as per the Act is provided in the consolidated financial statements.

The Policy for determining material subsidiary company, as approved by the Board, may be accessed on the Company's website at the <http://www.rinfra.com/web/rinfra/governing-policies-practices>.

### Financial Statements–Application of Indian Accounting Standards (Ind AS) Rules, 2015

The Ministry of Corporate Affairs (MCA) vide its Notification No. G.S.R. 111(E) dated February 16, 2015, has made the application of the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules).

The audited financial statements of the Company are drawn up, both on standalone and consolidated basis, for the financial year ended March 31, 2018, are in accordance with the requirements of the Ind AS Rules.

### Consolidated Financial Statement

The Audited Consolidated Financial Statement for the financial year ended March 31, 2018, based on the financial statement received from subsidiaries, associates and joint ventures, as approved by their respective Board of Directors, have been prepared in accordance with Ind-AS Rules and relevant provisions of the Company's Act, 2013.

### Directors

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Act and the Listing Regulations. The details of programme for familiarisation of Independent Directors with the Company, nature of the industry in which the Company operates and related matters are uploaded on the website of the Company at the link [http://www.rinfra.com/pdf/Familiarisation\\_programme.pdf](http://www.rinfra.com/pdf/Familiarisation_programme.pdf).

In terms of the provisions of the Act, Shri Shiv Prabhat, Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

A brief resume of Shri Shiv Prabhat, along with requisite details as stipulated under Regulation 36(3) of the Listing Regulations, is provided in this Annual Report.

### Key Managerial Personnel

Shri Ramesh Shenoy, Company Secretary and Compliance Officer, superannuated from the service of the Company on November 11, 2017. Shri Aashay Khandwala was appointed as Company Secretary and Compliance Officer of the Company from November 11, 2017.

### Evaluation of Directors, Board and Committees

The Company has devised a policy for performance evaluation of the directors, Board and its Committees, which includes criteria for performance evaluation.

Pursuant to the provisions of the Act and Regulation 17 (10) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the committees of the Board. The performance of the Board was evaluated based on inputs received from all the Directors after considering criteria for performance evaluation formulated by the Nomination and Remuneration Committee.

A separate meeting of Independent Directors was also held during the year for the evaluation of the performance of non-independent Directors and the Board as a whole and that of the Chairman.

The Nomination and Remuneration Committee has also reviewed the performance of individual directors based on their knowledge, level of preparation and effective participation in meetings, understanding of their role as directors, etc.

### Policy on appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees

The Nomination and Remuneration Committee of the Board has devised a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management employees. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors, which has been put up on the Company's website. Further, the Committee has also devised a policy relating to remuneration for Key Managerial Personnel and senior

## Directors' Report

management employees. The policy on the above has been put up on the Company's website at [www.rinfra.com](http://www.rinfra.com) and also is attached as Annexure A.

### Directors' Responsibility Statement

Pursuant to the requirements under Section 134(5) of the Act with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the annual financial statements for the financial year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The directors had prepared the annual financial statement for the financial year ended March 31, 2018, on a going concern basis;
- v. The directors had laid down proper internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Contracts and Arrangements with Related Parties

All contracts, arrangements and transactions entered into by the Company during the financial year under review with related parties were at arm's length and in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which could have potential conflict with the interest of the Company at large.

All Related Party Transactions were placed before the Audit Committee for approval. Omnibus approval of the Audit Committee was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were reviewed and statements giving details of all related party transactions were placed before the Audit Committee on a quarterly basis. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the link: <http://www.rinfra.com/web/rinfra/corporate-governance-policies>. Your Directors draw attention of the members to note 37 to the standalone financial statement which sets out related party disclosures.

### Material Changes and Commitments if any, affecting the financial position of the Company

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.

### Meetings of the Board

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, 6 Board Meetings were held.

Details of meetings held and attended by each Director are given in the Corporate Governance Report.

### Audit Committee

Shri S S Kohli, an Independent Director is the Chairman of Audit Committee. Shri K Ravikumar, Shri V R Galkar and Ms. Ryna Karani (Independent Directors) and Shri Shiv Prabhat (Non-Independent Director) are other members of Audit Committee. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

### Auditors and Auditor's Report

M/s. Pathak H.D. & Associates, Chartered Accountants, were appointed as statutory auditors of the Company to hold office until the conclusion of the 91st Annual General Meeting of the Company.

M/s. B S R & Co. LLP, Chartered Accountants were appointed as statutory auditors of the Company to hold office until the conclusion of the 93rd Annual General Meeting of the Company. The observations and comments given by the Auditors in their report, read together with notes on financial statements are self explanatory and hence do not call for any further comments under Section 134 of the Act.

### Cost Auditors

Pursuant to the provisions of the Act and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors have appointed M/s V J Talati & Co, Cost Accountants, as the Cost Auditors of the Company for conducting the cost audit of Power Generation, Transmission, Distribution Divisions and the Engineering, Procurement and Construction Division of the Company for the financial year ending March 31, 2019, and their remuneration is subject to ratification by the members at the ensuing Annual General Meeting of the Company.

### Secretarial Standards

During the year under review, the Company complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Ashita Kaul & Associates, Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. There is no qualification, reservation or adverse remark made by the Secretarial Auditor in the Secretarial Audit Report. The Audit Report of the Secretarial Auditor is attached hereto as Annexure B.

### Extract of Annual Return

Extract of the Annual Return of the Company in form MGT-9 is attached hereto as Annexure C.

### Employees Stock Option Scheme

The Members of the Company had through Postal Ballot dated January 8, 2007, approved the issue of securities under Employee Stock Option Scheme to the employees of the Company as well as employees of the subsidiary companies. However, the Company has not granted any stock options to the employees of the Company or to the employees of subsidiary companies.

### Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out



## Directors' Report

in the said rules are provided in the Annual Report, which forms part of this Report. Disclosure relating to the remuneration and other details as required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, forms part of this Annual Report. Having regard to the provisions of Section 136 of the Act, the Annual Report, excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. However, the said information is available for inspection 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 and any member interested in obtaining the same may write to the Company Secretary. Upon such request, the information shall be furnished.

### **Conservation of energy, technology absorption and foreign exchange earnings and outgo**

Information in accordance with the provisions of Section 134(3) (m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy and technology absorption are given in Annexure D and forms part of this Report.

### **Corporate Governance**

The Company has adopted the "Reliance Group-Corporate Governance Policies and Code of Conduct" which has set out the systems, processes and policies conforming to international standards. The report on Corporate Governance as stipulated under Regulation 34 (3) of the Listing Regulations forms part of this Annual Report.

A certificate from the Auditors of the Company, M/s. Pathak H.D. & Associates, Chartered Accountants and M/s. B S R & Co. LLP, Chartered Accountants confirming compliance with conditions of Corporate Governance as stipulated under Para E of Schedule V of the Listing Regulations is enclosed to this Report.

### **Vigil Mechanism**

In accordance with Section 177 of the Act and the Listing Regulations, the Company has formulated a Vigil Mechanism and a whistle blower policy to address the genuine concern, if any of the directors and employees. The details of the same have been stated in the report on Corporate Governance. The policy can also be accessed on the Company's website at the link: <http://www.rinfra.com/web/rinfra/corporate-governance-policies>.

### **Risk Management**

The Board of the Company has constituted a Risk Management Committee. The Committee consists of majority of independent directors and also senior managerial personnel. The details of the Committee are set out in the Corporate Governance Report forming part of this Report.

The Company has a robust Business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at the Company level as also separately for business segments. More details on Risk Management indicating development and implementation of Risk Management policy including identification of elements of risk and their mitigation are covered in Managements Discussion and Analysis section, which forms part of this Report.

### **Compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company is committed to upholding and maintaining the dignity of women employees and it has in place a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. During the year, no such complaints were received. The Company has also constituted an Internal Compliance Committee under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **Corporate Social Responsibility**

The Company has constituted a Corporate Social Responsibility Committee (CSR) in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee consists of Ms Ryna Karani as Chairperson, Shri S S Kohli, Dr. V.K. Chaturvedi and Shri K Ravikumar as members. The CSR Committee has formulated a Corporate Social Responsibility Policy (CSR policy) indicating the activities to be undertaken by the Company. The CSR policy may be accessed on the Company's website at the link: <http://www.rinfra.com/web/rinfra/corporate-governance-policies>

The disclosure with respect to CSR activities forming part of this Report is given as Annexure E.

### **Order, if any, passed by the regulator or courts or tribunals**

No orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

### **Internal Financial Controls and their adequacy**

The Company has in place adequate internal financial controls with reference to financial statement, across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

### **Business Responsibility Report**

Business Responsibility Report for the year under review as stipulated under listing regulations is presented under separate section forming part of this Annual Report.

### **Acknowledgements**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from shareholders, debenture holders, debenture trustees, bankers, financial institutions, government authorities, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff of the Company, resulting in the satisfactory performance of the Company during the year.

**For and on behalf of the Board of Directors**

**Anil Dhirubhai Ambani**  
Chairman

Mumbai  
August 1, 2018

## Policy on Directors, Key Managerial Personnel and Senior Management Appointment and Remuneration

### 1 Objective

**The remuneration policy aims at achieving the following specific objectives:**

- 1.1 To attract highly competent talent to sustain and grow the Company's business;
- 1.2 To build a high performance culture by aligning individual performance with business objectives and infusing performance differentiation.
- 1.3 To motivate and retain high performers and critical talent at all levels

### 2 Scope and Coverage

- 2.1 Remuneration policy covers Directors, Key Managerial Personnel (KMPs) and on-roll employees of Reliance Infrastructure Limited and its Subsidiaries/Special Purpose Vehicles (SPVs), who are categorized into Top Management Cadre (TMC) and Senior Management Cadre (SMC).

### 3 Policy

#### 3.1 Non-Executive Directors:

The Non executive directors shall be paid sitting fees for attending the meetings of the Board and of the Committees of which they may be members, and commission within regulatory limits approved by the shareholders. The commission for respective financial year to be recommended by the Nomination and Remuneration Committee and approved by the Board

#### 3.2 Key Managerial Personnel and Senior Management

- 3.2.1 Remuneration, i.e. Cost-to-Company (CTC) consists of two broad components; Fixed and Variable.
- 3.2.2 Fixed portion comprises Base pay and Choice pay components.
- 3.2.3 Base Pay includes Basic Pay and Contribution towards Retiral Benefits.
- 3.2.4 Choice Pay includes basket of allowances, which executive has the flexibility to choose from, based on his individual needs and tax planning.

3.2.5 Variable pay termed as Performance Linked Incentive (PLI) comprises a pre- determined amount, the payout of which is based on the composite score achieved by the Individual and business during the relevant performance year.

3.2.6 Annual Increment is linked to individual performance ratings and is also guided by business performance, macro-economic indicators, industry /business outlook, etc.

3.2.7 Individual and Business performance is assessed through a robust annual performance appraisal process, the key features of which are as follows:

- Formulation of well articulated Business-wise Annual Operating Plan (AOP)
- Setting of Individual Key Result Areas (KRAs) and Key Performance Indicators (KPIs) in alignment with Business AOP
- Online process for goal setting, self evaluation and assessment by managers
- Normalisation of individual ratings as per prescribed norms; and
- Business Performance evaluation with higher emphasis on achievement against key financial and project completion parameters.

### 4 Retention Features as part of Compensation Package

4.1 Based on the organizational need for retaining high performing/critical executives, certain retention features may be rolled out from time to time as part of the overall compensation package. These may take form of Retention Bonuses (RBs); Special Monetary Programs (SMPs), Long-term Incentives (LTIs), etc.

4.2 While attracting talent in critical positions also such retention features could be incorporated as part of the compensation package.

### 5 Modification/Amendment:

5.1 This policy shall be reviewed periodically based on benchmarking/business requirement/industry relevance.

### Form No. MR-3

### Secretarial Audit Report

For the financial year ended March 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Reliance Infrastructure Limited  
H Block, 1st Floor,  
Dhirubhai Ambani Knowledge City,  
Navi Mumbai – 400 710

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Reliance Infrastructure Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has generally followed Board-processes and required compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Reliance Infrastructure Limited** for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
- (v) The Electricity Act, 2003 and amendments made there under;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 (SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the Audit Period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during the Audit Period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company during the Audit Period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period)
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015 and Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited and London Stock Exchange.

We have also examined compliance with the applicable clauses of the following;

- I. The Secretarial Standards issued by the Institute of Company Secretaries of India for General Meeting, Board and Committee meeting (i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee);
- II. Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited and London Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, as applicable.

## Directors' Report

### We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions at Board Meetings and Committee Meetings are carried out and recorded in the minutes of meetings of the Board of Directors and Committee of the Board accordingly.

**We further report that**, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that**, during the audit period following Special Resolutions were passed pursuant of the above referred laws, rules, regulations and guidelines as applicable:

- i. To consider and approve Private Placement of Non Convertible Debentures;
- ii. To approve Sale and/ or Disposal of the Business by sale of shares of Subsidiary Company;
- iii. Issue of Securities through qualified institutions placement on a private placement basis to the qualified institutional buyers.

**For Ashita Kaul & Associates  
Company Secretaries**

**Proprietor  
FCS 6988/ CP 6529**

**Date : August 1, 2018  
Place : Mumbai**

### FORM NO. MGT.9

### EXTRACT OF ANNUAL RETURN

as at the financial year ended on March 31, 2018

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. Registration and other details

i)	CIN	L75100MH1929PLC001530
ii)	Registration Date	October 1, 1929
iii)	Name of the Company	Reliance Infrastructure Limited
iv)	Category/Sub-Category of the Company	Public Company/Limited by Shares
v)	Address of the Registered Office and contact details	H Block, 1st Floor Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710 Tel : +91 22 3303 1000 Fax : +91 22 3303 3664 Email : rinfra.investor@relianceada.com Website : www.rinfra.com
vi)	Whether listed company	Yes
vii)	Name, address and contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited (Unit: Reliance Infrastructure Limited) Karvy Selenium, Tower – B, Plot No. 31 & 32 Survey No. 116/22, 115/24, 115/25 Financial District, Nanakramguda Hyderabad 500 032, Tel. : +91 40 6716 1500 Fax : +91 40 6716 1791 Toll Free No.: 1800 4250 999 E-mail : rinfra@karvy.com

#### II. Principal Business Activities of the Company

All the Business Activities contributing 10 percent or more of the total turnover of the Company shall be stated:

Name and Description of main Products/Services	NIC Code of the Product/Service	Per cent to total turnover of the Company
Power Business	351	88 per cent
EPC and Contract Business	422	12 per cent

#### III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Reliance Defence Limited 502, Plot No 91/94, Prabhat Colony, Santa Cruz (East), Mumbai 400 055	U74999MH2015PLC263178	Subsidiary	100	2(87)(ii)
2.	NK Toll Road Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U67190MH2005PLC154359	Subsidiary	100	2(87)(ii)
3.	DS Toll Road Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U23300MH2005PLC154360	Subsidiary	100	2(87)(ii)
4.	GF Toll Road Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74990MH2008PTC189112	Subsidiary	100	2(87)(ii)
5.	HK Toll Road Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U45203MH2010PTC203370	Subsidiary	100	2(87)(ii)
6.	KM Toll Road Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U45203MH2010PTC199705	Subsidiary	100	2(87)(ii)
7.	PS Toll Road Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U45203MH2010PTC199879	Subsidiary	74	2(87)(ii)

**Directors' Report**

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
8.	DA Toll Road Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U45203MH2010PTC203502	Subsidiary	100	2(87)(ii)
9.	SU Toll Road Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74999MH2007PTC169145	Subsidiary	100	2(87)(ii)
10.	TD Toll Road Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U45400MH2007PTC169141	Subsidiary	100	2(87)(ii)
11.	TK Toll Road Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U45203MH2007PTC169208	Subsidiary	100	2(87)(ii)
12.	JR Toll Road Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U45203MH2009PTC197721	Subsidiary	100	2(87)(ii)
13.	BSES Yamuna Power Limited Shakti Kiran Building, Karkarduma, Delhi 110 092	U40109DL2001PLC111525	Subsidiary	51	2(87)(ii)
14.	BSES Rajdhani Power Limited BSES Bhawan, Nehru Place, Delhi 110 019	U40109DL2001PLC111527	Subsidiary	51	2(87)(ii)
15.	BSES Kerala Power Limited 165 Combined Cycle Power Plant, Udyogmandal P O Kochi, Ernakulam, 683 501	U40105KL1996PLC010257	Subsidiary	100	2(87)(ii)
16.	Reliance Electric Generation and Supply Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74999MH2008PLC186877	Subsidiary	100	2(87)(ii)
17.	Reliance Property Developers Private Limited 502 Plot no.91/94 Prabhat Colony Santacruz (East) Mumbai 400 055	U45202MH2016PTC280605	Subsidiary	100	2(87)(ii)
18.	Reliance Energy Limited 1st floor, Reliance Energy Building, Devidas Lane, Borivali (West), Mumbai 400 103	U40107MH2015PLC271146	Subsidiary	100	2(87)(ii)
19.	Reliance E-Generation and Management Private Limited 502, Plot No 91/94, Prabhat Colony, Santa Cruz (East), Mumbai 400 055	U40103MH2016PTC274871	Subsidiary	100	2(87)(ii)
20.	Reliance Energy Trading Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40109MH2003PLC141376	Subsidiary	100	2(87)(ii)
21.	Reliance Sealink One Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U45205MH2010PTC203499	Subsidiary	90	2(87)(ii)
22.	Mumbai Metro One Private Limited Mumbai Metro One Depot, DN Nagar, J.P. Road, 4 Bunglows, , Andheri (West), Mumbai 400 053	U45201MH2006PTC166433	Subsidiary	69	2(87)(ii)
23.	CBD Tower Private Limited 6-3-1090/A, Raj Bhavan Road, Camus Capri Apartments, Hyderabad, Telangana	U64203TG2008PTC059255	Subsidiary	89	2(87)(ii)
24.	Reliance Smart Cities Limited 502, Plot No.91/94 Prabhat Colony, Santacruz(East) Mumbai 400 055	U74120MH2015PLC266840	Subsidiary	100	2(87)(ii)
25.	Parbati Koldam Transmission Company Limited 5th floor, FF-1A JMD Galleria, Sector-48, Sohna Road, Gurgaon 122 018	U40108HR2002PLC071677	Subsidiary	74	2(87)(ii)
26.	Reliance Power Transmission Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40109MH2003PLC141375	Subsidiary	100	2(87)(ii)
27.	Talcher II Transmission Company Limited 5th Floor, JMD Galleria, Sector-48, Sohna Road, Gurgaon 122 018	U64203HR2007PLC052110	Step down Subsidiary	100	2(87)(ii)
28.	North Karanpura Transmission Company Limited 5th Floor, JMD Galleria, Sector-48, Sohna Road, Gurgaon 122 018	U40101HR2007PLC052109	Step down Subsidiary	100	2(87)(ii)
29.	Reliance Cruise And Terminals Limited 502, Plot No 91/94, Prabhat Colony, Santa Cruz (East), Mumbai 400 055	U75210MH2016PLC273310	Subsidiary	100	2(87)(ii)
30.	Utility Infrastructure & Works Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U26950MH2010PTC211485	Subsidiary	100	2(87)(ii)
31.	Reliance Cement Corporation Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U26940MH2008PTC217838	Subsidiary	100	2(87)(ii)
32.	Reliance Armaments Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U75302MH2017PLC301837	Subsidiary	100	2(87)(ii)
33.	Reliance Ammunition Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U75302MH2017PLC302290	Subsidiary	100	2(87)(ii)
34.	Reliance Velocity Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U45101MH2018PLC305170	Subsidiary	100	2(87)(ii)
35.	Reliance Airport Developers Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U45309MH2004PLC147532	Subsidiary	65.21	2(87)(ii)
36.	Latur Airport Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74200MH2009PLC196115	Step down-Subsidiary	74.25	2(87)(ii)
37.	Nanded Airport Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74200MH2009PLC196116	Step down-Subsidiary	74.25	2(87)(ii)

# Reliance Infrastructure Limited

## Directors' Report

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
38.	Yavatmal Airport Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74200MH2009PLC196118	Step down- Subsidiary	74.25	2(87)(ii)
39.	Baramati Airport Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74200MH2009PLC196113	Step down- Subsidiary	74.25	2(87)(ii)
40.	Osmanabad Airport Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74200MH2009PLC196114	Step down- Subsidiary	74.25	2(87)(ii)
41.	Reliance Power Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	L40101MH1995PLC084687	Associate	43.22	2(6)
42.	Metro One Operation Private Limited OCC-RSS Building, DN Nagar, J.P. Road, Andheri (West), Opp. Manish Garden CHS.4 Bunglows, Mumbai 400 053	U60200MH2009PTC190650	Associate	30	2(6)
43.	Mumbai Metro Transport Private Limited 502, Plot No.91/94, Prabhat Colony, Santa Cruz (East), Mumbai 400 055	U60222MH2009PTC196739	Associate	48	2(6)
44.	Delhi Airport Metro Express Private Limited Ground Floor, A Wing, Commercial Tower, Radisson Blu Plaza, National Highway-8, Mahipalpur, New Delhi - 110037	U74210DL2008PTC176177	Subsidiary	99.27	2(6)
45.	Reliance Naval and Engineering Limited Pipavav Port, Post Uchchaya, Via Rajula Rajula 365 560	L35110GJ1997PLC033193	Associate	29.84	2(6)
46.	RPL Photon Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40300MH2010PTC209609	Associate	50	2(6)
47.	RPL Sun Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40300MH2010PTC209920	Associate	50	2(6)
48.	RPL Sun Technique Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40300MH2010PTC209919	Associate	50	2(6)
49.	Reliance Geothermal Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U10101MH2010PTC209925	Associate	25	2(6)
50.	Tamil Nadu Industries Captive Power Company Limited No.15, Soundara Pandian Salai, Ashok Nagar, Chennai 600 083	U93090TN1988PLC037507	Joint Venture	33.70	2(6)
51.	Utility Powertech Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Thane Belapur Road, Navi Mumbai 400 710	U45207MH1995PLC094719	Joint Venture	19.80	2(6)
52.	Reliance Defence Systems Private Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74999MH2014PTC260288	Step down Subsidiary	100	2(87)(ii))
53.	Reliance Defence and Aerospace Private Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74999MH2014PTC260285	Step down Subsidiary	100	2(87)(ii))
54.	Reliance Defence Technologies Private Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74999MH2014PTC260286	Step down Subsidiary	100	2(87)(ii))
55.	Reliance SED Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74999MH2015PLC263910	Step down Subsidiary	100	2(87)(ii))
56.	Reliance Propulsion Systems Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74999MH2015PLC263820	Step down Subsidiary	100	2(87)(ii))
57.	Reliance Defence Systems & Tech Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74999MH2015PLC263822	Step down Subsidiary	100	2(87)(ii))
58.	Reliance Defence Infrastructure Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74999MH2015PLC263816	Step down Subsidiary	100	2(87)(ii))
59.	Reliance Land Systems Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74999MH2015PLC263818	Step Down Subsidiary	100	2(87)(ii))
60.	Reliance Naval Systems Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74120MH2015PLC263884	Step Down Subsidiary	100	2(87)(ii))
61.	Reliance Unmanned Systems Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74120MH2015PLC263784	Step doen Subsidiary	100	2(87)(ii))
62.	Reliance Aerostructure Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74120MH2015PLC263781	Step down Subsidiary	100	2(87)(ii))
63.	Reliance Helicopters Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U74999MH2015PLC263798	Step down Subsidiary	100	2(87)(ii))
64.	Dassault Reliance Aerospace Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U35999MH2017PLC291083	Step down Subsidiary	51	2(87)(ii)
65.	Reliance Aero Systems Private Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U75302MH2016PTC288567	Step down Subsidiary	100	2(87)(ii)
66.	Thales Reliance Defence Systems Limited 502, Plot no. 91/94, Prabhat Colony Santa Cruz (East) Mumbai 400 055	U29305MH2018PLC305829	Step down Subsidiary	51	2(87)(ii)



Directors' Report

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (April 01, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A Promoters</b>									
<b>1. Indian</b>									
a) Individual/HUF	6,63,424	0	6,63,424	0.25	6,63,424	0	6,63,424	0.25	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	12,65,13,612	0	12,65,13,612	48.11	12,65,13,612	0	12,65,13,612	48.11	0.00
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>	<b>12,71,77,036</b>	<b>0</b>	<b>12,71,77,036</b>	<b>48.36</b>	<b>12,71,77,036</b>	<b>0</b>	<b>12,71,77,036</b>	<b>48.36</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A) = (A) (1)+(A)(2)</b>	<b>12,71,77,036</b>	<b>0</b>	<b>12,71,77,036</b>	<b>48.36</b>	<b>12,71,77,036</b>	<b>0</b>	<b>12,71,77,036</b>	<b>48.36</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/UTI	47,38,416	35,244	47,73,660	1.82	88,59,265	23,057	88,82,322	3.38	1.56
b) Banks/FI	11,30,342	13,563	11,43,905	0.43	8,83,438	7,694	8,91,132	0.34	-0.10
c) Central Govt.	69,407	61,950	1,31,357	0.05	69,398	61,814	1,31,212	0.05	0.00
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	3,34,65,292	314	3,34,65,606	12.73	2,32,32,940	201	2,32,33,141	8.83	-3.89
g) Foreign Institutional Investors	5,75,25,104	13,963	5,75,39,067	21.88	6,50,06,469	6,852	6,50,13,321	24.72	2.84
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	<b>9,69,28,561</b>	<b>1,25,034</b>	<b>9,70,53,595</b>	<b>36.90</b>	<b>9,80,51,510</b>	<b>99,618</b>	<b>9,81,51,128</b>	<b>37.32</b>	<b>0.42</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	30,55,223	97,531	31,52,754	1.20	35,87,136	76,471	36,63,607	1.39	0.19
ii) Overseas	7,161	2,308	9,469	0.00	6,850	1,373	8,223	0.00	0.00
<b>b) Individuals</b>									
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.	2,10,31,600	39,90,851	2,50,22,451	9.51	2,09,34,700	30,80,459	2,40,15,159	9.13	-0.38
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	13,23,942	30,635	13,54,577	0.52	16,85,088	30,635	17,15,723	0.65	0.14
<b>c) Others (specify)</b>									
i) NRIs/OCBs	10,15,014	2,28,011	12,43,025	0.47	11,03,100	1,82,860	12,85,960	0.49	0.02
ii) Clearing Members	7,82,938	0	7,82,938	0.30	2,57,689	0	2,57,689	0.10	-0.20
<b>Sub-Total (B)(2):</b>	<b>2,72,15,878</b>	<b>43,49,336</b>	<b>3,15,65,214</b>	<b>12.00</b>	<b>2,75,74,563</b>	<b>33,71,798</b>	<b>3,09,46,361</b>	<b>11.77</b>	<b>-0.24</b>
<b>Total Public Shareholding (B) = (B) (1)+(B)(2)</b>	<b>12,41,44,439</b>	<b>44,74,370</b>	<b>12,86,18,809</b>	<b>48.91</b>	<b>12,56,26,073</b>	<b>34,71,416</b>	<b>12,90,97,489</b>	<b>49.09</b>	<b>0.18</b>
<b>C. Non Promoters Non Public</b>									
<b>(1) Shares held by Custodian for GDRs</b>	67,43,450	705	67,44,155	2.56	62,64,770	705	62,65,475	2.38	-0.18
<b>(2) ESOS Trust*</b>	4,50,000	0	4,50,000	0.17	4,50,000	0	4,50,000	0.17	0.00
<b>Total Non Promoters Non Public Shareholding (C) = (C) (1)+(C)(2)</b>	<b>71,93,450</b>	<b>705</b>	<b>71,94,155</b>	<b>2.74</b>	<b>67,14,770</b>	<b>705</b>	<b>67,15,475</b>	<b>2.55</b>	<b>-0.18</b>
<b>Grand Total (A+B+C)</b>	<b>25,85,14,925</b>	<b>44,75,075</b>	<b>26,29,90,000</b>	<b>100.00</b>	<b>25,95,17,879</b>	<b>34,72,121</b>	<b>26,29,90,000</b>	<b>100.00</b>	<b>0.00</b>

(\*With effect from December 1, 2015 shares held by RInfra ESOS Trust have been shown under Non Promoter-Non Public category as per Listing Regulations.)



# Reliance Infrastructure Limited

## Directors' Report

### (ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (April 01, 2017)			Shareholding at the end of the year (March 31, 2018)			Per cent change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares*	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1.	Reliance Project Ventures and Management Private Limited (Formerly known as AAA Project Ventures Private Limited)	10,61,48,937	40.36	25.47	10,61,48,937	40.36	26.52	-
2.	Reliance Big Private Limited	1,95,00,000	7.41	5.89	1,95,00,000	7.41	6.54	-
3.	Reliance Innoventures Private Limited	8,64,675	0.33	0.33	8,64,675	0.33	0.33	-
4.	Smt. Kokila D Ambani	2,74,937	0.10	-	2,74,937	0.10	-	-
5.	Shri Anil D Ambani	1,39,437	0.05	-	1,39,437	0.05	-	-
6.	Shri Jaianmol A. Ambani	1,25,231	0.05	-	1,25,231	0.05	-	-
7.	Smt. Tina A Ambani	1,23,812	0.05	-	1,23,812	0.05	-	-
8.	Shri Jaianshul A. Ambani	7	0	-	7	0.00	-	-
<b>Total</b>		<b>12,71,77,036</b>	<b>48.36</b>	<b>31.69</b>	<b>12,71,77,036</b>	<b>48.36</b>	<b>33.39</b>	<b>-</b>

(\*) The term "encumbrance" has the same meaning as assigned to it in Regulation 28(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Shareholders listed above are promoters as per disclosure received under Regulation 30 (2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as on March 31, 2018.

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year				
Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	There is no change in the Shareholding of Promoters			
At the end of the year				

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (April 1, 2017)		Increase/Decrease	Shareholding at the end of the year (March 31, 2018)	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
1.	Life Insurance Corporation Of India	2,58,44,788	9.83	-92,09,269	1,66,35,519	6.33
2.	Nordea 1 Sicav - Stable Return Fund	95,73,615	3.64	17,45,987	1,13,19,602	4.30
3.	Brandes Emerging Markets Value Fund	25,15,599	0.96	19,18,223	44,33,822	1.69
4.	Brandes Investment Trust-Brandes International Small Cap Equity Fund	41,64,040	1.58	-2,18,172	39,45,868	1.50
5.	The New India Assurance Company Limited	34,24,136	1.30	-1,11,420	33,12,716	1.26
6.	Brandes Institutional Equity Trust	27,14,476	1.03	4,84,320	31,98,796	1.22
7.	General Organization For Social Insurance	20,24,847	0.77	10,44,338	30,69,185	1.17
8.	Reliance Capital Trustee Co. Ltd	6,00,266	0.23	21,44,452	27,44,718	1.04
9.	The Oriental Insurance Company Limited	27,87,598	1.06	-2,13,913	25,73,685	0.98
10.	Vanguard Emerging Markets Stock Index Fund, A series Of Vanguard International Equity Inde X Fund	22,72,008	0.86	32,499	23,04,507	0.88
11.	Causeway Emerging Markets Fund	25,46,761	0.97	-7,09,454	18,37,307	0.70
12.	West Virginia Investment Management Board - Brandes Investment Partners	1649249	0.63	33416	1682665	0.64
13.	Virginia Retirement System	1786835	0.68	-258085	1528750	0.58

Note: The date wise increase or decrease in shareholding of top 10 shareholders is available in the investor relation section of the website at [www.rinfra.com](http://www.rinfra.com) of the Company.

Directors' Report

v) Shareholding of Directors and Key Managerial Personnel (KMPs)

1. Shri Anil D. Ambani, Chairman of the Company held 1,39,437 (0.05%) equity shares at the beginning of the year April 01, 2017 and end of the year March 31, 2018.
2. Shri S Seth, Shri S S Kohli, Shri Shiv Prabhat, Shri K Ravikumar, Shri V R Galkar and Dr V K Chaturvedi, Directors of the Company did not hold any shares at the beginning and at end of the year.
3. Ms Ryna Karani, Director of the Company held 100 equity shares at the beginning and end of the year.
4. The Key Managerial Personnel of the Company, Shri Lalit Jalan, CEO held 68 equity shares at the beginning and end of the year. Shri Sridhar Narasimhan, CFO held 4 equity shares at the beginning and end of the year. Shri Ramesh Shenoy was Company Secretary upto November 11, 2017 and held 257 equity shares. Shri Aashay Khandwala, Company Secretary of the Company held 36 equity shares at the beginning and end of the year.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as at March 31, 2018.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
(₹ crore)				
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	14,236.24	2,174.81	-	16,411.05
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	273.52	15.11	-	288.63
<b>Total (i+ii+iii)</b>	<b>14,509.76</b>	<b>2,189.92</b>	<b>-</b>	<b>16,699.68</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	3,190.00	11,627.48	-	14,817.48
• Reduction	5,254.02	13,571.67	-	18,825.69
Net Change	(2,064.02)	(1,944.19)	-	(4,008.21)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	12,172.22	230.62	-	12,402.84
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	295.57	44.53	-	340.10
<b>Total (i+ii+iii)</b>	<b>12,467.79</b>	<b>275.15</b>	<b>-</b>	<b>12,742.94</b>

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company does not have Managing Director, Whole-time Director and/or Manager

B. Remuneration to other directors:

										(₹ crore)
Sr. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Anil D Ambani	S Seth	Shiv Prabhat	S S Kohli	Dr V K Chaturvedi	K Ravikumar	V R Galkar	Ryna Karani	
1.	<b>Independent Directors</b>									
	• Fee for attending Board Committee meetings	-	-	-	0.076	-	0.084	0.080	0.072	0.312
	• Commission	-	-	-	0.080	-	0.080	0.080	0.080	0.320
	• Others, please specify	-	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	0.156	-	0.164	0.16	0.152	0.632
2.	<b>Other Non-Executive Directors</b>									
	• Fee for attending Board Committee meetings	0.02	0.056	0.032	-	0.088	-	-	-	0.196
	• Commission	5.50	0.080	0.080	-	0.080	-	-	-	5.74
	• Others, please specify	-	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	5.52	0.136	0.112	-	0.168	-	-	-	5.936
	<b>Total = (1 + 2)</b>	5.52	0.136	0.112	0.156	0.168	0.164	0.16	0.152	6.568
	Overall Ceiling as per the Act									93.96

# Reliance Infrastructure Limited

## Directors' Report

### B. Remuneration to Key Managerial Personnel other than Managing Director, Whole-time Director and/or Manager

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	Company Secretary	Company Secretary
		Shri Lalit Jalan	Shri Sridhar Narasimhan	Shri Ramesh Shenoy (upto November 11, 2017)	Shri Aashay Khandwala (from November 11, 2017)
1	Gross salary				
	(a) Salary as per provisions contained u/s 17(1) of the Income-tax Act, 1961	3.09	1.95	0.76	0.22
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.16	0.02	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as percent of profit	-	-	-	-
	- others	-	-	-	-
5	Others:				
	Superannuation	0.01	0.01	-	0.01
	Provident Fund / NPS	0.24	0.05	0.02	0.02
	Leave Encashment	0.02	-	0.07	-
	<b>Total</b>	<b>3.52</b>	<b>2.03</b>	<b>0.85</b>	<b>0.25</b>

### VII. Penalties / Punishment / Compounding of Offences:

There were no penalties, punishment or compounding of offences to the Company, directors and other officers of the Company during the year ended March 31, 2018.

**Disclosure under Section 134(3)(m) of the Companies Act, 2013, read with rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption.**

**A. Conservation of Energy**

**1. Distribution Division**

**a. Energy Conservation measures under taken:**

Implementation of Automated Demand Response programme, AC Automation, Thermo-conductive liquid application in AC units, installation of LED Lights, installation of Motion and Occupancy Sensors, Sun-films, AC Energy Saver units, installation of roof top solar plant on the roof tops of offices.

**b. Additional Investment and Proposals being implemented:**

The Company has installed 85kw roof top solar plant on the roof tops of its offices and generated about 1 lakh units this year and generated 0.1 Million units of renewable energy.

**c. Impact of measures outlined at (a) above on Energy Consumption:**

The Company has achieved an estimated saving of 0.55 million units this year and cumulative saving of 1.9 Million Units till date. Energy saving during financial year about 0.55 million units.

**2. Power Stations**

**i. Dahanu Power Station**

**a. Energy Conservation measures taken at Power Stations and Offices:**

Replacement of Air Pre-heater (APH) Baskets and sector plates in Unit No. 2. Servicing of Intermediate pressure (IP) and Low pressure (LP) Turbine in Unit # 2. Reduction in slip loss of Boiler Feed Pump (BFP) hydraulic coupling after modification in BFP coupling gear ratio in Unit No. 2. Installation of Variable Frequency Drive in Unit No. 2. Condensate Extraction Pump (CEP). Air Compressor Auxiliary Power Consumption (APC) optimization is done by Installation of Air Booster to BFP Re-circulation valve. Replacement of GGH Baskets in Unit # 2 for reduction in power consumption of Induced Draft fans. Replacement of CFL Lamp with 7 Watts LED lamp and old 40 W Florescent Tube light with 18 W LED Tube light in phased manner.

**b. Servicing of Intermediate pressure (IP) and Low pressure (LP) Turbine in Unit No. 1. Replacement of GGH Baskets in Unit # 1 for reduction in power consumption Induced Draft fans. Replacement of Air Pre-heater (APH) Baskets and sector plates in Unit No 1. Boiler Feed Pump (BFP) hydraulic coupling modification planned in Unit No. 1. Refurbishment of Turbine Valves. Refurbishment of Milling system.**

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

Reduction in auxiliary power consumption, Improvement in plant heat rate, Improvement in cycle efficiency, Improvement in system reliability; and availability.

**ii. Samalkot Power Station**

**a. Energy Conservation measures taken at Samalkot Power Station:**

In 2017-18, power consumption is reduced by 0.18MUs during plant preservation by implementation of various energy conservation measures such as Optimization of runs hours for circulating water and auxiliary water systems, Optimized the Air conditioning in office area, Optimized the Battery Chargers systems for Low Loaded Chargers, by using single charger for two battery banks.

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

Reduction in auxiliary power consumption by Increased energy conservation awareness among employees and internal customers the Station saved 0.18 million units of energy during plant preservation in year 2017-18.

**B. Technology Absorption**

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

**1. Distribution Division**

**a. Areas in which Research and Development / New Technology Deployment was carried out:**

Synthetic Ester Oil -filled Compact Power Transformer with Vacuum OLTC. Artificial Intelligence based : Digital Assistance (ELEKTRA) for Customer Queries/ Complaint (It's text Chat-bot for faster Customer Service). IoT-ready PCC Panels for large LV premium consumers. RF-ID Cable Ball markers with Route Tracers. Bus-duct with Rising Mains for high-rise high-load premium customers. 11 kV Joints with Mechanical Connectors. Remote temperature monitoring of LV-ACB & VFS terminals (in Smart PSS). Maintenance-free Earthing system. Artificial Intelligence based Predictive Analysis in HT & LT Faults Prediction (Pilot). Vacuum On-line tap changer for power transformers.

**b. Benefits derived:**

Higher Safety : Fire point > 300degC vs 160degC , Superior moisture tolerance 600 ppm vs 50 ppm for Mineral Oil, Less Maintenance & Environmental friendly, Bio-degradable oil. Faster Customer Service avoiding waiting times at Call Center, Useful for large LT load distribution in high rise building, Bus coupler comply n-1 criteria at LT level, Compatible for remote monitoring & control via Scada, Facilitates to avoid CHL for critical loads

/ PV consumers. Reduction in Cable damages during excavation, Reduction in fault restoration time, Can be programmed with additional information, Long life (5-10 Years) in buried stage. Floor-wise Metering , Use of Sandwich Bus, Safe & Aesthetic, Compact & Flexible. Maintenance Free & Fire retardant. Superior Cable Connection, No requirement of Crimping Tools thereby minimization of crimping issues & failures. Temperature High Alarm at Control Centre – for safety & preventive action. EE Material –Non Litching – IEC 62561-7 Compliant, No corrosion of electrode extended life of electrode, stable Ohmic value with climatic conditions and does not require watering.

### c. Future plan of action:

- Deployment of technologies such as messenger, live chat and other forms of live chats for customer interaction and real time customer experience.
- Use of latest emerging digital technologies for e-payments.
- Introduction of Communication Canopy and Smart Grid for efficient management of resources.
- Power Distribution Centres (E-House) – prefabricated 33/11 kV substation.
- Ester oil filled transformers.

## 2. Transmission Division

### a. Areas in which Research and Development / New Technology Deployment was carried out:

Augmented reality technology for outage management in 220kV EHV Station & 220kV Cable System, Online sheath monitoring in 220kV Cable System, Use of EPS (Expanded Polystyrene) as shuttering for the construction of overhead RCC water tank, Self compacting concrete for the construction of overhead RCC water tank, Retrofitting and repairs of transmission tower foundation in creek using Polymer Concrete and Anodic Protection, Color concrete for GIS (Gas Insulated Switchgear) floors.

### b. Benefits derived:

Avoiding chances of human error during outage management & construction of 220kV cable system, Early detection insulation deterioration in 220kV underground cable system, EPS having advantages like light weight, high durability and strength, EPS used as formwork/ filler material for speedy construction works. Self compacting concrete gives ease and speedy construction and requires less manpower for construction, where accessibility is not available all along. Repairing work with Polymer concrete with delayed time setting increased durability and service life of foundation. Anodic protection to avoid rusting of

existing RCC reinforcements. GI steel plates for mechanical protection with epoxy paint (corrosion resistant), Color concrete – floors with longer durability and strength, thereby facilitating movement of heavy equipment on the floor.

### c. Future plan of action:

Accurate detection of fault location in overhead Transmission Line during fault condition using travelling wave technology, thereby reducing fault finding search time and early recovery of the system. Auto reclosure scheme of hybrid transmission (overhead + cable) lines using Optical CT. Reduction in RoW and tower foot print for overhead Transmission Lines by adopting 220kV Multi circuit Monopole technology.

## C. Expenditure Incurred on R&D

	₹ in lakh
a. Capital	646.27
b. Recurring	834.24
<b>Total</b>	<b>1,480.51</b>
Total R & D Expenditure as a per cent of Total Turnover	0.13

## Technology, absorption, adaptation and innovation

### 1. Power Stations

#### Dahanu and Samalkot Power Stations

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

Internet of Things (IoT) is a combination of automation and information technology. The automation schemes have been introduced for monitoring and operation of critical equipments of remote locations. 55 KW roof top Solar PV system is installed at the Administration Building.

#### Benefits derived as a result of the above efforts:

Improvements in the field of reliability, availability, ease of operations and maintenance, quick analysis, transparency, accuracy, safety and decision making, preservation and conservation of resources / equipment.

### 2. Transmission Division

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

Replacement of static NUB (Neutral unbalance) relays with numerical relays for 33kV Capacitor feeders and replacement of static differential relays with numerical relays for 33/ 11kV, 20 MVA Transformer feeders at 22kV AIS EHV Substations i.e. Versova, Ghod-bunder & Aarey). Bypass assembly installation at dead end clamp on transmission line.

#### Benefits derived as a result of the above efforts

Numerical relays facilitate fault discrimination and post fault analysis and strengthening conductor holding capacity of the dead end clamps and avoid conductor snapping of transmission lines.

**Directors' Report**
**Information Regarding Imported Technology**
**I. Mumbai Power Distribution**

	<b>Technology imported</b>	<b>Year of import</b>	<b>Status</b>
1.	Introduction of IEC 61850 compliant relays and RTU in 33/11kV Substation facilitates faster commissioning, lower overall cost and space of the substation – step ahead towards smart grid.	2015-16	Implemented
2.	Maintenance free, environmental friendly and fire safe, Pilot Initiative of 33/11kV Dry CRT Power Transformer in substation – First time in Mumbai.	2015-16	Implemented
3.	Less maintenance required environmental friendly (less SF6 content), introduction of Hybrid GIS in 33/11kV Substation, facilitates faster commissioning, lower substation space requirement and overall cost of the project.	2015-16	Implemented
4.	Compact, Green and Fire Safe for customized use of Synthetic Ester Oil for Power Transformer.	2016-17	Under Implementation
5.	1.1kV Cold Shrink LT Joints with mechanical connectors.	2016-17	Under Implementation
6.	Maintenance free, environmental friendly and fire safe, Pilot Initiative of 33 / 0.433 kV Dry CRT Distribution Transformer in substation – First time in RInfra-MDB.	2017-18	Engineering done & under procurement
7.	Compact, Green and Fire Safe for customized use of Natural Ester Oil for Distribution Transformer – First time in RInfra-MDB.	2017-18	Engineering done & under procurement
8.	33 kV RMU – cost-effective solution w.r.t. 33 kV GIS Panels with 1/3rd cost – First time in RInfra-MDB.	2017-18	Engineering done & proposed for procurement
9.	Maintenance free, environmental friendly and fire safe, Pilot Initiative of 33 / 0.433 kV Dry CRT Distribution Transformer in substation – First time in RInfra-MDB.	2018-19	Engineering done & under procurement
10.	Compact, Green and Fire Safe for customized use of Natural Ester Oil for Distribution Transformer – First time in RInfra-MDB.	2018-19	Engineering done & under procurement
11.	33 kV RMU – cost-effective solution w.r.t. 33 kV GIS Panels with 1/3rd cost – First time in RInfra-MDB.	2018-19	Engineering done & proposed for procurement

**II. Power Transmission**

<b>Sr No</b>	<b>Technology imported</b>	<b>Year of import</b>	<b>Status</b>
i.	Wide Area Monitoring System (WAMS)	2014-15	Absorbed
ii.	On-line Tan-delta equipment	2014-15	Absorbed
iii.	Insulation monitoring by Corona discharge	2015-16	Under process
iv.	Auto-restoration scheme for 33kV supply feeders	2016-17	Absorbed
v.	Integration of 33kV GIS SF6 pressure with relay	2016-17	Under process
vi.	Gas Insulated Bus duct (220kV)	2016-17	Under Process
vi.	Travelling Wave Fault locator	2018-19	Under Process
vii.	Optical CT	2018-19	Under Process
viii.	Auto download of DR (Disturbance Records) from relay to central system after network disturbance	2018-19	Under Process

**A. Foreign Exchange Earnings and Outgo**

- a. Activities relating to export, initiatives taken to increase exports, development of new export markets for products and services, and export plans:  
The Company is not engaged in export activities.
- b. Total foreign exchange earnings and outgo for the financial year are as follows:
  - i. Total Foreign Exchange earnings : ₹ 0.42 crore
  - ii. Total Foreign Exchange outgo : ₹ 54.44 crore

### THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

**1. A brief outline of the Company's CSR policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes**

RInfra as a responsible corporate entity undertakes appropriate Corporate Social Responsibility (CSR) measures having positive economic, social and environmental impact to transform lives and to help build more capable and vibrant communities by integrating its business values and strengths. In its continuous efforts to positively impact the society, especially the areas around its sites and offices, the Company has formulated guiding policies for social development, targeting the inclusive growth of all stakeholders under nine specific categories including promoting education, environment sustainability, economic empowerment, rural development, health care and sanitation.

Our CSR policy is placed on our website at the link – [http:// www.rinfra.com/pdf/RInfra\\_CSR\\_Policy.pdf](http://www.rinfra.com/pdf/RInfra_CSR_Policy.pdf).

**2. The composition of the CSR Committee**

- |    |                               |  |
|----|-------------------------------|--|
| a. | Ms. Ryna Karani (Chairperson) | Independent Director                   |
| b. | Shri S S Kohli                | Independent Director                   |
| c. | Shri K Ravikumar              | Independent Director                   |
| d. | Dr V K Chaturvedi             | Non independent Non Executive Director |

**3. Average Net Profit of the Company for last three financial years : ₹ 903.28 crore**

**4. Prescribed CSR Expenditure (2 per cent of the average net profit) : ₹ 18.07 crore**

**5. Details of CSR spent during 2017-18**

- |    |  |               |
|----|--|---------------|
| a. | Total Amount spent for the financial year:                                       | ₹ 18.83 crore |
| b. | Amount unspent, if any:  | Nil           |
| c. | Manner in which the amount is spent during the financial year is detailed below: |               |

₹ in crore							
1. Sr No.	2. CSR project or activity identified	3. Sector in which the Project is covered	4. Projects or Programs 1. Local area or others- 2. State / district	5. Amount outlay (budget) project or program wise	6. Amount spent on the projects or programs 1. Direct expenditure 2. Overheads	7. Cumulative spend upto to the reporting period*	8. Amount spent: Direct/ through implementing agency
1.	Daycare Oncology Centres	Health Care	Maharashtra	15.00	15.00	100.00	Through Mandke Foundation, a non-profit Organisation specialized in the provision of health care
2.	Activities at Mumbai Distribution division	Promoting education and environment sustainability	Mumbai, Maharashtra	3.14	3.14	7.55	Direct
3.	Activities at Power Stations	Promoting education, environment sustainability, rural development and health care	Dahanu, Maharashtra, Goa and Samalkot, Andhra Pradesh	0.69	0.69	1.91	Direct
<b>Total</b>				<b>18.83</b>	<b>18.83</b>	<b>109.46</b>	

\* Includes the amount spent during the financial year 2014-15, 2015-16 and 2016-17

**6. In case the Company has failed to spend the 2 per cent of the Average Net Profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

Not Applicable

**7. A Responsibility Statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.**

The CSR Committee hereby confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and the Policy of the Company.

Lalit Jalan  
Chief Executive Officer

Ryna Karani  
Chairperson, CSR Committee

Date: August 1, 2018

## Dividend Distribution Policy

### 1. Introduction

The Board of Directors (the "Board") of Reliance Infrastructure Limited (the "Company") at its meeting held on September 13, 2016, has adopted this Dividend Distribution Policy (the "Policy") in accordance with the Companies Act, 2013 (the Act") and Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

### 2. Objective

The Objective of this Policy is to establish the parameters to be considered by the Board of Directors of the Company before declaring or recommending dividend.

### 3. Circumstances under which the shareholders of the listed entities may or may not expect dividend

The shareholders of the Company may not expect dividend in the below mentioned circumstances:

- i. In the event of a growth opportunity where the Company may be required to allocate a significant amount of capital.
- ii. In the event of higher working capital requirement for business operations or otherwise.
- iii. In the event of inadequacy of cashflow available for distribution.
- iv. In the event of inadequacy or absence of profits.
- v. In the event of any regulation or contractual restriction.

The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analysing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment.

### 4. Parameters to be considered before recommending dividend

Dividend will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act, 2013. The Board may also declare interim dividends as may be permitted by the Companies Act, 2013. The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth.

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Dividend pay-out decision of any company depends upon certain external and internal factors:

### 4.1 External Factors

State of Economy: In case of uncertain or recessionary economic and business conditions, Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks.

### 4.2 Internal Factors

Apart from the various external factors aforementioned, the Board will take into account various internal factors while declaring Dividend, which inter alia include:

- Income / Profits earned during the year;
- Present and future capital requirements of the existing businesses;
- Brand / Business Acquisitions;
- Expansion / Modernization of existing businesses;
- Additional investments in subsidiaries / associates of the Company;
- Fresh investments into external businesses;
- Any other factor as deemed fit by the Board.

### 5. Utilisation of retained earnings

The Company shall endeavour to utilise the retained earnings in the following manner:

- For expansion and growth of business;
- Additional investments in existing businesses;
- Declaration of Dividend;
- General Corporate purpose; and
- Any other specific purpose as may be approved by the Board.

### 6. Parameters that shall be adopted with regard to various classes of shares

The Company has issued only one class of shares viz. Equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of share.

### 7. Review

This Policy will be reviewed periodically by the Board.

### 8. Limitation and amendment

In the event of any conflict between the Act or the Listing Regulations and the provisions of the policy, the Listing Regulations shall prevail over this policy. Any subsequent amendment / modification in the Listing Regulations, in this regard, shall automatically apply to this policy.



# Reliance Infrastructure Limited

## Management Discussion and Analysis

### Forward Looking Statements

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include cost of fuel determination of tariff and such other charges and levies by the regulatory authority, changes in Government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements of the Company are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 (the "Act") and comply with the Accounting Standards specified under Section 133 of the Act. The management of Reliance Infrastructure Limited ("Reliance Infrastructure" or "RInfra" or "the Company") has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the annual report.

Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "RInfra", "Reliance" or "Reliance Infrastructure" are to Reliance Infrastructure Limited and its subsidiary companies and associates.

### Macroeconomic Overview

#### Indian Economic Environment

The Indian economy recovered strongly from the transient impact of the demonetisation of high value currency notes in late 2016 and the impact of implementation of a country-wide Goods and Services Tax. As per the Central Statistics Organization (CSO) second advance estimates, the Indian economy grew by 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19 and 7.5 per cent in 2019-20. The Indian economy regained its momentum in the second half of the fiscal, recovering from the impact of events such as demonetization in late 2016 and implementation of Goods and Service Tax (GST). As per NASSCOM (The National Association of Software and Services Companies), India is the third largest base to boost startup culture with over 4,750 technology start-ups. The foreign exchange reserves were approximately US\$ 424 billion as of March 31, 2018. The bank recapitalization plan by Government is expected to push credit growth to 15 per cent. In addition, the Government continued with major reform particularly in the field of corporate insolvency resolution via National Company Law Tribunal (NCLT route). Over 100 cases have been referred to NCLT for faster resolution since its inception.

Inflation continued with its downtrend, with CPI averaging 3.6 per cent in 2017-18 versus 4.5 per cent in 2016-17. A favourable monsoon, efficient food supply management by Government and continued rationalization in Minimum Support Prices helped keep food inflation in check. The uptick in fuel inflation and housing inflation caused due to higher crude oil prices and 7th Central Pay Commission HRA norms, respectively, has negated the moderation in food inflation.

Benign inflationary pressures meant that the RBI could deliver a 25bps reduction in repo rates, bringing the rates down to 6 per cent. However, reversal of excess liquidity post the demonetization episode led to hardening of interest rates in the latter half of the year, with bond yields rising by over 70 bps in 2018 – and signaling a period of increasing interest rates. Central government fiscal deficit slipped marginally in 2017-18 to 3.5 per cent of the GDP.

These, however, were the outcome of short-term adjustments to GST, and other structural reforms. However, the Government has reinstated a plan to return to the path of consolidation by projecting a reduction in fiscal deficit to 3.3 per cent of GDP in 2018-19. It also adopted key recommendations of the Fiscal Responsibility and Budget Management (FRBM) with a medium term fiscal policy aim of reducing the cumulative government (Center + State) debt to 60 per cent of GDP by 2024-25.

Reforms measures initiated by the Government has also resulted in a significant improvement in direct tax compliance in 2017-18. Central Government direct tax collection touched nearly ₹10 Lakh crore in 2017-18, a growth of 18 per cent. There has been an addition of 1 crore new taxpayers in 2017-18.

The country's reforms agenda has been showing external results as well. For the first time ever, India has jumped 30 positions to become one amongst the top 100 countries in the "Ease of doing Business" ranking. Similarly, the improvement in the country's business environment has stabilized India's ranking in the global competitiveness index, prepared by the World Economic Forum, in 2017. Moody's upgraded India's Sovereign rating, after 14 years, to Baa2 with a stable economic outlook.

### Overall Review

Reliance Infrastructure Limited is one of the largest infrastructure companies, developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors such as power, roads and metro rail in the infrastructure space, the defence sector and Engineering, Procurement and Construction (EPC) sector. Reliance Infrastructure is ranked amongst India's leading private sector companies on all major financial parameters, including assets, sales, profits and market capitalization. The highlights of the performance of the Company during 2017-18 are furnished hereunder:

- Total Income of ₹ 28,429 crore (US\$ 4.36 billion)
- Net Profit of ₹ 1,340 crore (US\$ 205.52 million)
- EBITDA of ₹ 9,070 crore (US\$ 1.39 billion)
- Earnings per Share (EPS) of ₹ 50.93 (US\$ 0.78)
- Cash profit of ₹ 3,274 crore (US\$ 502.36 million)
- Consolidated Net Worth of ₹ 24,219 crore (US\$ 3.72 billion)

In order to optimise shareholder value, the Company continues to focus on in-house opportunities as well as selective large

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external projects for its EPC and Contracts Division. The EPC and Contracts Division (the EPC Division) order book position stood at ₹ 20,557 crore (US\$ 3,154.19 million) as on March 31, 2018.

### Fiscal Review

The Financials of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (IndAS) prescribed under Section 133 of the Companies Act, 2013.

The Company's total consolidated income for the year ended March 31, 2018 was ₹ 28,429 crore (US\$ 4.36 billion) as compared to ₹ 27,903 crore (US\$ 4.30 billion) in the previous financial year.

The total income includes earnings from sale of electrical energy of ₹ 23,730 crore (US\$ 3.66 billion) as compared to ₹ 22,374 crore (US\$ 3.45 billion) in the previous financial year.

During the year, interest expenditure increased to ₹ 6,341 crore (US\$ 972.90 million) as compared to ₹ 5,581 crore (US\$ 856.31 million) in the previous year.

The capital expenditure during the year was ₹ 2,022 crore (US\$ 310.18 million), incurred primarily on modernizing and strengthening of the transmission and distribution network as also on road projects.

Total Property, Plant and Equipments (PPE) increased during the year by ₹ 1,492 crore (US\$ 228.97 million) and the total PPE as at March 31, 2018 stood at ₹ 23,904 crore (3.67 billion).

With a net worth of about ₹ 24,219 crore (US\$ 3.72 billion), Reliance Infrastructure ranks among the top performing Indian Company amongst private sector infrastructure companies of India.

### Resource and Liquidity

The Company sources funds for its long-term and project related financing requirements from a combination of internal accruals and external sources. The working capital requirements are met through commercial rupee credit lines provided by a consortium of Indian and foreign banks. The Company's consolidated gross debt at the end of the financial year stood at ₹ 25,441 crore (US\$ 3.91 billion).

The Company also undertakes liability management transactions and enters into other structured derivative arrangements such as interest rate and currency swaps. This is practised on an ongoing basis to reduce overall cost of debt and diversify liability mix.

The Company has also adopted asset monetization programmes for the purpose of deleveraging its financial position, by way of reduction of overall debt.

### Monetisation of Assets and Debt Reduction

#### i. Sale of Mumbai Power Business

The Scheme of Arrangement between the Company and Reliance Electric Generation and Supply Limited (REGSL) and their respective shareholders (the 'Scheme') was sanctioned by the Hon'ble High Court of Bombay vide its orders dated January 19, 2017, January 31, 2017, November 20, 2017 and November 28, 2017, subject to the approvals from regulatory authorities and the lenders. On the Scheme becoming effective, the Mumbai Power Business of the

Company comprising integrated business of generation, transmission and distribution would stand vested in REGSL. The Company has already received approvals from the Competition Commission of India, Maharashtra Electricity Regulatory Commission (MERC), and the Shareholders. The requisite approvals from the lenders are under process.

The Company, in December 2017, signed Definitive Binding Agreement with ATL for sale of 100 per cent equity stake in REGSL for an estimated deal value of ₹ 18,800 crore. The Company will utilize the proceeds of this transformative transaction to reduce its debt.

#### ii. Transmission Business

During the year, the Company successfully monetized its investments made in transmission Companies and has completed the sale of its assets under Western Region System Strengthening Scheme (WRSSS) to Adani Transmission Limited.

### Operational and Financial Performance of Businesses

We present hereunder detail report of various business divisions during 2017-18.

#### Reliance Energy – Mumbai Power Distribution Business

"Reliance Energy", the Power Distribution Division of the Company, continue to achieve the distinction of consistently operating its distribution network at 99.99 per cent reliability.

#### Sales and Revenue

The Company sold 8,321 million units of electricity to its own consumers in 2017-18 (previous year – 7,887 million units). Also, The Tata Power Company Limited (TPC) consumers connected to the network of the Company consumed 1,701 million units of electricity in 2017-18 (previous year – 1,808 million units). Open access consumers connected to the network of the Company consumed 226 million units of electricity in 2017-18 (previous year – 162 million units). The sales revenue of the Company from Mumbai Distribution Business for the year was ₹ 7,699 crore (previous year ₹ 7,547 crore) including wheeling revenue of ₹ 1,535 crore (previous year ₹ 1,585 crore) based on the tariff determined by the Hon'ble Maharashtra Electricity Regulatory Commission (MERC) for 2017-18 vide Multi Year Tariff (MYT) Order dated October 21, 2016.

#### System Demand

The coincident peak demand of distribution system in 2017-18 was 1,884 MW as against 1,892 MW in 2016-17.

#### Distribution Loss and Collection Efficiency

The distribution loss for the Company's distribution network for 2017-18 was 8.12 per cent (previous year – 8.83 per cent). The collection efficiency for 2017-18 was 101.4 per cent (previous year – 100.7 per cent)

#### Customers

The number of customers using the Company's network at the end of the year was 30.1 lakhs. The Company has added 73,100 households to its network in 2017-18 (previous year – 64,259 households)

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### Network Augmentation

In order to meet the rising demand for power, network augmentation is undertaken on a continuous basis. During the year, High Tension (HT) cable network increased from 4,527 kms to 4,644 kms. The power transformers' installed capacity increased to 3,660 MVA and distribution transformers' installed capacity increased to 4,931 MVA. The Company added 62 new sub-stations and had 6,525 sub-stations as of March 31, 2018.

### Meter Modernization

The Company has electronic meters in all consumer premises which are built with tamper detection features to enable identifying potential misuse. The automated process based on multiple logics is used to analyse the consumer usage data and filter out the suspect cases thereby improving our ability to detect misuse and theft. The Company is carrying out smart communication pilots, which shall become the backbone for future Smart Metering and Smart Grid.

### Billing and Payment

The Company issues an informative electricity bill with higher visibility of key content for quick and easy reference. This customer-friendly bill provides personalized messages, past consumption trends and energy conservation tips. The customers can opt for paperless billing and obtain e-bills through e-mails. They can also view and print the energy bills from the website of the Company [www.relianceenergy.in](http://www.relianceenergy.in).

The customers have access to an array of bill payment options such as Collection Centres, Collecting Bank, Drop Box, Easy Bill Outlets, Payment using Itz Cash Card, National Automated Clearing House, Voluntary Deposit Scheme (VDS), Rupay Cards and Online Payment Options using Credit Card/ Debit Card / Net Banking, UPI, mVisa, Masterpass, RTGS/NEFT, IMPS. Additionally, various mobile wallet payment options like Paytm, FreeCharge, Citrus Pay, mRuppee, Airtel Money, cashCard, HDFC PayZapp, JioMoney, PayCash, Oxygen, Vofadone mPesa, ICICI Pockets are also being offered to Reliance Energy customers. Reliance Energy is the first utility to offer UPI based payment option Google Tez. Customers can also opt to pay their bills using the Reliance Energy Mobile app, available on Android and iOS platforms, using multiple payment gateways including BillDesk, PayU Money and Paytm, offering a host of online payment options mentioned above. Customers can also pay their Reliance Energy bills via UPI by scanning the QR code on the bill copy, using UPI based apps like Google Tez, PhonePe, Paytm and banks apps supporting UPI.

Apart from the above, the Company also provides various value added services based on web, mobile and social media. The Company also provides customer care and call centre facilities. The customers can access our 24 hours Toll free helpline by calling 1800 200 3030 or 19122.

### Regulatory Initiatives, Developments and Issues

The Company has filed Mid Term Review (MTR) Petitions for the Control Period 2016-17 to 2019-20 as per MERC (Multi Year Tariff) Regulations, 2015. The petitions cover the final true-up of FY 2015-16 and FY 2016-17, provisional true-up of FY 2017-18 and revision in Aggregate Revenue Requirement and Tariffs for FY 2018-19 and FY 2019-20.

### Cross subsidy surcharge

The Company continues to recover Cross Subsidy Surcharge (CSS) from changeover and open access consumers, as approved by MERC. During the year, the Company received ₹ 162 crore on account of CSS. The Tata Power Company Limited (TPC) and a few consumers had filed appeal before the Hon'ble ATE, challenging levy of CSS on change-over consumers. The said appeals were dismissed by the ATE. TPC and others have filed appeals before the Hon'ble Supreme Court of India against the judgment of the ATE. TPC has withdrawn its appeal in the Hon'ble Supreme Court. However, the remaining appeals are yet to be heard.

### Regulatory Assets recovery

The Company continues to recover Regulatory Asset Charge (RAC) from its own and TPC change-over consumers. During the year, the Company received ₹ 1,091 crore on account of RAC including ₹ 853 crore relating to past recovery out of which ₹ 474 crore have been apportioned towards carrying cost.

### Network Related Issue

MERC has issued an Order dated June 12, 2017 in Case No. 182 of 2014 (Petition of TPC for approval of Revised Network Roll-out Plan in pursuance of MERC's Distribution License Order for TPC dated August 14, 2014 in Case No. 90 of 2014) and in Case No. 40 of 2015 (Petition of TPC regarding Protocol for consumer migration in the Mumbai Parallel licensing area in pursuance of Appellate Tribunal for Electricity Judgment dated November 28, 2014).

In these Orders, MERC has, inter alia, laid down the framework for providing connections to new consumers in the common license area of the Company with TPC. MERC has specified the circumstance in which a consumer connected on the network of one Licensee can shift to that of the other (switchover) and the protocol for such switchover.

Under the said Order, MERC has also set up a Mumbai Distribution Network Assessment Committee (M-DNAC), before which both Licensees have to present their proposals for connecting a new consumer, in case such connection requires setting up of a Distribution Transformer or other upstream network.

The Company has preferred an Appeal against this Order before the Hon'ble ATE (Appeal No. 195 of 2017), on the issue of allowing switchover of existing Reliance Energy consumers to TPC. Hon'ble ATE has admitted the Appeal.

### License Amendment

The Company has asset-specific Transmission License and during the year, has taken-up addition of new bays for which MERC has amended the license vide Order dated 18th August 2017 (Case No. 94 of 2016) to include such bays.

### Renewable Purchase Obligations (RPO)

The Company has to procure certain part of its power requirement from renewable sources as per MERC (Renewable Purchase Obligation, its compliance and implementation of REC Framework) Regulations 2016.

For meeting its Solar RPO target, the Company has contracted to procure 40 MW solar power from Dhursar Solar Power Private Limited (DSPPL). During 2017-18, the Company purchased 65.45 MUs of power from DSPPL amounting to ₹ 117 crore.

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The Company also procured 3.02 MUs of Solar Energy from consumers having Roof Top Solar plants in their premises. This leaves a shortfall of 119 MU against the Solar RPO.

For meeting its Non-Solar RPO target, the Company bought 200.67 MU of energy from its existing Non-solar RE Contracts. This leaves a shortfall of 784 MU against the Non-solar RPO.

The Company has filed a petition before MERC for allowing cumulative fulfilment of Solar and Non Solar RPO for the entire control period i.e. 2016-17 to 2019-20. The petition is yet to be heard.

### Amendment to MYT Regulations, 2015

MERC has notified the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) (First Amendment) Regulations, 2017 on November 29, 2017, in which MERC has modified certain provisions of MERC MYT Regulations, 2015 including the provisions relating to determination of Operation & Maintenance (O&M) expenses for distribution licensees from 2016-17 to 2019-20.

### Operation & Maintenance Expenses for Distribution Business

The Company had filed a Petition before MERC for relaxation and modification of certain provisions of MYT Regulations, 2015 relating to O&M expenses of Distribution Licensees, in view of inadequate O&M expenses allowed for its Distribution Business in the Distribution MYT Order dated October 21, 2016. MERC disposed of the Petition vide Order dated November 22, 2017 (Case No. 9 of 2017), in which MERC admitted that certain provisions relating to O&M expenses need to be revisited considering the characteristics of generation, transmission and distribution activities. The MYT Regulations, in this regard, have accordingly been amended as mentioned above.

### Approval of Power Purchase Arrangement (PPA) between Generation and Distribution Division of Reliance Energy

The terminal date of the PPA between Dahanu Thermal Power Station (DTPS or generation division) and distribution division of the Company was February 23, 2018. The Company had filed a Petition before MERC for renewal of PPA between DTPS and the distribution division beyond February 23, 2018. MERC has issued the Order on February 8, 2018 in which MERC approved the renewal of the PPA for a further term of 5 years from February 23, 2018.

### Standby Charges

TPC filed a civil appeal before the Hon'ble Supreme Court of India against the Company, claiming that the Company should pay the standby charges to them, at the same rate per KVA, as TPC paid to erstwhile Maharashtra State Electricity Board (MSEB). The Company contended that a part of standby charges payable by TPC to MSEB was recovered through tariff and hence, they were not liable to pay at the same rate at which TPC paid the charges to MSEB. The Company received ₹ 227 crore, being 50 per cent of the amount directed by the ATE as refund to the Company and for balance ₹ 227 crore, TPC has given bank guarantee to the Hon'ble Supreme Court pending disposal of the appeal. The matter is still pending before the Hon'ble Supreme Court.

### Take or Pay

MERC passed an order on December 6, 2007 on a petition filed by TPC in 2001 relating to Additional Energy Charges (AEC)

and Take or Pay for financial years 1998-99 and 1999-00 holding that an amount of ₹ 116 crore would be payable by the Company with interest at 24 per cent per annum. Pursuant to this order, TPC raised a claim together with interest for ₹ 324 crore. The Company filed an appeal before the ATE, which held that additional energy charges were payable but remanded the issue of Take or Pay to the MERC for re-determination. The Company filed an appeal with the Supreme Court against the said judgment of the ATE, while TPC has also filed an appeal in respect of Take or Pay. TPC in the hearing before the Hon'ble Supreme Court claimed that they were asked to pay 50 per cent of the amount in the standby charges matter and thus similar order should be passed against the Company to deposit the amount. As directed by the Hon'ble Supreme Court, the Company paid ₹ 25 crore to TPC and provided Bank Guarantee of ₹ 9 crore to the Hon'ble Supreme Court. The matter is admitted and awaiting final hearing before the Hon'ble Supreme Court.

### Long Term Power Procurement

To meet the demand of our consumers, in reliable and cost effective manner, RInfra has contracted 600 MW power on long term basis with effect from April 1, 2014 from Vidarbha Industries Power Limited (VIPL) from its 2X300 MW thermal plant located at Butibori, District Nagpur in the State of Maharashtra. This long term PPA is approved by MERC and tariff is determined under Section 62 of the Electricity Act, 2003. In addition, the Company's own 500 MW generation station i.e. Dahanu Thermal Power Station (DTPS) continues to supply power to consumers in supply area of RInfra. The supply of power from DTPS is in accordance with the costs and other allowable charges as approved by MERC.

### Demand side Management and Energy Conservation Programmes

The Company conducts energy conservation and energy efficiency (EC and EE) programmes to create awareness in the society on the importance of energy conservation and smart usage of energy in order to reduce system demand and power purchase cost as also to achieve reduction in environmental damage by Green House Gas (CHG) emission.

Besides these consumer oriented programmes, the Company, within its own offices and facilities, through various energy efficiency and energy saving measures, has achieved an estimated saving of 0.57 million units this year and cumulative saving of 1.9 million units till date.

With sound environment policy in place, the Company is committed to safeguarding the environment while aiming at sustainable development.

### Delhi Power Distribution Companies

The Company has two major subsidiary companies i.e. BSES Rajdhani Power Limited (BRPL) serving South and West Delhi and BSES Yamuna Power Limited (BYPL) in East and Central Delhi (Delhi Discoms).

### Revenue

The Delhi Discoms registered an aggregate income of ₹ 15,344 crore (BRPL ₹ 9,684 crore and BYPL ₹ 5,660 crore) against ₹ 14,344 crore in the previous year (BRPL ₹ 9,229 crore and BYPL ₹ 5,115 crore), which is an increase of seven percent over last year.



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### Expenses

The overall aggregate power purchase cost increased from ₹ 10,352 crore (BRPL ₹ 6,983 crore and BYPL ₹ 3,369 crore) to ₹ 10,394 crore (BRPL ₹ 6,927 crore and BYPL ₹ 3,467 crore), a marginal increase of 0.40 per cent. Other operating expenses are in line with cost control objectives of discoms, which were achieved by following stringent budgetary control, rigorous monitoring of all expenses and commercial processes.

### CAPEX and Network Up gradation

The aggregate capital expenditure incurred during the year amounted to ₹ 937 crore (BRPL ₹ 602 crore and BYPL ₹ 335 crore) for upgradation, strengthening and modernization of the distribution system. The aggregate net block including Capital Work in Progress stood at ₹ 6,390 crore (BRPL ₹ 4,143 crore and BYPL ₹ 2,268 crore).

### Customer Base

The total number of customers in Delhi grew by 5 per cent to 41 lakh (BRPL 24.7 lakh and BYPL – 16.5 lakh) in 2017-18 from 39.2 lakh (BRPL- 23.4 lakh and BYPL – over 15.8 lakh) in 2016-17.

### System Reliability and Loss Reduction

During 2017-18, Delhi discoms delivered the System Reliability of over 99.9 per cent. The AT&C loss declined to 9.44 per cent from 11.35 per cent last year for BRPL and 10.41 per cent from 13.19 per cent last year for BYPL. Corresponding Transmission and Distribution (T & D) loss for the year stood at 9.96 per cent and 10.66 per cent respectively.

### System Demand

During the year, the Delhi Discoms serviced the peak demand of 4,204 MW.

BRPL			BYPL			BSES Combined		
2017-18	2016-17	Growth	2017-18	2016-17	Growth	2017-18	2016-17	Growth
2,745	2,669	3%	1,459	1,493	-2%	4,204	4,162	1%

### New Initiatives / Updates

- o Roof Top Solar of ~22/MW installed during the year
- o Promoting Energy Efficient Equipment: 10.16 lakh LED bulb / 77,766 tubelights / 5,838 fans sold
- o Biji Digi Seva Kendra initiated in Nehru Place / Alaknanda, R.K.Puram / Hauz khas, Nangloi and Janak Puri
- o Delhi regions witnessed the lowest-ever load-shedding last year

### Key Regulatory Developments

- ❖ Delhi Electricity Regulatory Commission (DERC) issued Tariff Order on September 7, 2017 for true-up of 2014-15, 2015-16 and tariff schedule for 2017-18. The key highlights are:
  - o Average tariff increase of 1.69 per cent for BYPL and 1.89 per cent for BRPL.
  - o Suo moto levy of PPAC at 4.50%. Prior approval required for PPAC exceeding 5 per cent
  - o Additional surcharge of 3.70 per cent allowed towards Pension Payment recovery.

- o Implementation of part of the Appellate Tribunal (APTEL) judgments pending since 2009

### Power Generation Business

#### Dahanu Thermal Power Station (DTPS)

DTPS operates the 2 x 250 MW power plant and continues to maintain commendable operational position among the power stations in the country. In 2017-18, the Plant Load Factor was 80.69 per cent which was mainly on account of low demand in the western grid and backing down of generation as per State Load Dispatch Centre (SLDC) instructions. The station generated 3,534 million units (MUs) along with plant availability of 92.27 percent.

DTPS is certified for various management systems such as Integrated Management System (comprising Quality ISO 9001:2015, Environment 14001:2015, BS OHSAS 18001:2007 and Energy Management System ISO 50001:2011), Information Security Management System ISO 27001:2013 and Social Accountability SA 8000:2014. DTPS coal testing laboratory is accredited for ISO 17025:2005 Laboratory Management System by the National Accreditation Board of Laboratories (NABL). Audit for certification / recertification / surveillance is being carried out on schedule to ensure continuity of the Management system. In 2017-18, DTPS was upgraded for Social Accountability SA 8000:2014.

#### Other Generation facilities

The Company has a 220 MW combined cycle power plant at Samalkot in the State of Andhra Pradesh. The Company also has wind farm consisting of 33 wind mills with capacity 7.59 MW and 3 wind mills with capacity 1.80 MW totaling to 9.39 MW with 36 wind mills at Jogimatti in North Karnataka. The plant generated 14.01 kwh MUs along with plant availability of 91.93 per cent during 2017-18.

### Power Transmission business

**Western Region System Strengthening Scheme II (WRSSS-II)** – RInfra has successfully completed the stake sale process to Adani Transmission Limited (ATL), whereby, the two transmission projects have been transferred to ATL with effect from September 2017.

#### Parbati Koldam Transmission Corporation Limited

This project is a joint venture of RInfra (74 per cent) with Power Grid Corporation of India Limited (26 per cent) under build, own and operate basis. It has been developed under a cost plus tariff model which includes construction, maintenance and operation of 400 kV transmission lines evacuating power from Power Plants situated in Himachal Pradesh viz 800 MW Parbati-II and 520 MW Parbati-III Hydro Electric Project (HEP) of NHPC, 800 MW Koldam HEP project of NTPC and 100 MW Sainj HEP of HPPCL with total line length of 457 circuit kms. The power evacuated from the HEPs shall benefit the northern region states of Uttar Pradesh, Rajasthan, Punjab, Haryana, Jammu and Kashmir, Himachal Pradesh, Delhi, Chandigarh and Uttarakhand. PKTCL has had an excellent track record in its project execution and consequent favourable orders from the CERC which issued the final tariff orders to PKTCL, allowing the full cost as claimed in its transmission tariff petitions. In spite of the treacherous terrain, all lines are being operated successfully, maintaining an average availability of 99.94 per cent for 2017-18. PKTCL has received AA+/Stable Rating on its Term Loan. The Company is

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in advance stages of transferring its 74 per cent stake in the project to ATL, subject to necessary approvals.

### Mumbai Power Transmission

The Mumbai Power Transmission Division operates eight 220kV Extra High Voltage (EHV) Substations with aggregate transformation capacity of 3,125 MVA and around 541.13 ckt.kms of 220kV lines. Five out of the eight, 220 kV EHV substations are new technology vertically designed, multi-storied and compact Gas Insulated Switch gear (GIS) based EHV Substations. The transmission network is connected at ten points with the State's grid, further strengthening the Mumbai power system. The Division always strives to adopt best practices along with tireless efforts to keep its high standards of maintaining its network system availability. It registered 99.844 per cent system availability for FY 2017-18, which is above the norms set by the regulator, thereby operating consistently in the incentive zone.

Mumbai Power Transmission business had submitted Mid Term Review petition to MERC on December 21, 2017 for true-up of revenue for 2015-16 & 2016-17 and revised Annual Revenue Requirement from 2017-18 to 2019-20.

The Company commissioned 220 kV cable connectivity scheme between RInfra Saki – TPC Saki and 220/33kV, 125MVA 3rd Transformer at Goregaon EHV Substation on March 17, 2018 and March 18, 2018 respectively, further strengthening the Transmission Network. Also, it is currently executing 220kV cable connectivity scheme between RInfra Aarey and MSETCL Borivali and 220 kV GIS bays extension scheme at Versova EHV Substation to strengthen transmission network in Mumbai area. The Company has received transmission license amendment order from MERC for inclusion of schemes under execution.

Mumbai Transmission Business is QMS (ISO 9001:2015), EMS (ISO 14001:2015), BS OHSAS 18001:2007 and AMS (ISO 55001:2014) certified utility. The Mumbai Power Transmission Division continues to actively participate in promoting quality standards. At the City Chapter for Quality Circle, CCQC 2017, 18 teams won Gold and 3 teams won Silver trophies. At National Chapter for Quality Circle (NCQC 2017), 6 teams won Par Excellent awards and one team won Excellent award. The Mumbai Power Transmission Business has been certified as "Great Place to work" 31st rank among top 50 Medium Scale Companies. Also, it is the first transmission utility in India to be jointly certified by JUSE (Union of Japanese Scientist and Engineers) and Quality Circle Forum of India (QCFI) for implementation of 5S (Workplace Management). The Division secured first position at 12th State Level Energy Conservation Award 2016-17, MEDA.

### North Karanpura Power Transmission

The North Karanpura Transmission Project is on build, own, operate and maintain basis which involves construction of three 765 kV transmission lines of length of about 800 km and two 400 kV transmission lines of length of about 240 km. This project is being implemented by the Company's special purpose vehicle, North Karanpura Transmission Company Limited. These lines would connect Lucknow, Bareilly, Meerut, Agra, Gurgaon, Sipat and Seoni. The project also involves construction of one 400/220 kV GIS substation at Gurgaon. All conditions subsequent to Transmission Service Agreement were completed by NKTCL, but there was huge delay in receipt of enabling

clearances to start construction, namely, authorization under Section 164 of the Electricity Act, 2003. The petition was filed with the Central Electricity Regulatory Commission (CERC) seeking compensation based on force majeure events seeking various relief measures in terms of tariff escalation and time extension for project completion. NKTCL challenged the CERC order in the Appellate Tribunal for Electricity (APTEL), which was further challenged by beneficiaries in the Hon'ble Supreme Court. The case is subjudice and is currently with the Hon'ble Supreme Court. Another case is subjudice with APTEL against license revocation order of CERC in petition filed by PGCIL.

### Talcher II Augmentation project

Talcher II Augmentation project is on build, own, operate and maintain basis which involves construction of three 400 kV double circuit transmission lines of 670 kms. These lines would connect Talcher, Rourkela, Behrampur and Gazuwaka. One substation of 400/220 kV at Behrampur is also in the scope of execution of the project. All conditions subsequent to Transmission Service Agreement were completed by Talcher II Transmission Company Limited (TTCL), but there was huge delay in receipt of enabling clearances to start construction, namely, authorization under Section 164 of the Electricity Act, 2003. The petition was filed with CERC based on force majeure events seeking compensation and various relief measures in terms of tariff escalation and time extension for project completion. TTCL challenged the CERC order in APTEL which was further challenged by beneficiaries in the Hon'ble Supreme Court. The case is subjudice and is currently with the Hon'ble Supreme Court. Another case is subjudice with APTEL against license revocation order of CERC in petition filed by PGCIL.

### The EPC Business

The EPC Division is a leading service provides of integrated design, engineering, procurement and project management services for undertaking turnkey contracts including coal-based thermal projects, gas-power projects, metro, rail and road projects.

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

Following major projects are currently under execution by the EPC Division.

#### **Bithnok Thermal Power Plant (1 x 250 MW) and Barsingsar Thermal Power station (1 x 250 MW) in Rajasthan**

RInfra won a prestigious EPC order from Neyveli Lignite Corporation Limited for setting up two lignite based Circulating Fluidized Bed Combustion (CFBC) thermal power projects with a capacity of 250 MW each. The contract entails complete EPC on turnkey basis. Resource mobilization and preliminary work have started at the site.

#### **Vikaravandi to Pinalur-Sethiyahopu road section of NH-45C in the State of Tamil Nadu**

The project is awarded by National Highways Authority of India (NHAI) for four laning of a section of NH-45C in the State of Tamil Nadu. The EPC Division is working on section for a stretch of 66 Km from Vikkaravandi to Pinalur-Sethiyahopu.

### Major orders received during the year:

#### **Aurangabad to Bihar- Jharkhand Border (Chordaha Section) of NH-2 Bihar**

The project is awarded by NHAI for six laning of the highway (length of 69km) from Aurangabad to Bihar-Jharkhand Border (Chordaha). The scheduled completion period of this project is 24 months.

#### **Bihar- Jharkhand Border (Chordaha) to Gorhar Section of NH-2 in the state of Jharkhand**

The project is awarded by NHAI for six laning of the highway (length of 71 km) from Bihar-Jharkhand Border (Chordaha) to Gorhar. The scheduled completion period of this project is 30 months.

#### **Kashedi Section of NH- 17 in the State of Maharashtra**

RInfra in a joint venture with CAI-Ukraine has won order from the Ministry of Road Transport and Highways for rehabilitation and upgradation of Kashedi Ghat section of NH-17. The work includes four laning from existing Km 148/0 to Km 166/600 and construction of twin tube six-lane tunnel in Maharashtra on EPC Mode. The scheduled completion period of this project is 30 months.

#### **Flue Gas Desulphurization (FGD) System package for Indira Gandhi Super Thermal Power Project, Jhajjar (3x500MW)**

RInfra EPC has won the FGD order along with 10 years Operation and Maintenance (O&M) from APCPL (Joint Venture) of NTPC, HPGCL and Indraprastha Power) for its 3 X 500 MW IGSTPP Plant, Dist - Jhajjar in Haryana. The scope of work includes designing, engineering, manufacturing, transportation, erection, civil work, testing and commissioning of complete FGD system for all the three units. Subsequent to installation, RInfra will handle operation and maintenance of the FGD for next 10 years. The project is scheduled to be completed in 26 months.

#### **2x800 MW Supercritical Coal Based Uppur Thermal Power Project at Ramanathapuram in Tamil Nadu (Balance of Plant Package)**

The project is awarded by TANGEDCO for designing, engineering, manufacture, supply of BOP Package and allied civil works for 2 x 800 MW Thermal Power project. The scheduled completion period of this project is 36 months.

#### **Mumbai Metro Line-4 CA08, CA10 & CA12**

RInfra-Astaldi joint venture has won Mumbai Metro Rail Project (Wadala-Kasarvadavali package CA-08, CA-10 & CA12 of Line-4 Corridor). The total length of these packages is 19.9 Km. The scheduled completion period of this project is 30 months.

The CA-08 includes part design and construction of elevated viaduct (length 6.4km) from Bhakti Park to Amar Mahal Junction, including 6 elevated stations (Bhakti Pak Metro, Wadala TT, Anik Nagar Bus Depot, Suman Nagar, Siddharth Colony and Amar Mahal Junction).

The CA-10 includes part design and construction of elevated viaduct (length 6.7km) from Gandhi Nagar to Sonapur, including 6 elevated stations (Gandhi Nagar, Naval Housing, Bhandup Mahapalika, Bhandup Metro, Shangrila and Sonapur)

The CA-12 includes part design and construction of elevated viaduct (length 6.8km) from Kapurbawdi to Kasarvadavali, including 6 elevated stations ( Kapurbawdi, Manpada, Tikuji-Ni-Wadi, Dongari Pada, Vijay Garden and Kasarvadavali)

#### **Versova Bandra Sea Link**

Reliance Astaldi JV has won prestigious Versova Bandra Sea Link Project on EPC basis from Maharashtra State Road Development Corporation (MSRDC). This Sea link will connect Versova to Bandra in Mumbai. The total length of the Sea link is 17.17 kms having connectors at Bandra, Carter Road, Juhu & Versova. The scheduled completion period of this project is 60 months.

#### **Common Services Systems, Structures and Component (SSC) for KKNP-3&4**

NPCIL awarded SSC package to RInfra for Kudankulam Nuclear Power Project-3&4. The scheduled completion period of this project is 56 months.

#### **Roads Projects**

Reliance Infrastructure is amongst the top NHAI concessionaires across eleven road assets of 970 km length. All projects are revenue operational which are majorly urban centric roads in high traffic density corridors and on Golden Quadrilateral spread across six states in India.

#### **NK Toll Road Limited**

NK Toll Road is engaged in widening of 2-lane to 4-lane portion from Km 258.65 (End of Namakkal Bypass) to Km 292.60 (Start of Karur Bypass), covering 33.48 km on the NH 7 in Tamil Nadu. Moreover, the improvement, operation and maintenance of 248.63 kms (start of the flyover on Namakkal Bypass) to 258.65 kms (end of Namakkal Bypass) on the NH 7, on a BOT basis. The project commenced commercial operations in August 2009.

NH 7 is one of the busiest sections of the north south corridor of South India and carries a large amount of private and commercial passenger traffic as well as a regular stream of freight traffic. The road forms part of the main connectivity network joining the major commercial hubs like Hyderabad, Bengaluru and down south up till Kanyakumari, and also passes through the major settlements of Paramatty and Pugaloor Veleiyudampalayam. Expansion of Salem Coimbatore industrial corridor will give further growth to the traffic.

#### **DS Toll Road Limited**

The project stretch of 53 Km long 4-lane dual carriageway of 15 stretches on BOT and annuity basis, which included, inter alia, the package for design, construction, development, finance, operation and maintenance of Km 373.275 (Start of flyover at Dindigul bypass) to Km 426.6 (Samyanallore) on NH-7 in Tamil Nadu, is in operation since September 2009 and has considerable industrial traffic due to its proximity to Madurai industrial hub, textile industries in Coimbatore and Tirupur and provides connectivity to pilgrim and tourist traffic visiting Meenakshi temple of Madurai, Palani temple and Kodaikanal hill resort.

#### **TD Toll Road Private Limited**

The project stretch of 87 km long 4 lane NH 45 road is in operation since January 2012 and provides connectivity to Tiruchy and Dindigul in Tamil Nadu. Expansion of Tuticorin Port and upcoming Industrial part in Madurai district would provide impetus to traffic growth along the stretch. Project also has significant commercial traffic. Dindigul is a hub for locks, steel safes, textile, & coffee. Hence, significant traffic flows between Trichy and Dindigul.

## Management Discussion and Analysis

### TK Toll Road Private Limited

TK Toll Road Project was for strengthening and maintenance of the existing carriageway from Km 135.80 to Km 218.00, on the Trichy – Karur section of the NH 67 in Tamil Nadu, on a BOT basis.

The project commenced commercial operations in February 2014 for 61 km long 4 lane NH 67 road. It provides connectivity from Tiruchy to Karur and the stretch runs parallel to river Kaveri which is also known as the sand bank of India. This section has a high traffic density connecting western Tamil Nadu to the eastern coastal regions of the State. This is along the corridor connecting Coimbatore to eastern parts i.e. Trichy, Kumbakonam, Tanjavur and Nagapattinam. Presence of Trichy temple in the project area sustains high traffic volumes.

### SU Toll Road Private Limited

SU Toll Road project was envisaged to strengthen and maintain the existed carriageway from Km 0.31 to Km 136.67, on the Salem – Ulundurpet section of NH 68 in the State of Tamil Nadu and widen the roads from two to four lanes, on a BOT basis. The project commenced commercial operations in July 2012 and 3rd toll plaza was put in operation in September 2013.

The project stretch is a 136 km long 4 lane NH 68 road from Salem to Ulundurpet in Tamil Nadu and carries freight traffic predominantly between Coimbatore/ Salem and Chennai/ Cuddalore port. The average speed on the project road is 70 km per hour and journey time for the entire stretch from Salem to Ulundurpet is 117 minutes, in comparison to the competing roads which have an average speed of 40 km per hour and journey time for the entire stretch from Salem to Ulundurpet of 240 minutes.

### GF Toll Road Private Limited

GF Toll Road is a 66 km long 4 lane road connecting Gurgaon and Faridabad (GF) and Ballabgarh–Sohna road commenced commercial operations in June 2012. It is a Haryana Public Works Department project and the stretch also serves as partial ring road to Delhi connecting two important commercial and residential settlements in Gurgaon and Faridabad. The traffic growth in the stretch of GF quite is high and electronic toll collection lanes have also been provided thereby reducing waiting time for commuters at the toll plazas in the stretch. Due to massive urban development in Gurgaon, Faridabad, Ballabgarh and Sohna, passenger traffic is showing tremendous growth in this region.

### JR Toll Road Private Limited

JR Toll Road project was set up with the objective to design, build and operate 52 km long 4 lane NH11 road connecting Reengus in northern part of Rajasthan to the State's Capital, Jaipur. Chomu town, which is in the midway of the corridor, is also a hub for the purchase of agriculture equipments and machines. The road carries both passenger and freight traffic. Furthermore, this road is frequented by regular tourist traffic due to the popularity of Jaipur and the Khatushyamji temple in Reengus. The project commenced commercial operations in July 2013 and experiences heavy traffic comprising both commercial and private vehicles.

### HK Toll Road Private Limited

HK Toll Road project was envisaged for Strengthening and widening of the 59.87 Km stretch (from Km 33.130 to Km 93.000) of the Hosur – Krishnagiri on NH – 7 from existing

4-lanes to 6-lanes as BOT (Toll) on design, build, finance, operate and transfer (DBFOT) pattern in Tamil Nadu. The project is part of the Golden Quadrilateral, connecting Bengaluru to Chennai and other southern parts of India. Tolling on the project started in June 2011.

There is substantial commercial traffic growth on the stretch. The project corridor, not having any alternative road, offers scope of generating high traffic thereby leading to higher revenue. Premium deferment for the project has been availed as per the cabinet approved policy.

### PS Toll Road Private Limited

PS Toll Road project was envisaged to expand the Km 725.00 to Km 865.35, Pune – Satara section of the NH 4, which in turn forms part of the Golden Quadrilateral, in Maharashtra, on a DBFOT basis. The project was set up with the objective to design, build and operate 140 km long 6 lane between Pune and Satara in Maharashtra. Tolling on the project started in October 2010.

The stretch attracts tourist traffic of Mahabaleshwar, Panchgani, Balaji temple and Pandharpur temple and agro processing clusters. NH 4 is one of major roads feeding traffic to JNPT and Mumbai Port. These ports are in expansion phase which will result in higher traffic on this stretch.

### DA Toll Road Private Limited

DA Toll Road project envisaged to expand a portion of the NH 2 in Haryana and Uttar Pradesh from Km 20.500 to Km 200.00, widening the existing four lanes to six, on design, build, finance, operate and transfer (DBFOT) basis. The project was set up with the objective to design, build and operate 180 km long 6 lane between Delhi and Agra in Uttar Pradesh. Tolling on this road commenced in October 2012 and the construction work is in full swing.

Upon completion, this road will provide a major thrust to tourism as it will provide commuters a seamless drive through major tourist destinations such as Taj Mahal, Vrindavan and Govardhan Parbat, at almost half the tolling charges compared to the alternative corridor. There is considerable industrial and passenger traffic growth which is expected to further increase on completion of the stretch.

### KM Toll Road Private Limited

KM Toll Road project was envisaged to expand the existing road from Km 0.00 to Km 71.40 on the Gandhidham (Kandla) – Mundra Port section of the NH 8A (Extension) in Gujarat by widening the road to four lanes and subsequently to six lanes, on a DBFOT basis. The project was set up with the objective to design, build and operate 71 kms of 4 lanes between Kandla and Mundra ports in Gujarat which achieved partial COD in November 2015 for a length of 56 kms.

The stretch provides connectivity to two major ports of India, thus attracting substantial cargo traffic and also caters to the traffic generated by various industries in the project influence area. Kandla port is strategically located to handle import and export cargo for the industrial belt stretching across Jammu and Kashmir, Punjab, Himachal Pradesh, Rajasthan and Gujarat and it is the most economical major port in terms of tariff as well as operational expenditure. Mundra, one of the largest non major ports, has emerged as a major container handling port.



# Reliance Infrastructure Limited

## Management Discussion and Analysis

### Mumbai Metro One Private Limited (MMOPL)

The Mumbai Metro Line-1 project of the Versova- Andheri-Ghatkopar corridor was awarded by the Mumbai Metropolitan Region Development Authority (MMRDA) through global competitive bidding process on Public Private Partnership (PPP) framework to the consortium led by the Company for 35 year period including construction period. Due to the complex challenges of the project, Mumbai Metro line 1 can be hailed as one of the most prestigious infrastructure projects.

MMOPL, Special Purpose Vehicle for the project is in its 4th year of commercial operation and continues to provide world class public infrastructure to city of Mumbai and has served more than 400 million customers from inception. Currently, on weekdays an average of over 4 lakh commuters per day use the service of the metro, making it the busiest metro in India and 8th densest metro in the world.

MMOPL has continued to achieve excellence in the field of public transport operation. It has been achieving 100 per cent train availability and 99.9 per cent on time performance since commercial operation. Rolling Stock and Civil Maintenance process of Mumbai Metro Line 1 are certified as ISO 9001. Currently, the trains are being operated from 5:30 A.M. to midnight with a highest frequency of 3 minutes 27 seconds in peak hours. This year, MMOPL carried 118.42 million passengers as against 104.69 million in the previous year, with corresponding number of train trips of 1,25,894 and 1,25,118 respectively, thus improving the utilization by 12.4 per cent.

The metro has partnered with Brihan Mumbai Electric Supply and Transport (BEST) and App based taxi services for providing last mile connectivity to commuters. Also for increasing the customer engagement with metro, the Company has successfully organized event such as "Majhi Metro" and "My Metro My Story".

Mumbai Metro has increased its non fare revenues by more than 50 per cent from 2016-17 through two major activities i.e. station branding rights and telecom infrastructure development. Station branding rights for Ghatkopar as Vivo Ghatkopar station and Andheri as Bank of Baroda Andheri station has been successfully executed.

The initial fare was fixed by the Company in line with the provisions of the Metro Railways (Operations and Maintenance) Act, 2002 ('Metro Act') as ₹ 10 to ₹ 40 for travelling between stations. The 1st Fare Fixation Committee (FFC) constituted by Government of India under the provisions of the Metro Act, 2002 recommended on July 8, 2015 fare of ₹ 10 to ₹ 110 for travelling between stations. The recommendation of the 1st FFC has been stayed by Hon'ble Bombay High Court on the petition filed by the MMRDA. Hon'ble Bombay High Court has directed the Government of India to form a new fare fixation committee and during the interim period, MMOPL shall charge the fare of ₹ 10 to ₹ 40 for travelling between stations.

### Real Estate Business

The Board of Directors of Telangana State Industrial Infrastructure Corporation Limited (TSIIC) (formerly Andhra Pradesh Industrial Infrastructure Corporation Limited), based on the recommendations of independent consultant, submitted a favourable report to the Committee of Secretaries (CoS), formed by the Government of Telangana (GoT) endorsing the demands of the Company under the restructuring package and

sought final direction from the GoT in the matter, so that the project activities could be commenced soon. This was further followed up by CBD Tower Private Limited and TSIIC with GoT, where the decision is now pending and awaited.

### Major Associate Company – Reliance Power Limited

Reliance Power Limited (RPower), an associate company in which the Company holds 43.21 per cent of the total equity stake, has India's largest portfolio of private power generation and resources under development. The portfolio of RPower comprises of multiple sources of power generation – coal, gas, hydro, wind and solar energy. The Company also operates a 20 mtpa capacity coal mine in Singrauli, Madhya Pradesh and is developing coal mines in Indonesia. RPower currently has an operational capacity of 5,945 MW comprising of 5,760 MW of thermal capacity and 185 MW of capacity in renewable energy. The operational thermal capacities include the 3,960 MW Sasan Ultra Mega Power Projects (UMPP) in Madhya Pradesh – the largest integrated power plant and coal mining project in the world. Coal for the project is being mined from the Moher and Moher-Amlohri captive mines. Sasan UMPP operated at PLF of 91.65 per cent in its third year of full operations, which is 7 per cent higher than previous year PLF of 85 per cent. Coal production from Moher and Moher – Amlohri captive mines in 2017-18 was 18 million tonnes vis-à-vis 17 million tonnes in 2016-17. RPower also owns and operates the 1,200 MW Rosa power plant in Uttar Pradesh and the 600 MW Butibori power plant in Maharashtra. Both plants operated at PLF which was higher than the average PLF of all coal based power plants in the country in 2017-18. In the renewable energy space, RPower operates a 40 MW photovoltaic solar plant and 100 MW thermal solar plant in Rajasthan and a 45 MW wind farm in Maharashtra. Further, more than 10,000 MW of power projects are in various stages of implementation and development. The power projects are planned across geographic locations with diverse fuel types, fuel source and off-take arrangements. As a strategic consideration, the projects are either located near available fuel supply source or load centre, to derive benefit from access to competitive fuel and/or access to power deficit markets. The Company intends to sell a major part of the power generated from these projects under long term PPA to state-owned and private distribution companies.

### Human Resources

In a business environment and marketplace that continuously changes, the major competitive advantage for a leading organization hinges upon skills, experience and engagement with its employees. At RInfra, Human Resource (HR) drives organizational performance by harnessing unique capabilities of developing robust systems, processes and an engaging work environment fostering critical skill development, improving employee experience and enhancing employee engagement. As a strategic enabler and business partner, HR strongly focuses on organizational development and employee engagement to accelerate our businesses with ability, agility and adaptability. Innovation and alignment of HR practices with business needs and total commitment to the highest standards of corporate governance, performance excellence, business ethics, employee engagement, social responsibility and employee satisfaction has lead our organization to evolving a work environment that nurtures empowerment, meritocracy, transparency and ownership.

## Management Discussion and Analysis

### Employee Relations and Welfare

The Company's strong foundation of policies and processes ensures health, safety and welfare of its employees. Rigorous practical training on safety and extensive safety measures like job safety assessment and safe construction techniques at project sites have been undertaken by the Company for its employees. Throughout the year, the Company organized several medical camps, sports and cultural activities for employees and their families. The Company has established harmonious industrial relations, proactive and inclusive practices with all employee bodies.

### Risks and Concerns

The Company's power generation, transmission and distribution facilities are located in India and virtually, all of the Company's revenues including those from the EPC division are derived from the domestic market. Over the years, the Company has made significant investments in various infrastructure sectors like Mumbai Metro, Roads, and also in Defence. These sectors may potentially expose the Company to the risk of any adverse impact to the national economy and any adverse changes in the policies and regulations. The Company closely monitors the Government's policy measures to identify and mitigate any possible business risks.

Generation of power at the Company's power stations face headwinds due to various factors including non-availability of fuel, grid disturbances and such other factors of load management in the grid. The Company has entered into agreements with fuel suppliers for adequate supply of fuel, thus mitigating the fuel availability risk. To remain unaffected by the grid differences, there exist systems to island its power stations from the grid. In the distribution business, the consumer tariffs are regulated by respective State Electricity Regulatory Commissions. Any adverse changes in the tariff structure could have an impact on the Company. However, the Company endeavours to achieve the highest efficiency in its operations and has been implementing cost reduction measures in order to enhance its competitiveness. There is also a risk of rising competition in the supply of electricity in the licensed area of the Company. The Company has built a large and established distribution network that is difficult to replicate by potential competitors and shall endeavor to provide reliable power at competitive costs, with the highest standards of customer care to meet the threat of competition. Infrastructure projects are highly capital intensive, run the risks of (i) longer development period than planned due to delay in statutory clearances, delayed supply of equipments or non-availability of land, non-availability of skilled manpower, etc., (ii) financial and infrastructural bottlenecks, (iii) execution delay and performance risk resulting in cost escalations. The past experience of the Company in implementing projects without significant time overruns provides confidence about the timely completion of these projects. On the finance side, any adverse movement in the value of the domestic currency may increase the Company's liability on account of its foreign currency denominated external commercial borrowings in rupee terms. The Company undertakes liability management on an ongoing basis to manage its foreign exchange rate risks.

In the EPC business, most of the ongoing projects are nearing completion or are already completed. The Company has to expand the EPC contracts by bidding for projects across power, transport infrastructure, civil infrastructure, defence, etc.

In defence business, the Company through its Special Purpose Vehicle (SPV) has received licences for production of defence equipment under the aegis of 'Make in India' initiative of the Government. The Company faces significant concentration risks as the Government of India is the sole customer for most of the defence equipments initially. The Company has recruited experienced professionals for implementing the projects within the framework of the policies and regulations being formulated by the Government for private sector participation in the defence industry.

### Risk Management Framework

The Company has a defined risk policy and risk management framework for all units, functional departments and project sites. This helps in identifying, assessing and mitigating the risk that could impact the Company's performance and achievement of its business objectives. The risks are reviewed on an ongoing basis by respective business heads and functional heads across the organization. The risk review and assessment is carried out on quarterly basis by the Risk Management Committee (RMC) of the Board comprising of all independent directors of the Company and senior executives.

### Internal Control Systems

The Company has an adequate system of management supervised internal financial control which is aimed at achieving efficiency in operations, optimum utilization of resources, and compliance with all applicable laws and regulations. The internal financial control mechanism comprises a well-defined organization structure, predetermined authority levels with segregation of duty, risk assessment and management framework. The Company's policies and standard operating procedures are well documented and have various ISO and OHSAS certifications. The Company adopts Control Self Assessment (CSA) process whereby assurance on the effectiveness of internal financial controls is obtained and continuously monitored by functional experts and listed by internal auditors during the course of their audit. Professional internal audit firms review the systems and processes of the Company and is helpful in providing independent and professional opinion on the internal control systems. The Audit Committee of the Board reviews the internal audit reports, adequacy of internal controls and risk management framework periodically.

### Environment, Health and Safety (EHS)

#### Dahanu Thermal Power Station (DTPS)

External and Internal audits were conducted for Environment ISO 14001:2015 Management system.

- All emission parameters were well below the statutory limits with the conditions under Consent to Operate is being complied strictly.
- Online connectivity given to State Pollution Control Board (MPCB) and Central Pollution Control Board (CPCB) for online monitoring of effluent, air and stack emission.
- Online Real time digital display board set up at colony gate to give information to the stakeholders and local residents about the environmental performance of the plant.
- Ash utilization is over 100 per cent for the last 4 years which is utilized by local people for various purposes in construction work.
- Both Flue Gas Desulphurization units were in service throughout the year and performances are as per MPCB norms.
- Installed online ash monitor device to monitor percentage of ash in "as Fired Coal".

# Reliance Infrastructure Limited

## Management Discussion and Analysis

Sr. No.	Parameters	M P C B* Limits/Norms	2015-16	2016-17	2017-18
1	<b>Stack</b>				
	Total Particulate Matter (TPM) mg/Nm <sup>3</sup>	150	46.4	45.2	44.5
	Sulphur Dioxide (SO <sub>2</sub> ) TPD	8.04	3.9	3.8	4.1
	NO <sub>x</sub> (ppm at 15 per cent excess oxygen v/v)	150	68.8	68.0	56.9
2	<b>Ambient Air Outside Plant Premises</b>				
	Particulate Matter < 10 µg/M <sup>3</sup>	100	48.4	47.0	43.2
	Particulate Matter < 2.5 µg/M <sup>3</sup>	60	21.7	20.8	21.3
	Sulphur Dioxide (SO <sub>2</sub> ) µg/M <sup>3</sup>	80	4.8	5.2	5.7
	Oxides of Nitrogen (NO <sub>x</sub> ) µg/M <sup>3</sup>	80	15.2	14.9	14.6

\* Maharashtra Pollution Control Board

### Safety

**Dahanu Thermal Power Station:** The Company's power plants carried out the following initiatives and programmes to promote and strengthen safety measures at the Company's work stations, installations and facilities:

- Internal safety inspections for Main plant as well as hydrogen and chlorination plant conducted to ensure safe workplace.
- External safety audit as well as internal safety audit conducted as per IS-14489 during 2017-18 to confirm safety compliances.
- Prior to start of work, Hazard identification and risk assessment (HIRA) are made mandatory for all routine work. Improvised permit system introduced with several useful features.
- Workplace/Location information.
- Due diligence by Operation, Maintenance, Contractor Agencies.
- Assigned Safety officer and protocol in each work.
- Mock drills were conducted to ensure emergency and disaster management preparedness.
- Regular safety committee meetings were conducted with management and workers Representatives to improve the safe working conditions
- Near misses are recorded and corrective action taken to avoid recurrences.
- Potential risk is identified to remove unsafe working conditions.
- Celebration of National Safety Week by organizing various safety competitions.
- Safety during shutdown implemented by formation of Annual overhaul safety team and its vigilance round the clock.
- Safety awareness training imparted to AMC as well as non AMC workers.
- KM sessions conducted for employees for creating chlorine gas emergency safety awareness
- Training on General Safety and Fire Safety given to schools and college students.
- Safety improvement plan initiated for improving safety standard of plant.

### Energy Conservation

#### Dahanu Thermal Power Station (DTPS)

DTPS continues to obtain economical heat rate even after 23 years of operation. In 2017-18, DTPS obtained a heat rate of 2313 kcal/kWh as against 2,450 kcal/kWh norm specified by MERC. This was result of various energy conservation and corrective measures taken at the power station which includes:

- Replacement of Air Pre-heater Baskets and sector plates in Unit # 2. This has resulted in reduction in Air Ingress and improvement in Boiler Efficiency.
- Annual overhauling of Intermediate Pressure and Low Pressure Turbine in Unit # 2 resulting in gain in Heat rate.
- Reduction in slip loss of Boiler Feed Pump (BFP) hydraulic coupling after modification in BFP coupling gear ratio.
- Installation of Condensate Extraction Pump (CEP) Variable Frequency Drive in Unit # 2 resulted in power consumption.
- Air Compressor Auxiliary Power Consumption optimization is done by Installation of Air Booster to BFP Re circulation valve.
- Installation of cogged V Belt for Air Compressors resulting is less slip losses thus saving in Auxiliary Power Consumption.
- Replacement of GGH Baskets in Unit # 2. This has resulted in reduction in power consumption of Induced Draft fans.

### EPC Business

Our Information Management System (IMS) ensures the adherence and conformance to the Environmental Management System - ISO 14001:2004 Quality Management System - ISO 9001:2008 and Occupational Health and Safety Management System -OHSAS 18001:2007, integrates the highest international standards into each project phase and verifies consistent performance.

In order to identify and apply best practices across all of our EPC projects, our HSE management system is continually reviewed for continuous improvement. Highly qualified, experienced and dedicated team of HSE professionals direct the implementation of the Company's HSE policies, management system and procedures. Their area of expertise includes process safety, construction safety, personal safety and impact assessment, consequence modeling, environmental monitoring, industrial

## Management Discussion and Analysis

hygiene on specific projects and job sites. We are associated with the National Safety Council of India, the British Safety Council, the Department of Labour, Social Welfare, Environment, etc. and ensure the implementation of their guidance.

### Corporate Social Responsibility

Various Divisions of the Company actively participated in several corporate social responsibility (CSR) initiatives mainly in the areas of education, healthcare, welfare programmes for tribal development, skill development and training, cleanliness drive such as Swachh Bharat, promotion and protection of environment, etc. in line with the CSR Policy of the Company.

A few of the significant CSR interventions and initiatives were as under:

#### Dahanu Thermal Power Station (DTPS)

##### • **Rural Transformation Integrated Tribal Development Project:**

DTPS in association with NABARD initiated a program "Integrated Tribal Development Project in selected 11 villages of Dahanu Block from May 2016 through Maharashtra Institute of Technology Transfer in Rural Areas (MITTRA) for tribal upliftment. During the year, 430 land owners participated and cumulatively 650 farmers / families benefited till date. Also Livelihood support extended to 21 landless families by giving goat and poultry.

##### • **Skill Development Training**

DTPS provides Garment Manufacturing and tailoring training for local community youth. During the year 2017-18, 11 batches covering 339 youths completed their tailoring training and were employed by nearby Garment Manufacturing Industries. Cumulatively 791 youth have completed their training and among them, 739 have been successfully employed. DTPS also provides training on "Power Plant Familiarization" to around 244 participants during the year and also trained 171 apprentice students from various institutes in technical fields. One week internship training programme was conducted for 568 students from various colleges.

##### • **Education**

In 2017-2018, DTPS has installed E-Learning kits in 08 Zilla Parishad Schools in Dahanu Taluka and till date cumulatively 15 schools have been provided with digitalized learning systems. Since 1995, 107 teachers have been recognized for their merit in association with Rotary Club of Dahanu on the occasion of Teacher's Day Celebrations.

##### • **Environment awareness and Community development**

An awareness drive on E-waste was undertaken at schools of Dahanu which was attended by around 250 Students along with teaching Staff. During FY17-18, DTPS has installed Industrial Drinking water Filtration Plant at Agwan - Mothapada of capacity 5 m3/hr. benefiting ~5500 people. It has also installed drinking water filter units at three schools benefiting ~845 students. Compost fertilizer of about 150 Metric Tons was generated using leftover dry grass and organic domestic waste.

##### • **Healthcare**

DTPS has a Mobile Healthcare Unit which covers more than eight Gram Panchayats and schools and during 2017-18, more than 3258 villagers including school students were treated. Under the new initiative taken by PM "Pradhan Mantri Surakshit Matritva Abhiyan", DTPS decided to carry out this activity in villages on 9th of every month which focuses on care of pregnant women and prevention of malnourishment among children. During 2017-18 total 246 women are benefitted.

#### Mumbai Distribution

• **Young Energy Saver (YES)** is an initiative to sensitize young kids about energy conservation which was done by reaching out to 294 schools covering over 2.37 lakh students across various schools in RInfra's licensed area in a playful and interactive manner.

• More than 340 employees contributing over 770 man hours have planted around 890 saplings of various Indian trees at farm borders and road sides in the Navghar village near khopoli, Dahanu towards the cause of cleaning and greening.

• **Swachh Bharat Abhiyaan** - Company has taken several cleaning initiatives in line with Government of India's Swachh Bharat Abhiyan and cleaned indoor as well as outdoor premises. This is year company has engaged own employees and 2100 man hours. Company has organized a campaign in association with the management of SGNP and with the officials of Indian Coast Guard on their annual event of International Coastal Clean-up (ICC) at Juhu Beach to sensitize people on cleanliness drive involving collection of plastic and solid waste. Through these drives 120 employees worked for 360 man hours and collected 400 Kg solid (plastic) waste.

• **Slum Safety Programme** was conceptualized in the year 2013 "Surakshit Raho, Khush Raho" is an initiative by Reliance Energy to create awareness about electrical safety in the theft-prone slums of Mumbai. In 5 years, over 200 Municipal / Government aided schools, covering 50,000 kids have been sensitized in our distribution area.

• **Project 'Prasarjyoti':** Special training is imparted to poor students belonging to the marginalized society of the suburbs with the help of counseling agencies, which benefited over 350 students.

• Lectures were arranged from eminent personalities, to motivate over 600 women who participated and also updated them on methods to overcome their problems.

• Blood Donation Camp was organized at 14 locations wherein employees actively came forward to voluntarily donate blood

#### Delhi Distribution Business

• Women Literacy Centers for literacy enhancement in low income residential clusters;

• Operating Vocational Training Centers;

• Free Diagnostic Health Camps and Eye Camps; Blood Donation Camps; Tobacco De Addiction Camps;

• Renovation of toilets in Govt schools;

• Adult Literacy Centre and Organizing Sports Tournament to nurture hidden talent in rural areas esp. volleyball / kabaddi

# Reliance Infrastructure Limited

## Management Discussion and Analysis

### Roads Business

- Eye screening camps: Health checkup camps with a major focus on eye screening was organized at schools in the nearby villages and at some of the toll plazas.
- Awareness programme on Road Safety to highways to create awareness on road safety.
- Pulse polio Immunization programs were organized at toll plazas on the highway stretch.
- Blood donation camps were organized twice in FY 18.
- **Green Highways:** The Union Ministry of Road Transport and Highways has framed the Green Highways (Plantation, Transplantation, Beautification & Maintenance) Policy-2015 with a vision to develop eco-friendly National Highways with participation of concerned stakeholders. Under this Policy, we have undertaken plantation and landscaping work activities in operational projects. For the projects under development, the avenue plantation and median plantation are being done as per the direction of NHAI. RInfra road business has covered approximately 630 kms of area under avenue plantation and approximately 500 kms under tree plantation in the median plantation and the same is maintained regularly.
- **Swachh Bharat Abhiyaan** - Cleanliness drives were conducted around the company plant and offices and the neighboring localities with an objective to create a clean and healthy work place. The roads business toll plazas and project highway inculcated the concept of cleanliness and hygiene by putting Placards and Signage's in Public areas for not spitting, littering, placements of dustbins, maintenance of toilets and way side amenities / user facility to encourage commuters to use them and not to spoil the Highway or Toll Plaza area.

### Daycare Oncology Centres

Appreciating the huge imbalance in the facilities for treating cancer, we at RInfra in association with support from Mandke Foundation are establishing Cancer care centre in rural Maharashtra. We have initiated projects at Akola and Jalna District of Maharashtra to provide medical, radiation and surgical oncology to rural populace in a phase wise manner. Construction of the first oncology centre at Akola is nearing completion and the Centre will become operational shortly. This centre would provide day care cancer treatment like chemotherapy, radiation and diagnostics besides consultation and telemedicine.

### Remedial Education Centres for urban slum youth

The Company, along with Ruchika Social Service Organization, Bhubaneswar, Odisha, runs remedial centres at 20 slum pockets in Bhubaneswar wherein needy/drop out students are given individual attention before and after regular school hours to mainstream them with their peers. During 2017-18, under RInfra's project with Ruchika, 489 students have been admitted across the Remedial Education centres.

### Awards and Recognitions

#### Dahanu Thermal Power Station (DTPS)

- IIPAI (Independent Power Producers Association of India) Power Award - 2017 for Best Thermal Power Generator
- MEDA (Maharashtra Energy Development Agency) State

Level Award for Excellence In Energy Conservation and Management.

- Healthy Workplace Award 2017 from Arogya World

#### Mumbai Power Distribution Business

- ASSOCHAM Service excellence awards 2017 in Power category
- IPPAI Power Awards 2017 in innovation "Techno commercials - Customer Services on Fingertips"
- International British safety council Safety Award 2017 in Merit category
- National award for Excellence in CSR & Sustainability 2017 in Best Communicating Sustainability category
- MEDA award in Energy Conservation category
- ICMG - India Architecture in Excellence Awards 2017
- Won gold in Arogya World Awards 2017 for Healthy Work places
- Bombay Chamber of Commerce and Industry Civic Awards - 2017 in Good Corporate Citizen Awards 2017 category

#### Delhi Distribution

- Central Board of Irrigation and Power award under Power System protection category to BRPL and BYPL
- Independent Power Producers Association of India (IPPAI) award under Innovation Best Practices category to BRPL and BYPL
- Greentech Foundation award for Safety, Health and Environment and Human Resource category to BRPL
- Fire and Security Association of India award under the Best Secure Company to BRPL
- Indian Chambers of Commerce award under the Star Performance Improvement to BRPL
- BYPL was rank 1st for excellence in Physical Security Awards 2017 by IFSEC (International Fire and Security Exhibition and Conference)
- Institute of Cost Accountants of India award under the Power Distribution category to BYPL
- Order of Merit award "Urja Saarthi" for implementation of Skill Development Programme for employees by Skoch BSE Award.
- HR Award for Employee Engagement by Greentech Foundation
- Smart City India Award 2017 for Roof Top Solar Net Metering by Exhibitions India Group

#### Mumbai Metro One Private Limited (MMOPL)

- Mumbai Metro One Ranks 15th in the Times Ascent Dream Companies to Work for the year 2017
- Operational Excellence- The Pride of India Award in collaboration with Economic Times Now- Recognizing the consistent, safe and punctual operations run by Mumbai Metro
- Award for Best Service Provider by Times Ascent- Recognizing Mumbai Metro for its consistent service delivery and for providing a unique Customer Experience to commuters
- Award for Best Corporate Strategy by Global HR Excellence- Recognizing innovative ways Mumbai Metro



## Management Discussion and Analysis

has used business intelligence for increasing revenue.

- Award for Carbon Footprint Accounting by Global HR Excellence- Recognizing Mumbai Metro role in climate preservation initiatives and implementing the GHG Protocol Corporate Standard
- Award for Best CSR Initiatives by Times Ascent- Recognizing Companies role in Majhi Metro Festival, providing unique opportunities to talented students and young artists across Mumbai
- 92.7 Big FM's Big Mumbai Pride Award for Favourite Public Transport

### EPC Business

- "Outstanding Contribution in Power EPC" award for Butibori Thermal Power Plant from EPC World Media Group during 7th EPC World Award 2017
- "Best Executed Thermal Power Project" award for Sasan UMPP from Construction Times during Construction Times Award 2017.

### Outlook

Infrastructure sector is a key driver for the Indian economy which is highly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. India has investment requirement worth ₹ 50 trillion in infrastructure sector by 2022 to have sustainable development in the country, out of which ₹ 27 trillion is towards Roads & Highways, Urban Development, Water Resources and Urban housing,

The construction sector in India is one of the largest economic segments accounting for 8 per cent of country's GDP in

2017-18. Over the past few years, the sector has started gaining momentum with the Government's strong thrust on infrastructure development to revive economic growth. Roads, railways, ports, etc. are considered to be the biggest beneficiaries of infrastructure capex. In order to achieve the above objectives, the Government has taken various steps during its budgetary allocation for 2018-19 such as:

- Capital outlay for infrastructure spending increased to ₹ 5.97 trillion in FY19 from ₹ 4.94 trillion in FY18
- Railway capex has been capped at ₹ 1.49 trillion and a large part of it has been assigned for capacity creation involving 18,000 kms of doubling, third and fourth line works and 5,000 kms of gauge conversion
- Indian Railway Stations Development Co. Ltd to redevelop 600 major railway stations
- Proposed allocation of ₹ 110 billion to add kilometres of double line tracks for Mumbai transport system. 150 kms of additional suburban network planned at cost of ₹ 400 billion including elevated corridors on some section.
- Phase 1 of Bharatmala to develop 35,000 kms of connectivity in interior and border areas at estimated cost of ₹ 5.35 trillion
- Under 100 smart cities, 99 cities have been selected with outlay of ₹ 2.04 trillion
- Allocation of ₹ 776.4 billion under AMRUT programme (Atal Mission for Rejuvenation and Urban Transformation) to provide water supply to all households for around 500 cities
- Government to construct 3.7 million houses under Pradhan Mantri Yojana Urban

# Reliance Infrastructure Limited

## Business Responsibility Report

### Section A: General Information about the Company

Corporate Identity Number	L75100MH1929PLC001530
Name of the Company	Reliance Infrastructure Limited
Registered Address	'H' Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710
Website	www.rinfra.com
E-mail ID	rinfra.investor@relianceada.com
Financial Year reported	2017-18
Sector(s) that the Company is engaged in (industrial activity code-wise)	Generation, transmission and distribution of power and Engineering, procurement and construction (EPC) segment of the power and infrastructure sectors (Industrial Group 351 and 422 as per National Industrial Classification of the Ministry of Statistics and Programme Implementation)
List three key products / services that the Company manufactures / provides (as in balance sheet)	i. Generation and transmission of power ii. Distribution of power iii. EPC Contracts
Total number of locations where business activity is undertaken by the Company	The Company owns and operates various projects and facilities at various locations in India, as stated hereunder in Sr. No. (i) to (iv)
Number of international locations	Nil
Number of national locations	i. Distribution of power in suburbs and surrounding areas of Mumbai ii. Generation of power at power stations located at Dahanu (Maharashtra), Samalkot (Andhra Pradesh), Zuarinagar (Goa), Aimangala (Karnataka) iii. Transmission of power from Dahanu to Mumbai iv. Execution of EPC contracts at various locations in India.
Markets served by the Company	Electricity supply to Mumbai suburbs Supply to the state grid in Andhra Pradesh.

### Section B: Financial Details of the Company

Paid up Capital	₹ 263 crore
Total Turnover	₹ 11,714 crore
Total Profit After Tax	₹ 1,664 crore
Total spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax (%)	1.13%
List of activities in which expenditure as above has been incurred	Details are given under Principle 8

### Section C: Other Company's Details

Does the Company have Subsidiary Companies	Yes. There are 56 subsidiaries and step down subsidiaries as on March 31, 2018
Do the Subsidiary Company / Companies participate in the Business Responsibility (BR) Initiatives of the parent company?	Yes
Does any other entity / entities (suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company?	The Company encourages other Entities such as suppliers and contractors to participate in its BR initiatives.

### Section D: Business Responsibility Information

Details of the Director / Directors responsible for implementation of the business responsibility policy	BR functions are monitored by the CSR Committee of the Board of Directors. The details are provided in the Corporate Governance Section of this report.
Details of the business responsibility Head	The Key Managerial Persons of the Company who are responsible in general for BR Activities of the Company are as under : Shri Lalit Jalan, Chief Executive Officer Shri Sridhar Narasimhan, Chief Financial Officer Shri Aashay Khandwala, Company Secretary

## Business Responsibility Report

## Principle-wise Business Responsibility Policies, as per National Voluntary Guidelines on Social Environmental and Economic Responsibilities of Business (Reply in Y / N)

Questions pertaining to Principles (P)	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
Do you have a policy/policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the policy conform to any national /international standards? If yes, Specify.	Y	Y	Y	Y	Y	Y	Y	Y	Y
The policies conform to international standards like SA2000 and SA 8000:2008 (Social Accountability System), OHSAS 18001 (Standard for Occupational Health And Safety Management System), ISO 14001 (Environment Management) BS EN 16001:2009 (Standard for Energy Management System) and Quality Management System (ISO 9001:2008).									
Has the policy been approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Indicate the link for the policy to be viewed online?	<a href="https://www.rinfra.com/documents/1142822/1190917/BR_Policy.pdf">https://www.rinfra.com/documents/1142822/1190917/BR_Policy.pdf</a>								
Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to the stakeholders by uploading on website.								
Does the Company have in-house structure to implement the policy/ policies?	Yes								
Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The grievances are referred to and attended to by the Divisional Heads of respective businesses for redressal and the HR Group monitors redressal of such grievances.								
Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	In addition to the review of the BR Policy by the CSR Committee, the Environment, Health and Safety policies are evaluated by internal as well as external ISO audit agencies. The Vigil Mechanism is reviewed by the Audit Committee and the Board reviews all the polices annually.								
If answer against any principle is 'No', please explain why	Not applicable								
Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.	The CSR Committee periodically assesses the BR performance of the Company for ensuring the effectiveness and relevance of BR initiatives.								
Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	<a href="https://www.rinfra.com/web/rinfra/business-responsibility-report">https://www.rinfra.com/web/rinfra/business-responsibility-report</a>								

## Section E: Principle-wise Performance

## Principle 1

## Business should conduct and govern themselves with Ethics, Transparency and Accountability

## a. Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company, as a part of the Reliance Group, has adopted the Group Code of Ethics and Business Policies governing conduct of business of the Company in an ethical manner. The Company encourages its business partners to follow the code.

The Company also has a grievance redressal mechanism and a whistle blower policy which enable its employees to raise concerns to the Management.

The Board of Directors of the Company has adopted a Code of Conduct (Code) which applies to the Directors, Key Managerial Persons and the senior management of the Company. The Company obtains an annual confirmation affirming compliance with the Code from the Directors, Key Managerial Persons and the senior management every year.

## b. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

The Company received 38 Complaints from the shareholders during 2017-18 and there were no complaints pending as on March 31, 2018. The details of this are provided in the section on Investor Relations.



### Principle 2

**Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

- (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The Company's Power Distribution Division has introduced the following steps with a view to incorporate environmental concern:

- a. Use of Non-carcinogenic bio-degradable orange-coloured silica gel in transformers instead of blue silica gel containing cobalt chloride which has been classified as a substance of very high concern as it is a suspected carcinogen.
- b. Initiated replacement of HPSV lamps with LED lamps for Streetlights in its supply area resulting in reduction in electrical energy. A particular lumen level provided by particular wattage of HPSV lamp is met from substantially lower wattage LED lamps resulting in lower energy consumption.
- c. Initiated implementation of High Voltage Distribution System (HVDS) in selected slum area, which shall result in reduction in energy losses in these slum areas. Reduction in energy consumption/losses which intern reduces burning of fossil fuel and thus results in reduction of carbon foot print.
- d. Procurement of Electric Vehicles for operations team to avoid petrol/diesel vehicles thus reducing air pollution.

At the Company's power generation plant, Dahanu Thermal Power Station (DTPS), various innovative measures have been taken to mitigate social and environmental risks and concerns involved during the electricity generation process. Some of them are mentioned hereunder:

- a. State-of-the-art Electrostatic Precipitator (ESP) having an efficiency of 99.9 percent for proper removal of fly ash.
- b. Initiatives taken to utilise 100 per cent ash generated; like construction of additional 300 metric ton Silo for dry ash utilization and installation of Coarse ash Grinding unit and dry ash collection system, etc.
- c. Installation of Flue Gas Desulphurization (FGD) unit for removal of SO<sub>x</sub> (Sulphur Oxide content) is having an efficiency of 90 per cent.

- d. Monitoring and control of parameters within and beyond fence by Ambient Air Quality Monitoring stations (AAQM).
- e. 100 per cent recycling of sewage water through Sewage Treatment Plant (STP). The recycled water are used in non fruit bearing plantation and the sludge are utilised as a fertilizer
- f. Installed online Ash Monitor Device to monitor percentage of ash in Fired Coal.
- g. Increased awareness by display of environment parameters at the plant main gate, colony gate and the administrative building for stakeholders.
- h. Installed Auto coal sampler to enhance coal sampling and analysis process.

**2. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Under its Renewable Purchase Obligation (RPO) as per the Regulations of the Maharashtra Electricity Regulatory Commission, the Company's Power Distribution Division procures a part of its power through renewable energy sources including solar and non-solar categories. The Company's Non-Solar RPO is being met through wind generation and small hydro power and it is exploring other possible options to procure Renewable Energy for fulfilling its RPO obligation. For meeting Solar RPO, the Company has contracted 40 MW solar power from plant located at Rajasthan.

During the financial year 2017-18, the Company purchased 269.19 million units of power from non-conventional sources, amounting to ₹ 219.31 crore. This represents 2.87 per cent of electricity purchased in 2017-18. Procurement of renewable power in place of conventional fossil fuel power resulted in 1,97,271 tons of carbon foot print reduction.

At the Company's generation plant at Dahanu, Coal is procured through the Fuel Supply Agreement (FSA) with South Eastern Coal Fields Limited (SECL), Bilaspur which is valid till 31st March 2029, whereby the annual contracted quantity of coal is ensured. For supply of water, the Company has entered into an agreement with Irrigation Department, Government of Maharashtra which is valid up to October 31, 2020 and is renewed after every six years.

**3. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, the Company makes continuous efforts to develop and maintain local small time vendors in order to have timely delivery with optimum cost and best quality. Several steps are taken to procure goods and services from local and small producers including public advertisements in local news papers.

Business Responsibility Report

The Power Distribution Division has taken several steps to procure goods and services from local and small producers including weaker section of communities surrounding their place of work. Under its Affirmative Action Programme, the Company has been training these communities on business skills, facilitating to get financial assistance even providing financial support for starting their business venture.

During the purchase process, DTPS gives preference to the local vendors and suppliers. The Company not only procures materials from these entrepreneurs but also supports to connect them with other companies to scale up their business. Vendors and suppliers are also included in the sharing best practices during vendor meets carried out periodically at DTPS. Most of the service contracts awarded to local community people create employment for them to earn for their livelihood.

DTPS has been certified with Social Accountability 8000 standard (which has been upgraded from SA 8000:2008 to SA 8000:2014 in FY 2017-18) and complies with all National and International human rights like forced labour, child labour, gender equality, etc and all the concerned conventions of the International Labour organisation. DTPS is also registered for Social fingerprint self assessment which helps the Company to measure and improve the management systems for social performance. Under this system, the Auditors conduct independent evaluation for organization in fingerprint module and generate Social performance score. Further, all suppliers are encouraged to comply with the SA8000 standard and regular supplier premises (supply chain) are audited by the commercial and user departments for compliance with SA 8000 standard. DTPS regularly carries out audits of vendor's manufacturing and operating process and ensures continual improvement and sustainability.

The Engineering Procurement and Contract (EPC) Division of the Company, as part of sourcing strategy, gives priority to sourcing of local raw materials like sand, aggregate etc., for construction of Roads and Power Projects.

**4. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).**

At Mumbai Power Distribution Division, a special initiative is undertaken to recycle all wastes. The resource savings achieved during 2017-18 are as under:

- Paper Waste Recycling : 15 metric ton
- e-Waste recycled through authorized recyclers: 150 metric ton
- Hazardous waste disposed through an authorised Common Hazardous Waste Treatment and Safe Disposal Firm: 110 metric ton
- Fuel savings : 33,100 litre (10 per cent increased saving compared to last year)

On account of Comprehensive Waste Management System, Mumbai Power Distribution Division recycled more than 90 per cent of its total waste generated in 2017-18.

Continual efforts to conserve resources to minimize and recycle wastes and reuse waste through both conventional and non-conventional waste management practices are an integral part of business operations of our power stations.

- The waste/used oil which comes under the Hazardous waste category and e-waste is disposed of through authorized vendor recyclers. Other wastes such as steel and wood are reused internally. System for super cleaning of lube oils has increased the recycling and life of lubricants in plant machinery. About 80 per cent of lube oil is recycled and re-used.
- Current total ash utilisation of DTPS is more than 100 per cent, as a portion of the ash generated in the past years was also utilised. The ash is used for cement mix, bricks, tiles, blocks manufacturing and initiatives are in place to utilize the bottom ash as well.
- The waste effluent water from de-mineralization plant is neutralized in effluent holding tanks and reused for ash disposal. Domestic effluent generated from power plant and township area is treated through diffused aeration based activated sludge process treatment system. The recycled water is used in non fruit bearing plantation and the sludge is utilised as a fertilizer.
- The bio wastes from colony and plant canteen are composed and used as organic fertilizers in horticulture.
- Use of polythene is banned at DTPS premises. Polythene and Plastic waste is used in construction of plant road and being sourced from Dahanu Municipal Corporation.
- A special initiative is taken to reduce paper consumption and recycling of all waste papers. It has achieved a reduction of 3.14 percent in its paper consumption compared to the previous financial year through various process automations and paper conservation practices as given below:

- a. Permit to work (PTW) copy optimization leading to paper saving
- b. Service entry Digitization – Measurement books were discontinued.
- c. Contract closure Digitization – Complete contract closure documentation in process and approved in online portal

Through Environment Management System ISO 14001, the EPC Division takes steps to increase our waste efficiency. Fly Ash bricks are used to reduce carbon foot print. Also, use of fly ash in ready mix concrete (batching plant) helps in protection of environment by partly replacing cement, production of which entails energy consumption and CO<sub>2</sub> emissions.

# Reliance Infrastructure Limited

## Business Responsibility Report

### Principle 3

#### Businesses should promote the well being of all employees

Total number of employees	5,888
Total number of employees hired on temporary / contractual / casual basis	4,717
The number of permanent women employees	457
The number of permanent employees with disabilities	14
Do you have an employee association that is recognized by management?	Yes
What percentage of your permanent employees is members of this recognized employee association?	61 per cent
Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the year	The Company does not employ child labour, forced labour and involuntary labour. The Company did not receive any complaint of sexual harassment and discriminatory employment

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child Labour / forced Labour / involuntary	Not applicable	Not applicable
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

What percentage of your under mentioned employees were given safety and skill upgradation training in the last year

Permanent Employees	70 per cent
Permanent Women Employees	74 per cent
Casual/Temporary/Contractual Employees	41 per cent
Employees with Disabilities	64 per cent

### Principle 4

#### Businesses should respect the interests of, and be responsive towards all stake holders, especially those who are disadvantaged, vulnerable and marginalized

##### a. Has the Company mapped its internal and external stakeholders? Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

The Company has mapped the stakeholders i.e. customers, shareholders, employees, suppliers, banks and financial institutions, government and regulatory bodies and the

local community and out of these, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders.

##### b. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof.

The Company's Power Distribution Division undertakes a number of programs for the benefit of disadvantaged, vulnerable and marginalized stakeholders. Under the "Project Prasar Jyoti", special training-cum-counseling workshops are conducted every year by qualified counseling psychologists, for underprivileged students from Municipal Schools, for improving memory and dealing with examination fear and stress. Nearly 450 students benefit from these sessions every year.

Under the "Surakshit Raho Khush Raho" initiative, awareness is created on safety and related issues for over 50,000 students from more than 200 Municipal schools in the Mumbai Distribution area. In addition to this, Quality old clothes collection drive was conducted and the collected cloths, toys, etc are distributed in the underprivileged Adivasi talukas of Maharashtra, such as Wada, Mokhada and Jawhar. Over 2,000 persons have benefitted from this initiative during the year.

The Company's Transmission Division undertakes a number of programmes for the benefit of disadvantaged, vulnerable and marginalized stakeholders. Under projects like "Padhega India, Tabhi To Badhega India" and "Swachh Bharat Abhiyan", a number of initiatives have been taken up. During the year, 27 Students at Modern School, Andheri (East) and 10 Students in Pragnya Bodhini High School, Goregaon (East) were adopted for financial help by way of support towards annual school fees. Further to support cleanliness, 2 girl's toilets were also funded at these locations. Transmission team partnered with Anganwadi School, Goregaon (East) and 40 students were provided with school kits, books and uniform. For RC Maruti School in Andheri (East), 14 ceiling fans and a computer was provided to support basic infrastructure for education. To extend helping hand to 133 differently abled children at Shree Gurudev Bahuddeshiya Samajik Sanstha, Jawhar, Transmission Division provided expenses towards food items, drinking water, clothing, medicine, etc. for one month. Also financial assistance was provided for 2 months expenses towards meals to "Missionaries of Charity" at Gorai and Society of the Franciscan Hospital Sisters at Goregaon (East) which takes care of Orphans and dying destitute.

Dahanu Taluka where DTPS is located, is predominately populated by tribal people (67.69 per cent) and there are limited employment opportunities. This Taluka has poor economic status which is coupled with poor rural literacy rate (Male-53 per cent and Female-28 per cent). DTPS has started programme for imparting tailoring training for local community youths (especially women). In FY 17-18, total 11 batches covering 339 youths from local community completed their tailoring training, out of which 300 participants have been employed in Garment Manufacturing Industries in Dahanu, Boisar and

Business Responsibility Report

Umbergaon. Cumulatively, 835 youths have completed their training successfully and 773 youths were gainfully employed in nearby Garment factories till date.

DTPS in association with National Bank for Agriculture and Rural Development (NABARD) had initiated a programme "Integrated Tribal Development Project" for Rural Transformation in selected 11 villages of Dahanu Block from May 2016. The project is implemented through the agency, Maharashtra Institute of Technology Transfer in Rural Areas (MITTRA). This project aims at catering to the economic up-liftman of tribal population, covering 1,000 land owning families phased over 7 years, for developing one acre "Wadi" and also to benefit at least 100 landless tribal families with livelihood support. In FY 17-18, 430 land owners have participated and cumulatively 650 farmers / families have benefited from this project till date. Livelihood support has also been extended to 21 landless families by giving goat and poultry.

Under its project of bringing Digitalization to rural schools, DTPS has installed E-Learning kits in 8 Zilla Parishad Schools in Dahanu Taluka in 2017-18 and cumulatively 15 schools have digitalized so far under this project. During FY 2017-18, DTPS has installed Industrial Drinking water Filtration Plant at Agwan - Mothapada of capacity 5 m3/hr which has benefited around 5,500 people. Drinking Water Filter Units are also installed in surrounding schools at three locations which has benefitted around 845 students during FY 2017-18.

Every year DTPS distributes uniforms to Anganwadi children in the rural areas. The stitching jobs are awarded to local youths belonging to tribal community from the village area, thus providing employment opportunities for the tribal people. A mobile medical unit was set up with a fixed schedule to visit each and every village in the neighbourhood of the power station. Beside this, the Company doctor conducts health check up for surrounding villages. The focus was not only curing of diseases, but also on prevention of diseases. In FY 17-18, more than 3,258 patients were checked and treated by Mobile medical Unit.

DTPS along with a local NGO supplies note books to students from economically weaker section of the society in Dahanu Taluka at a very concessional rate at the beginning of every academic year since 1995.

Principle 5

**Businesses should respect and promote human rights**

**a. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

The policy of the Company on human rights covers not only the Company, but also extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others. The Company is committed to complying with all human rights, practices across all group companies, JVs and other stakeholders associated with the Company.

The Power Distribution Division voluntarily follows human rights principles. The Division does not employ any forced

labour and child labour and is committed to promoting the general equality among the employees. The business of the division is mainly labour oriented and it has the employee strength of 5,237, of which the officers are 1687(32 per cent of total) and staff and labour are 3,550 (68 per cent of total). In keeping with the consistent policy to promote gender equality, the Division has 363 female employees representing 7 per cent of its employee strength.

DTPS has been certified with Social Accountability 8000 standard and complies with all national and international human rights like forced labour, child labour, gender equality, etc. and the concerned ILO conventions of the International Labour organisation. Further, all suppliers are encouraged to comply with the SA8000 standard and regular supplier premises (supply chain) are audited by the commercial and user departments for compliance with the human rights as per the standard.

**b. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company has not received any stakeholder complaint pertaining to human rights during the financial year 2017-18.

Principle 6

**Business should respect, protect and make efforts to restore the environment**

**a. Does the policy related to Principle 6 cover only the company or extends to the Group /Joint Ventures / Suppliers / Contractors / NGOs /others.**

Yes, the policy of the Company on environment covers not only the Company, but also extends to the Group/ Joint Ventures /Suppliers / Contractors / NGOs / Others. The Company is committed to achieving an excellence in environmental performance, preservation and promotion of clean environment and also actively encourages business partners like suppliers, contractors, etc. to preserve and promote environment.

**b. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlink for webpage etc.**

Yes. The Company is committed to delivering reliable and quality supply and services to its consumers at competitive costs and is conscious of its responsibility towards creating, conserving and ascertaining safe and clean environment for sustainable development. The links of related web pages are <http://www.relianceenergy.in/web/reenergy/surakshit-raho>, <http://www.relianceenergy.in/web/reenergy/simple-ways-to-save>. The sustainable environmental initiatives of the Company are being driven under the organisation-wide sustainability drive called "Let's Turn Around" with an objective of achieving "Carbon Neutrality" in its business operations, as indicated earlier.

The Company has formulated Environment Policy aimed at adopting appropriate technologies and practices to minimize environmental impact of its activities, continually

improving its environmental performance, conserving the natural resources, promoting afforestation and skill upgradation of employees for effective implementation of the Policy.

Under 'Let's Turn Around initiative', following key initiatives are included:

1. **Fuel Consumption Initiative:** The transport department has implemented Close Control and Monitoring of fuel through Smart card implementation for Two-wheelers. This resulted in fuel savings of 33,100 litres in financial year 2017-18 (Around 10 per cent saving compared to last financial year fuel consumption).
2. **Food waste Reduction and Reuse:** The Company has set-up a Food Waste Monitoring, Review and Corrective measure mechanism which includes creating awareness through electronic media (Wallpaper, Pop ups), print media (posters) and a display board mechanism with Social messaging/ appeal and display of daily food waste quantum. The Company has also made the necessary infrastructural changes at the food serving counters, conducted Contractors Training and Awareness to ensure optimal food serving practices.
3. **World Environment Day and Energy Conservation Day / Week Celebrations, Earth Hour Celebrations, seminars and workshops on Energy Efficiency and Energy Conservation (EE&EC), various other programmes and schemes like "Save and Save" (Discount) offer on EE appliances in tie-up with the vendors, competitions for employees and their wards, consumer meets, Audio-visual shows, symbolic walk, etc. are organized seeking maximum participation of the Company's Employees as well as general public. Seminar Series on "Energy Efficiency and Energy Conservation Practices" was arranged for industrial and commercial consumers. On June 5, 2017 World Environment Day (WED) the Company offered free entry to visitors in Sanjay Gandhi National Park in support of the United Nations Environment Programme (UNEP) WED theme "connect with Nature" and almost 4,000 visitors took benefit.**

The Dahanu Power Station is certified for Integrated Management System (IMS) which comprises of Quality Management system ISO 9001:2015 (QMS), Environment Management System ISO 14001:2015 (EMS), Occupational Health and Safety Assessment studies 18001:2007 (OHSAS) and Energy management system ISO 50001:2011. DTPS coal testing laboratory is certified with National Accreditation Board of Laboratories (NABL) accreditation for, ISO/IEC 17025:2005. DTPS uses beneficiated Indian coal and blends with high calorific value imported coal which ensures low consumption of coal to generate per unit of power. This helps to reduce CO2 emissions.

As a strategy to address the critical issue of global warming, the Power Station regularly monitors CO2 emissions at micro level for Green House Gas (GHG) inventorization. Moreover, the Power Station maintains environmental parameters within the norms set by the Pollution Control Board by means of continuous monitoring and operational control as also monitors and controls parameters within and beyond fence by Ambient Air Quality Monitoring stations (AAQM).

Regular maintenance and refurbishment of equipments is being carried out to improve efficiency, which ensure low coal consumption and reduction in CO2 emission. In addition to the emission reduction through efficiency improvement measures in the power plant, the Company has taken initiatives for carbon sequestration also to mitigate the climate change. The Power Station has voluntarily demonstrated its commitment by massive plantation of mangroves on either bank of creeks. More than two crore mangroves have been planted till date. The land on which the Power Station is constructed was completely barren due to high salinity. Now there is a sprawling green cover because of plantation of forest species, mangroves and fruit bearing species.

The Mumbai Transmission Business is certified for Environment Management System ISO 14001:2004 and the Division has in place procedures and processes to conduct the business in environmentally responsible manner. Special management programmes are designed to address any kind of environmental impact. Rain water harvesting is completed at all location of business. Mass tree plantation and use of energy efficient equipments are a few initiatives implemented by the business and many other are under implementation stages.

### c. Does the Company identify and assess potential environmental risks?

Yes, the Company identifies, maintains and assesses potential environmental risks through aspect register which is one of the main requirements of the Company's Environment Policy commensurate to ISO 14001:2015. Every year, aspect register is reviewed and aspects are added or deleted based on the process change. Hazards are analysed, evaluated and adequate control measures are implemented to reduce impact on environment and human. The processes are audited periodically through external competent authorities like BVQI headquartered in Paris, France.

### d. Does the Company have any project related to Clean Development Mechanism?

The Company regularly initiates various Clean Development Mechanism (CDM) projects which are part of the continual improvement process. DTPS is continuously identifying various projects for reduction of CO2 emission. Various projects have been initiated to improve efficiency and auxiliary power consumption. In DTPS, Operation and Maintenance (O&M) practices are tuned to improve equipment Heat rate and ensure energy based maintenance philosophy.

In recent Major overhaul completed for Unit 2 in January 2018, DTPS has implemented below given projects for significant Human Resource (HR) improvement and auxillary (Aux) power optimization -

1. Heat rate improvement by replacement of Air Preheater (APH) baskets
2. Aux power saving by replacement of Boiler Feed Pump cartridge and Hydraulic coupling gear ratio alteration
3. Boiler and Turbine refurbishment during overhaul



Business Responsibility Report

**e. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. If yes, please give hyperlink for web pages etc.**

The Company has undertaken several projects on clean technology, energy efficiency, energy conservation, renewable energy, etc. not only within the Company but also at its consumer premises as stated under various Principles. The Company's Power Distribution Division has installed 80 kwp capacity Roof Top Solar plants at its 6 office locations and is compensating its own consumption by around one lakh units per year.

The Dahanu Power Station is the first utility in the world that is certified for ISO 50001:2011 Standard for quality management. The Power Station has undertaken several projects on clean technology, energy efficiency, renewable energy, etc.

The details of these measures are provided elsewhere in this annual report in the annexure to the Directors Report and in the Management Discussion and Analysis and also on the below mentioned webpage. [http://www.relianceenergy.in/documents/41520/44682/Details\\_of\\_Renewable\\_Energy\\_EPA.pdf](http://www.relianceenergy.in/documents/41520/44682/Details_of_Renewable_Energy_EPA.pdf).

**f. Are the Emissions/Waste generated by the Company within the permissible limits given by Central Pollution Control Board (CPCB) / State Pollution Control Board (SPCB) for the financial year being reported?**

Mumbai Power Distribution unit has taken authorization for collection, reception, storage, transport and disposal of Hazardous waste for all major locations. All the Hazardous / e-Waste / Bio-Medical waste generated due to day to day activities and is disposed of only through State Pollution Control Board approved vendors in eco-friendly way. The Company has disposed of more than 110 metric tonnes of hazardous waste, 150 metric tonnes of E-waste and 156 Kg biomedical waste during financial year 2017-18 which only reconfirms strong commitment for environment protection. Waste generated at all the locations is within the limit specified by the Maharashtra Pollution Control Board (MPCB).

Mumbai Transmission Business has taken authorization for collection, reception, storage, transport and disposal of Hazardous waste for all major locations. All the Hazardous / e-Waste generated due to day to day activities and is disposed of only through the State Pollution Control Board approved vendors in eco-friendly way. The Company has disposed of more than 1.66 metric tonnes of hazardous waste and 0.21 metric tonnes of E-waste during financial year 2017-18 which only reconfirms strong commitment for environment protection. Waste generated at all the locations is within the limit specified by the Maharashtra Pollution Control Board (MPCB).

Dahanu Power Station being a ISO 14001 certified organization is responsible for complying with the environmental emission norms set by the Maharashtra Pollution Control Board (MPCB) and the Central Pollution Control Board (CPCB).

All emission parameters were well below the statutory limits. Conditions under Consent To Operate (CTO) are being complied strictly. Both Flue Gas Desulphurization (FGD) units were in service throughout the year and SOx absorption of more than 90 per cent was achieved, as stipulated. All the environment parameters are displayed at various locations.

The Samalkot Power Station of the Company uses natural gas, an environment friendly fuel, as the primary fuel and naphtha / High Speed Diesel (HSD) as the secondary fuel. A dedicated environment, health and safety manager is assigned with the responsibility of supervising, monitoring and ensuring all necessary actions with regard to environmental issues, at the power station. The average levels of emission recorded at the power station during the year 2017-18 were much below the limits set by the Andhra Pradesh Pollution Control Board. The Station is certified for ISO 14001 and OHSAS 18001. The power station also carries out regular mock drills on disaster management. An appreciation memento was received from the East Godavari District EHS association for the best mock drill performance in the district. Plant has been recognised with "Green Tech Platinum Safety Award – 2016". Zero Discharges of Industrial Effluents for the past 123 months in a row is one of the major milestones of the power station which is achieved by using "Reduce, Recycle and Reuse" concepts (achieved through the recovery of Steam and Water Analysis System as well as higher Cycle of Concentration (COC) operation of Cooling Water Systems).

The Emission parameters of these power stations are provided in the Management Discussion and Analysis section of the annual report.

**g. Number of show cause/ legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of Financial Year**

No show cause / legal notices were pending as on the end of the financial year.

**Principle 7**

**Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

**a. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Company is a member of various trade and industry associations. Some of them are:

- a. Bombay Chamber of Commerce and Industry and
- b. Indian Merchants' Chamber,

**b. Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes specify the broad areas.**

The Company periodically takes up matters concerning statutory and regulatory issues as also policies and reforms in the power and infrastructure sectors through associations and chambers of commerce.

### Principle 8

#### Businesses should support inclusive growth and equitable development

**a. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

Yes, the Company has specified programmes/initiatives/projects for pursuing its Corporate Social Responsibility (CSR) policy.

As part of the CSR mandate, the Company focuses on three key Thematic areas – Education, Healthcare and Rural Transformation (which includes development of infrastructure facilities, skill building and promotion of sustainable livelihood, improving the socio-economic status of women and the youth) and two cross-cutting themes which cut across all our social endeavours, that is Environment and Swachh Bharat Abhiyan (Sanitation).

The organization focuses on its endeavour to bring about a tangible change in the lives of people living in rural, underprivileged areas.

Corporate Social Responsibility (CSR) Policy of the Company aims at achieving the equitable development. Since locations of the projects are in economically and socially backward locations of India, it is a constant endeavour to include the local community as a critical stakeholder in the inclusive measures initiated by the Company.

In the last one year, the Company has undertaken several initiatives to support inclusive growth and equitable development for social and economic betterment of the community through several CSR programmes and active participation from enthusiast employee volunteers. Below are key endeavours undertaken by the Company during the year 2017-2018:

#### i. Education

Education is the basic tool to bring development to an area and its population. We at the Company aim at building the required environment and infrastructure to create a pool of human resource both within and across our area of operations. DTPS is involved in a lot of CSR initiatives regarding education in the surrounding areas of the plant which includes supply and Installation of E-learning kits to schools, Merit scholarships given to meritorious and economically weak students, Best Teachers' awards given to teachers from Dahanu Taluka Schools, Notebook distribution to students of Dahanu Taluka at concessional rates, distributing uniforms to Anganwadi children, etc.. Project Prasar Jyothi carried on by the Company's Power Distribution Division, provides specialized training on study skills to the poor and underprivileged students from slums of eastern suburbs. The Company also supports remedial centres at 20 slum pockets in Bhubaneswar wherein needy/drop out students are given individual attention before and after regular school hours to mainstream them with their peers.

#### ii. Healthcare

A vision to strengthen healthcare systems in the communities we serve and empower individuals to make informed choices has enabled us to implement programme on community health with special focus on health of elderly, women and young ones through our various programmes. The parent company as also some of its subsidiaries has made contributions for promoting healthcare to a nonprofit accredited organisation.

Initiatives involving multi specialist health camps, sanitation awareness campaigns, preventive care medical camps, provision of medical equipment to local health centres were also undertaken. In Dahanu, DTPS arranges a Mobile Medical van which visits various villages according to its daily schedule and attends to the affected populations. The plant also organises Blood donation camp twice a year wherein more than 240 people donated blood. Health checkup programme for pregnant ladies is started in surrounding villages. With the help of gynaecologist along with our CSR team and based on her advice, medical test are conducted and medicine is provided. The day care Oncology centres are being set up by the Company with support from Mandke Foundation at different parts of Maharashtra. We have initiated the project at Akola and Jalna District of Maharashtra to provide medical, radiation and surgical oncology to rural populace in a phase wise manner.

Every year, the Company contributes more than 1,000 units of blood collected through 12 or more locations spread along the Mumbai Distribution area and almost equal number of Units through its pan India offices twice a year as a mark of respect to our founder Chairman Shri Dhirubhai Ambani. The Company is proud that these Blood Units go a long way in serving the masses of the society in distress. This campaign has been in progress since 2003 from its Mumbai power distribution business which was streamlined since 2008. The Company's contribution towards serving the community at large was recognised at various levels by the State Blood Transfusion Council and various Hospitals from Mumbai.

#### iii. Rural Transformation

We have been working on transforming the rural terrain with a focus on promoting social security, parameters pertaining to human development and supporting environment. Since locations of the projects are in economically and socially backward locations of India, it is a constant endeavour to include the local community as a critical stakeholder in the inclusive measures initiated by the Company.

DTPS in association with NABARD initiated a programme "Integrated Tribal Development Project in selected villages of Dahanu Block. This project is to cater to economic upliftment of tribal and Warli Tribes which dominate the Dahanu Taluka in Palghar District covering 1,000

Business Responsibility Report

land owning tribal families phased over 7 years, for developing one acre "Wadi" and also to benefit at least 100 landless tribal families with livelihood support. The estimated project cost is ₹ 4.56 crore. Out of the total project cost, 50 per cent is funded by Rinfra and the balance 50 per cent by NABARD Programme and the execution agency is MITTRA. The Integrated Tribal development project is holistic in approach and addresses natural resource management (soil cover and water) and its conservation, production, processing and establishing sustainable market linkages for marketing of the produce. The program also focuses on federating community members into entities with a sole purpose of enabling them to run the model on a sustained basis by building their capacities and empowering them with the technical and operational know-how's. The model has acclaimed at least 80 per cent-100 per cent increase in the earning capacities of the farming communities engaged in Wadi over a period of seven years. The details of this project are given elsewhere in this annual report.

**iv. Sanitation**

Our approach towards Swacch Bharat Abhiyan lies in creating an enabling environment which is brought about by the following two focus elements that is access to Sanitation hardware i.e. improved systems, facilities, technology and infrastructure and improved hygiene practices and behavioral change.

At the core of these initiatives lies the need to engage with the employees and promote volunteering to sensitize, to induce adult behavioural change and to promote sustained interventions and ownership amongst the participating teams. The details of the programs conducted under this initiative are provided in the Management Discussion and Analysis.

**v. Environment**

The imperative is to use natural resources efficiently to leave a minimal carbon footprint and impact on biodiversity across our business value chain. The group strives to develop and promote processes and newer technologies to make all our products and services environmentally responsible. The philosophy behind is to create a sustainable eco-sphere of low carbon economy by following the 5 R guidelines of Reduce, Reuse, Recycle, Renew and Respect for the environment and its resources through the entire supply management.

Apart from introducing and adopting green technologies at all our power generation units, we give due impetus to the need to green the ecosphere in which we operate thereby sequestering carbon emissions by planting saplings of tree varieties at farm borders and road sides in the Narpad village, Dahanu, Aarey colony, etc.

Young Energy Savers (YES) is an initiative by the Company to sensitize the young kids about energy conservation. The Company reaches

out to consumers from various societies, slums, colleges under 'Urja Samvardhan Upkram' (Energy Conservation Workshop) through interactive sessions. Use of presentation in vernacular language, specially developed Audio Video clips and creatively designed 'Energy Conservation Leaflets' in various language help us to create and raise awareness on Energy Conservation practices.

To summarize, the Company and its subsidiaries have lived up to their responsibilities as corporate citizens and have endeavoured to bring about an all round transformation in the vicinity of the project sites for the common good of the needy and the under privileged.

**b. Are the programmes/projects undertaken through in-house team/own foundation / external NGO / government structures /any other organization?**

While the Company undertakes most of the CSR projects and initiatives through its own team or through Group initiatives, some of the projects are conducted in association with external organisations on need basis. The Company's efforts, mentioned in the programmes specified above are implemented through delivery mechanisms comprising of employees, local bodies, non-governmental organizations, not-for-profit entities and government Institutions to mention a few. The interventions are carried out in tandem with the Government bodies to meet the social mandate for the earmarked communities. The execution of the programme under the thematic heads, viz. Education, Healthcare, Rural Transformation, Environment and Sanitation are carried out with the support from development sector organizations. Institutions apart from implementation through respective CSR teams. Employee volunteering also acts as a critical implementing arm across our earmarked locations. Induction of employee volunteers and their contribution towards meeting our CSR mandate on a sustained basis has enabled us to not only inculcate the tenets but also ensure sustainability and continuous technical support to the projects.

**c. Have you done any impact assessment of your initiative?**

With a view to enhancing the effectiveness of the CSR projects and initiatives, success parameters both on qualitative as well as quantitative terms are embedded during the programme plan. These parameters are evaluated through the programme and feedback obtained on regular basis from the concerned stakeholders, including the target beneficiaries of the CSR projects. The data is collated and appropriately analysed for refining future CSR projects.

Also, impact analysis of each and every CSR activity is carried out on a regular basis.

For instance under educational programmes for developing learning environment at Primary schools, the attendance and academic progress of school children are monitored on a regular basis. It has been observed that the initiative motivated the students to attend school on a regular basis with lesser instances of sickness related absenteeism and inculcated the interest towards studies thereby improving the grades of the student.



**d. What is your Company's direct contribution to community development projects? Provide the amount in INR and the details of the projects undertaken.**

The Company has spent ₹ 18.83 crore as direct contribution to community development projects under the thematic heads viz. Education, Healthcare, Rural transformation, Swachh Bharat Abhiyan and Environment. The subsidiaries of the Company have spent an amount of ₹ 5.54 crore on various CSR initiatives.

These projects are directly intended for improving the quality of life of community with well designed strategies of replicability, scalability and sustainability, which are owned by the community. The details of such programmes, initiatives and projects are furnished in the CSR Report as an annexure to the Directors report as well as under the Management Discussion and analysis provided elsewhere in the report.

**e. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

Yes, engagement of the community is paramount for sustaining a programme on ground. We ensure engagement of the community at the very planning stage and thereafter inducting them at the implementation level. This not only ensures acceptance of the programme on ground but also its continuity and sustainability.

We believe our role as Enablers can promote dynamic development by creating synergies with our partners in growth and success: the communities. We are committed to augmenting the overall economic and social development around the local communities where we operate by discharging our social responsibilities in a sustainable manner. The interventions have been aligned with that of the government mandate both at the local as well as the state level. We have been working in the direction of creating meaningful partnerships through series of engagements and transparency in our processes across board. This is undertaken by initiating meaningful grassroots participation with local bodies / institutions / NGOs to support and augment interventions in areas undertaking Stakeholder Engagement to identify their perceived needs.

### Principle 9

#### Businesses should engage with and provide value to their customers and consumers in a responsible manner

**a. What percentage of customer complaints / consumer cases are pending as on the end of financial year?**

As a Distribution Licensee, 'Standards of Performance (SOP)' notified by the Maharashtra Electricity Regulatory Commission (MERC), which specify time limits for resolution of customer complaints are applicable. There are a few cases of SOP violations under regulation 6.1 for Fuse off call, 6.3 for Underground Cable fault, 6.4 for Transformer failure and 7.2 for Meter Reading at the end of financial year on account of reasons beyond control of the Company. The said violations have been duly informed to the Regulator. However, no penalty has been charged till date. The pending complaints at the end of the respective year are cases which are in process.

All No Supply complaints were attended and closed. Details of the commercial complaints in FY 2017-18 are as under:

- 44,699 complaints were received.
- 95 per cent of the complaints received in 2017-18 have been resolved within time prescribed under SoP Regulations.
- 156 issues were received by the Internal Grievance Redressal Forum, 154 of which were resolved within turn around time.

**b. Does the Company display product information on the product label, over and above what is mandated as per local laws?**

While the Company does not deal in any specific branded product, every effort is made to provide value added information to the customers of the Mumbai Distribution Business of the Company on the services rendered to our customers by way of printing messages on electricity bills, Social Media, Mobile Apps and through SMS.

The Company provides an informative electricity bill with higher visibility of key contents for quick reference and also provides a mode of communication, carrying customer education tips, personalized messages, past consumption trends, etc. Bills are offered to the customers in the language of their choice - English, Hindi, Marathi and Gujarati. The bills also contain information about modes of payment available to the customers. Customers also have an option of opting for paperless billing and contribute towards the environment.

**c. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.**

Neither any complaint was filed relating to above during the past five years nor is any complaint pending as at the end of financial year.

**d. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

With an objective to measure transaction effectiveness and perception levels, the Company conducts two types of customer satisfaction surveys at a regular frequency.

Customer Transaction Assessment (CTA): These surveys are carried out annually to measure the transaction effectiveness of key customer touch points, which include Customer Care Centres, Call Centre and E-mail desk.

Customer Relationship Assessment (CRA): The key objective of this survey is to gauge the customer perception of Reliance Energy as a brand vis-à-vis its competitors. Segment-specific insights are sought from this survey.

The Company's Registrar and Transfer Agent Karvy Computershare Pvt Ltd renders investor services to the investors with regard to matters related to the shares and dividend payments. Karvy services investors through its network of around 400 branches and has dedicated investor helpline number 1800 4250 999. The feedback received from the shareholders indicate that they are satisfied with the services being rendered.

The Company would continue to contribute actively to community welfare activities and take up initiatives and measures for the upliftment of various segments of the society.

## Corporate Governance Report

### Our Corporate Governance Philosophy

Reliance Infrastructure Limited follows the highest standards of corporate governance principles and best practices by adopting the "Reliance Group – Corporate Governance Policies and Code of Conduct" as is the norm for all constituent companies in the group. These policies prescribe a set of systems and processes guided by the core principles of transparency, disclosure, accountability, compliances, ethical conduct and the commitment to promote the interests of all stakeholders. The policies and the code are reviewed periodically to ensure their continuing relevance, effectiveness and responsiveness to the needs of our stakeholders.

### Governance Policies and Practices

The Company has formulated a number of policies and introduced several governance practices to comply with the applicable statutory and regulatory requirements, with most of them introduced long before they were made mandatory.

#### a. Values and commitments

We have set out and adopted a policy document on 'Values and Commitments of Reliance Infrastructure'. We believe that any business conduct can be ethical only when it rests on the nine core values viz., honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship and caring.

#### b. Code of ethics

Our policy document on 'Code of Ethics' demands that our employees conduct the business with impeccable integrity and by excluding any consideration of personal profit or advantage.

#### c. Business policies

Our 'Business Policies' cover a comprehensive range of issues such as fair market practices, inside information, financial records and accounting integrity, external communication, work ethics, personal conduct, policy on prevention of sexual harassment, health, safety, environment and quality.

#### d. Separation of the Board's supervisory role from the Executive Management

In line with the best global practices, we have adopted the policy of separating the Board's supervisory role from the Executive Management. Accordingly, there are separate posts of Chairman and CEO.

#### e. Prohibition of insider trading policy

This document contains the policy on prohibiting trading in the securities of the Company, based on insider or privileged information.

#### f. Policy on prevention of sexual harassment

Our policy on prevention of sexual harassment aims at promoting a productive work environment and protects individual rights against sexual harassment.

#### g. Whistle blower policy / Vigil mechanism

Our Whistle Blower policy encourages disclosure in good faith of any wrongful conduct on a matter of general concern and protects the whistle blower from any adverse personnel action.

It is affirmed that no personnel has been denied access to the Chairman of Audit Committee.

#### h. Environment and Social Responsibility

The Company is committed to achieve excellence in environmental performance, preservation and promotion of a clean environment. These are central to all our business activities. The Company has also developed Business Responsibility and Corporate Social Responsibility Policies which are intended towards contributing to improving the quality of life.

#### i. Risk management

Our risk management procedures ensure that the Management controls various business related risks through means of a properly defined framework.

### Board room practices

#### a. Chairman

In line with the highest global standards of corporate governance, the Board has separated the Chairman's role from that of an executive in managing day to day business affairs.

#### b. Board Charter

The Company has a comprehensive charter, which sets out clear and transparent guidelines on matters relating to the composition of the Board, the scope and function of various Board Committees, etc.

#### c. Board committees

Pursuant to the provisions of the Companies Act, 2013 (the "Act") and Regulation 15(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations"), the Board has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, and Environment, Health and Safety Committee.

During the year, the functions of the Employee Stock Option Scheme Compensation Committee was merged with the Nomination and Remuneration Committee.

#### d. Selection of Independent directors

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

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

### e. Tenure of independent directors

Tenure of independent directors on the Board of the Company shall not exceed the time period as per provisions of the Act and the Listing Regulations.

### f. Familiarisation for Board Members

The Board members are periodically given formal orientation and familiarized with respect to the Company's vision, strategic direction, corporate governance practices, financial matters and business operations. The Directors are encouraged to become familiar with the Company's functions at the operational levels. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, the macro Industry business environment, business strategy and risks involved. Members are also provided with the necessary documents, reports and internal policies to enable them to familiarize themselves with the Company's procedures and practices. Periodic updates for members are also given out on relevant statutory changes and on important issues impacting the Company's business environment.

The details of the programmes for familiarization of independent directors have been put up on the website of the Company at the link [http://www.rinfra.com/pdf/Familiarisation\\_programme.pdf](http://www.rinfra.com/pdf/Familiarisation_programme.pdf).

### g. Meeting of independent directors with operating teams

The Independent Directors of the Company interact with various operating teams as and when it is deemed necessary. These discussions may include topics such as, operating policies and procedures, risk management strategies, measures to improve efficiencies, performance and compensation, strategic issues for Board consideration, flow of information to directors, management progression and succession and others as the independent directors may determine. During these sessions, the independent directors have access to members of management and other advisors, as they may deem fit.

### h. Annual Calendar of Meetings

The meeting dates for the entire financial year are scheduled at the beginning of the year and an annual calendar of meetings of the Board and its Committees is circulated to the Directors. This enables the Directors to plan their commitments and facilitates their attendance at the meetings of the Board and its Committees.

### i. Role of the Company Secretary in Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. He ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings. He is primarily responsible for assisting the board in the conduct of affairs of the Company, to ensure compliance with the applicable statutory requirements and Secretarial Standards to provide guidance to directors

and to facilitate convening of meetings. He interfaces between the Management and the regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

### j. Independent Statutory Auditors

The Company's accounts are audited by a panel of two leading independent audit firms namely: M/s Pathak H.D. & Associates, Chartered Accountants and M/s B S R & Co. LLP, Chartered Accountants.

### k. Compliance with the code and rules of London Stock Exchange

The Global Depositary Receipts (GDRs) issued by the Company are listed on the London Stock Exchange (LSE). The Company has reviewed the code of corporate governance of LSE and the Company's corporate governance practices conform to these codes and rules.

### l. Compliance with the Listing Regulations

The Company is fully compliant with the mandatory requirements of the Listing Regulations.

We present our report on compliance of governance conditions specified in the Listing Regulations:

### Board of Directors (as on March 31, 2018)

#### 1. Board Composition – Board strength and representation

The Board consisted of eight members. The composition and category of directors on the Board of the Company were as under:

Sr No	Names of Directors	DIN	Category
1	Shri Anil D Ambani Chairman	00004878	Promoter, Non-executive and Non- independent director
2	Shri S Seth, Vice Chairman	00004631	Non-executive and Non- independent directors
3	Dr V K Chaturvedi	01802454	
4	Shri Shiv Prabhat	07319520	
5	Shri S S Kohli	00169907	Independent Directors
6	Shri K Ravikumar	00119753	
7	Shri V R Galkar	00009177	
8	Ms Ryna Karani	00116930	

#### Notes:

- None of the directors is related to any other director.
- None of the directors has any business relationship with the Company.
- None of the directors has received any loans and advances from the Company during the year.

All the Independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent. All such declarations are placed before the Board and taken on record.

## Corporate Governance Report

### 2. Conduct of Board proceedings

The day to day business is conducted by the executives and the business heads of the Company under the direction of the Board. The Board holds at least four meetings every year to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The Board performs the following specific functions in addition to overseeing the business and the management:

- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestments.
- Monitoring the effectiveness of the Company's governance practices and making changes as needed.
- Selecting, compensating, monitoring and when necessary, replacing key executives and overseeing succession planning.
- Aligning key executive and board remuneration with the long term interests of the Company and its shareholders.
- Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- Monitoring and managing potential conflicts of interest of management, members of the Board of Directors and shareholders, including misuse of corporate assets and abuse in related party transactions.

- Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards.
- Overseeing the process of disclosure and communications:
- Carrying out the performance evaluation of the Board.

### 3. Board meetings

The Board held six meetings during the financial year 2017-18 on the following dates:

April 15, 2017, August 2, 2017, November 11, 2017, January 31, 2018, February 20 2018 and March 7, 2018.

The maximum time gap between any two meetings was 108 days and the minimum gap was 14 days.

### 4. Legal Compliance Monitoring

The Company monitors statutory compliances through a system driven software Legatrix which has the facility of capturing all the compliances under statutes that impact the Company's operations as also those of its operating subsidiary companies. Due compliances are ensured by online monitoring and delay or noncompliance are escalated and reported for remedial action.

A compliance certificate from the Company Secretary based on the reports generated from Legatrix is placed before the Board at its meetings. Pursuant to the requirements of the Listing Regulations, the Board periodically reviews the legal compliances mechanism.

### 5. Attendance of directors

Attendance of directors at the Board Meetings held during the financial year 2017-18 and at the last Annual General Meeting (AGM) held on September 26, 2017 and the details of directorships (as per the provisions of Section 165 of the Companies Act, 2013), Committee Chairmanship and Committee memberships held by the directors as on March 31, 2018 are as under:

Names of Directors	Number of meetings attended out of six meetings held	Attendance at the last AGM held on September 26, 2017	Number of directorships (including RInfra)	Committee membership (including RInfra)	
				Membership	Chairmanship
Shri Anil D Ambani	5	Present	14	None	None
Shri S Seth	6	-	9	2	None
Shri S S Kohli	6	Present	13	8	4
Dr V K Chaturvedi	6	-	1	1	None
Shri K Ravikumar	6	Present	4	5	3
Shri V R Galkar	6	Present	4	3	None
Ms. Ryna Karani	6	Present	9	9	3
Shri Shiv Prabhat	3	Present	1	1	None

#### Notes:

- None of the directors hold directorships in more than 20 companies of which directorships in public companies does not exceed 10 in line with the provisions of Section 165 of the Act.
- No director holds membership of more than 10 committees of board nor is a chairman of more than 5 committees across board, of all listed entities.
- No independent director of the Company holds the position of independent director in more than 7 listed companies as required under the the Listing Regulations.

- d. The information provided above pertains to the following committees in accordance with the provisions of Regulation 26(1)(b) of the Listing Regulations: (i) Audit Committee and (ii) Stakeholders Relationship Committee.
- e. The Committee memberships and chairmanships above exclude memberships and chairmanships in private companies, foreign companies and in Section 8 companies.
- f. Memberships of Committees include chairmanships, if any.

The Company's Independent Directors meet at least once in every financial year without the attendance of Non-Independent Directors and Management Personnel. One meeting of Independent Directors was held during the financial year.

### 6. Details of directors

Brief resume of all directors is furnished hereunder:

**Shri Anil D. Ambani**, 58 years, B.Sc. Hons. and MBA from the Wharton School of the University of Pennsylvania, is the Chairman of our Company, Reliance Capital Limited, Reliance Power Limited, Reliance Communications Limited, and Reliance Naval and Engineering Limited.

As on March 31, 2018, Shri Anil D. Ambani held 1,39,437 equity shares of the Company.

**Shri S Seth**, 62 years, is a Fellow Chartered Accountant and a law graduate. He has vast experience in general management. Shri S Seth is also on the Board of Reliance Telecom Limited, Reliance Power Limited, Reliance Anil Dhirubhai Ambani Group Limited, Reliance Defence and Aerospace Private Limited, Reliance Defence Limited and Reliance Naval and Engineering Limited.

As on March 31, 2018, Shri S Seth did not hold any shares of the Company.

**Shri S S Kohli**, 73, was the Chairman and Managing Director of India Infrastructure Finance Company Limited (IIFCL), a wholly owned company of the Government of India till April 2010, engaged in promotion and development of infrastructure. Under his leadership, IIFCL commenced its operations and carved a niche for itself in financing infrastructure projects. The support of IIFCL helped in speedier achievement of financial closure of infrastructure projects in sectors like Highways, airports, seaports, power, etc. IIFCL was conferred with the "Most Admired Infrastructure Financier 2010" by KPMG Infrastructure. Shri Kohli had long experience as a banker, spanning over 40 years having held positions of Chairman and Managing Director of Punjab and Sind Bank, Small Industries Development Bank of India (SIDBI) and Punjab National Bank (PNB), is one of the largest public sector banks in India. During his Chairmanship of PNB (from 2000 to 2005), he undertook total transformation of the Bank. Under his leadership, PNB became a techno-savvy Bank by implementing core banking solution and introducing various technology-based products and services. PNB also emerged as one of the India's Most

Trusted Brands and the PNB Group floated three public offerings of capital during his tenure which were highly successful. Shri Kohli held the Chairmanship of Indian Banks' Association, a forum for promoting the interest of banks for two terms and was member of several committees associated with financial sector policies. The committees he chaired dealt with a variety of issues relating to small/medium enterprise financing, wilful default in loans, human resources development in the banking industry and reconstruction of distressed small industries, etc. A recipient of several awards including the "Enterprise Transformation Award for Technology" by the Wharton Infosys Limited, the "Bank of the Year Award" by the Banker's Magazine of the Financial Times, London for the year 2000, and also ranked 22nd in the list of India's Best CEOs ranking over the period 1995 to 2011, by the Harvard Business Review.

He is on the Board of IDFC Limited, ACB (India) Limited, IL & FS Financial Services Limited, BSES Yamuna Power Limited, Seamec Limited, Asian Hotels (West) Limited, IDFC Infra Debt Fund Limited, S V Creditline Limited and BLS International Limited among others.

He is the Chairman of Audit Committee and member of the Nomination and Remuneration Committee, Risk Management Committee and CSR Committee of the Board of the Company.

As on March 31, 2018, Shri S S Kohli did not hold any shares of the Company.

**Dr. V. K. Chaturvedi**, 75 years, is a former Chairman & Managing Director of Nuclear Power Corporation of India Limited. He has also been a Member of the Atomic Energy Commission, Government of India and Chairman of World Association of Nuclear Operators (WANO), Tokyo Centre and also a Governor in the International WANO Board, London for 2 years. Dr. Chaturvedi is a gold medalist in mechanical engineering (1965 batch) from Vikram University and later he did his post-graduation in nuclear engineering from BARC training school, Mumbai.

He has around 50 years of experience in relation to design, construction, commissioning and operation of nuclear power plants. He was conferred the 'Padma Shri' in the year 2001, one of India's highest civilian awards. He is also a recipient of number of other prizes and awards.

He is a Chairman of Environment, Health and Safety Committee and member of the Stakeholders Relationship Committee and CSR Committee of the Company.

As on March 31, 2018, Dr V K Chaturvedi did not hold any shares of the Company.

**Shri K Ravikumar**, 68 years was the former Chairman and Managing Director (CMD) of Bharat Heavy Electricals Limited (BHEL), which ranks among the leading companies of the world engaged in the field of power plant equipment. As CMD, he was responsible for maximizing market-share and establishing BHEL as a total solution provider in the power sector. The Company was ranked 9th in terms of market capitalization in India during his tenure at BHEL. He had handled a variety of assignments during his long career



## Corporate Governance Report

spanning over 36 years. His areas of expertise are design and engineering, construction and project management of thermal, hydro, nuclear, gas based power plants and marketing of power projects.

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

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

He possesses M.Tech Degree from the Indian Institute of Technology, Chennai besides Post-Graduate Diploma in Business Administration. He was conferred Alumni Awards from the Indian Institute of Technology, Chennai and the National Institute of Technology, Trichy and was the Ex-Chairman of BOG National Institute of Technology, Mizoram. He has published a number of research papers in the field of power and electronics.

He is also a director on the Board of SPEL Semiconductor Limited, Reliance Power Limited and Reliance Naval and Engineering Limited.

He is the Chairman of Stakeholder Relationship Committee and member of the Audit Committee, Risk Management Committee and CSR Committee of Board of the Company.

As on March 31, 2018, Shri K Ravikumar did not hold any shares of the Company.

**Shri V. R. Galkar**, 74 years, B.Com, LLB, FCA, was a Practicing Chartered Accountant and was the former Executive Director (Investments) of Life Insurance Corporation of India (LIC) and held the office of the Director on the Board of Directors of the Company from June 9, 2003 to November 12, 2010. He has vast experience in the field of finance, investment management, legal, housing finance, sales and marketing, planning and accounts and audit. He is also on the Board of Crest Ventures Limited, Crest Wealth Management Private Limited and SBICAP Securities Limited.

He is the Chairman of Risk Management Committee, Nomination and Remuneration Committee and member of the Audit Committee and Stakeholder Relationship Committee of the Board of the Company.

As on March 31, 2018, Shri V R Galkar did not hold any shares of the Company.

**Ms Ryna Karani**, 50 years, is partner of ALMT Legal, Advocates and Solicitors since November 2006 and part of the firm's corporate and commercial team. She has been practicing as a lawyer since 1994 and is enrolled as Advocate with the Bar Council of Maharashtra and Goa. Her practice includes advising on mergers and acquisitions, joint ventures, private equity and investment funds on a full range of corporate transactions including cross border transactions. She has advised and assisted a number of foreign clients in establishing a presence in India through incorporation of companies and/or establishment of liaison offices. She is a member of the Society of Women Lawyers.

Besides her M&A practice, she advises clients on infrastructure projects including submission and preparation of Request for Proposal (RFPs), finalizing tenders, drafting and negotiating concession agreements and related documents.

Ms Ryna Karani also regularly advises clients on loan transactions (both Rupee and external commercial borrowings), including drafting and negotiating the loan agreements, security and other related documents. She also provides advice on general corporate matters, commercial contracts real estate matters.

She is a director on the Board of Mumbai Metro One Private Limited, BSES Yamuna Power Limited, BSES Rajdhani Power Limited, Reliance Naval and Engineering Limited, Reliance Communications Limited, Prime Urban Development India Limited and INEOS Styrolution India Limited.

She is the Chairperson of the CSR Committee and also member of the Audit Committee, Risk Management Committee and Environment, Health and Safety Committee of the Company.

As on March 31, 2018, Ms. Ryna Karani held 100 equity shares of the Company.

**Shri Shiv Prabhat**, 60 years, B.A. (Hons.), Masters in English Literature, joined the Life Insurance Corporation of India (LIC) in 1985 as Assistant Administrative Officer and rose to the position of Executive Director (Micro Business), from which he superannuated in March 2018. During his tenure spanning over 30 years, Shri Shiv Prabhat has taken up important assignments such as Marketing Manager and then as Divisional Manager at Divisional Office and as Senior Divisional Manager, Secretary (Marketing) at Central Mumbai Office, wherein he was involved in various strategy formulation of the Corporation for business growth and new initiatives. On elevation to the cadre of Zonal Manager, he was posted as Regional Manager (Marketing.), North Zone, Delhi where he was heading the Marketing Departments of North zone consisting of State of Haryana, Punjab, Rajasthan, Himachal Pradesh, Jammu and Kashmir. He

was also Chief (SBU-Estates), Central office and Chief (Office Services) at Central Office, Mumbai during the years 2013-15 and thereafter he was elevated to the position of Executive Director (Micro Insurance). Micro Insurance is a separate business vertical and one of the alternative channels of business of LIC.

He is the member of the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Environment, Health and Safety Committee of the Company.

As on March 31, 2018, Shri Shiv Prabhat did not hold any shares of the Company.

### 7. Insurance coverage

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

### Audit Committee

The Audit Committee of the Company, constituted in terms of Section 177 of the Act and the Listing Regulations, comprises of Shri S S Kohli as a Chairman, Shri K Ravikumar, Shri V R Galkar, Ms. Ryna Karani and Shri Shiv Prabhat as members. All Members of the Committee are financially literate.

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

Pursuant to the provisions of the Act and the Listing Regulations, the Board has approved the terms of reference of the Audit Committee as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for the appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by statutory auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to :
  - a. Matters required to be included in the Director's Responsibility Statement to be included in Boards' Reports in terms of Clause (c) of Sub Section 3 of Section 134 of the Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgement by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditors' independence and performance and effectiveness of audit process;
8. Subject to and conditional upon the approval of the Board of Directors, approval of Related Party Transactions (RPTs) or subsequent modifications thereto. Such approval can be in the form of specific approval or omnibus approval of RPT subject to conditions are not inconsistent with the conditions specified in Regulation 23(2) and Regulation 23(3) of the Listing Regulations. Such approval shall not be required for transactions with a wholly owned subsidiary whose accounts are consolidated with the Company;
9. Subject to review by the Board of Directors, review on quarterly basis, of RPTs entered into by the Company pursuant to respective omnibus approval given pursuant to (8) above;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the Company, wherever it is necessary;
12. Review the Company's established system and processes of internal financial controls and risk management systems;
13. Reviewing with the management, performance of statutory and internal auditors, adequacy of internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

## Corporate Governance Report

19. To review the functioning of the Whistle Blower mechanism;
20. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.  
Explanation (i): The term 'related party transactions' shall have the same meaning as provided in Regulation 23 of the Listing Regulations.

The Audit Committee is also authorised to:

- a. Investigate any activity within its terms of reference;
- b. Seek any information from any employee;
- c. To have full access to information contained in the records of the Company;
- d. Obtain outside legal and professional advice;
- e. Secure attendance of outsiders with relevant expertise, if it considers necessary;
- f. Call for comments from the auditors about internal control systems and scope of audit, including the observations of the auditors;
- g. Review financial statements before submission to the Board; and
- h. Discuss any related issues with the internal and statutory auditors and the management of the Company.

The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the listing regulations.
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the listing regulations.

### Attendance at the meetings of the Audit Committee held during 2017-18

The Audit Committee held four meetings during the year on April 15, 2017, August 1, 2017, November 11, 2017 and January 31, 2018. The maximum gap between any

two meetings was 107 days and the minimum gap was 60 days.

Members	Number of meetings held during the year	Number of meetings attended
Shri S S Kohli	4	4
Shri K Ravikumar	4	4
Shri V R Galkar	4	4
Ms. Ryna Karani	4	4
Shri Shiv Prabhat	4	2

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

The Committee considered at its meetings all the matters as per its terms of reference at periodic intervals.

Shri Ramesh Shenoy was the Secretary to the Audit Committee upto November 11, 2017 and thereafter, Shri Aashay Khandwala, Company Secretary, is the Secretary to the Audit Committee.

During the year, the Committee discussed with the statutory auditors of the Company, the overall scope and plans for carrying out the independent audit. The management represented to the Committee that the Company's financial statements were prepared in accordance with the prevailing laws and regulations. The Committee discussed the Company's audited financial statements, the rationality of significant judgments and clarity of disclosures in the financial statements. Based on the review and discussions conducted with the management and the auditors, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with the prevailing laws and regulations in all material aspects.

The Committee reviewed that internal controls are in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are in accordance with the prevailing laws and regulations. While conducting such reviews, the Committee found no material discrepancy or weakness in the internal control systems of the Company. The Committee also reviewed the financial policies of the Company and expressed its satisfaction with the same. The Committee, after review, expressed its satisfaction on the independence of both the internal as well as the statutory auditors.

Pursuant to the requirements of Section 148 of the Act, the Board has, based on the recommendation of the Committee, appointed Cost Auditors to audit the cost records of the Company. The cost audit reports are placed and discussed at the Audit Committee Meeting.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee, constituted in terms of Section 178 of the Act and the Listing Regulations, comprises of Shri V R Galkar as Chairman and Shri S S Kohli and



# Reliance Infrastructure Limited

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Shri Shiv Prabhat as members. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

The terms of reference of the Committee, inter alia, includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of directors and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees; The policy on appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Employees has been provided as an Annexure to the Directors' Report.
2. process for selection and appointment of new directors and succession plans;
3. recommend to the Board from time to time, a compensation structure for directors and the senior management personnel;
4. to identify persons who are qualified to be appointed in Senior Management in accordance with the criteria laid down and to recommend their appointment to and/or removal from the Board;
5. to formulate the criteria for evaluation of Independent Directors and the Board and the committees thereof;
6. to carry out evaluation of every director's performance;
7. to devise a policy on board diversity;
8. to perform functions relating to all share based employee benefits pursuant to the requirements of Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014; and
9. to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent director.

The Board has carried out the evaluation of the Board of Directors during the year in terms of the criteria laid down by the Nomination and Remuneration Committee, details of which have been covered in the Director's Report forming part of this Annual Report.

The Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on September 26, 2017.

The Members at the 86th AGM held on September 30, 2015, had approved payment of commission to non-executive directors within the limits laid down under the provisions of Section 197 and 198 of the Act, computed in the manner specified in the Act. The Company can pay Commission up to 3 per cent of net profit to Non Whole-time Director every year. The approval of Members is valid for a period of five years with effect from April 1, 2016.

The Nomination and Remuneration Committee held two meeting during the year on April 15, 2017 and November 11, 2017.

Members	Number of meetings held during the year	Number of meetings attended
Shri V R Galkar	2	2
Shri S S Kohli	2	2
Shri Shiv Prabhat	2	1

### Criteria for making payments to non-executive directors

The remuneration to non-executive directors is benchmarked with the relevant market and performance oriented, balanced between financial and sectoral market based on the comparative scales, aligned to corporate goals, role assumed and number of meetings attended.

### Remuneration paid to directors during the financial year ended March 31, 2018

(Amount ₹ In lakh)

Sr. No.	Names	Sitting Fees	Commission
1.	Shri Anil D Ambani	2.00	550.00
2.	Shri S Seth	5.60	8.00
3.	Shri S S Kohli	7.60	8.00
4.	Dr V K Chaturvedi	8.80	8.00
5.	Shri K Ravikumar	8.40	8.00
6.	Shri V R Galkar	8.00	8.00
7.	Ms. Ryna Karani	7.20	8.00
8.	Shri Shiv Prabhat	3.20	8.00

### Notes:

- a. Remuneration by way of commission to non executive directors was paid for the financial year 2016-17.
- b. Pursuant to the limits approved by the Board, all non-executive directors were paid sitting fees of ₹ 40,000 (excluding service tax/GST) for attending each meeting of the Board and its Committees.
- c. The commission amount of ₹ 8.00 lakh payable to Shri Shiv Prabhat was remitted to LIC as advised by him.
- d. There were no other pecuniary relationships or transactions of non-executive directors vis-à-vis the Company.
- e. The Company has not issued any stock options to its directors.

### Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Shri K Ravikumar as Chairman and Dr V K Chaturvedi, Shri V R Galkar as other members.

The composition and terms of reference of Stakeholders Relationship Committee are in compliance with the provisions of Section 178 of the Act, Listing Regulations and other applicable laws. The terms of reference of the Committee, inter alia, is

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to consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

During the year 2017-18, the Stakeholders Relationship Committee held four meetings during the year on April 15, 2017, August 1, 2017, November 11, 2017 and January 31, 2018. The maximum gap between any two meetings was 107 days and the minimum gap was 60 days. These meetings were attended by all the members. The Company Secretary is the Secretary to the Committee.

**Corporate Social Responsibility (CSR) Committee**

The Corporate Social Responsibility (CSR) Committee consists of Ms Ryna Karani as Chairperson with Dr V K Chaturvedi, Shri K Ravikumar and Shri S. S. Kohli as other members. The Company Secretary is the Secretary to the Committee.

Pursuant to Section 135 of the Act, the Committee has formulated and recommended to the Board the CSR Policy indicating the activities to be undertaken. It has also recommended the amount of expenditure to be incurred by way of CSR initiatives and monitors the CSR Plan and activities conducted by the Company. The CSR Policy and the Business Responsibility Policy of the Company are also reviewed by the Committee from time to time. The Committees' constitution and the terms of reference meets with the requirements of the Act.

During the year, Corporate Social Responsibility Committee held three meetings i.e. on April 15, 2017, August 1, 2017 and January 31, 2018 which were attended by all the members of the Committee.

**Employees Stock Option Scheme (ESOS) Compensation Committee**

In accordance with the provisions of the SEBI (Share based Employee Benefits) Regulations, the functions of this Committee are now looked after by the Nomination and Remuneration Committee.

The above Committee ceases to exist as on March 31, 2018.

**Environment, Health and Safety Committee**

The Environment, Health and Safety Committee of the Board comprises of Dr V K Chaturvedi as the Chairman with Shri Shiv Prabhat and Ms. Ryna Karani as other members. The Company Secretary is the Secretary to the Committee.

The Committee reviews and oversees the Company's policies, programmes and practices that affect or could affect the Company's employees, customers, shareholders, and neighbouring communities. The Committee held its meetings on January 31, 2018, and Dr. V K Chaturvedi and Ms. Ryna Karani, members, attended the meeting.

**Risk Management Committee**

The Risk Management Committee comprises of Shri V R Galkar as a Chairman, Shri S S Kohli, Shri Shiv Prabhat, Ms. Ryna Karani and Shri K Ravikumar, Directors and Shri Lalit Jalan, Chief Executive Officer and Shri Sridhar Narasimhan, Chief Financial Officer as members and Shri Amit Agarwal, General Manager (Internal Auditor), as Member Secretary. The Committee held four meetings during the financial year 2017-18 on April 15, 2017, August 1, 2017, November 11, 2017 and January 31, 2018.

Members	Number of Meetings held	Number of Meetings attended
Shri V R Galkar	4	4
Shri S S Kohli	4	4
Shri K Ravikumar	4	4
Ms. Ryna Karani	4	4
Shri Shiv Prabhat	4	2

The terms of reference of the Committee are as under:

- To assist the Board in its function of framing, implementing, monitoring and reviewing the risk management plan of the Company.
- To lay down procedures to inform the Board of Directors about the Risk Assessment and minimisation procedures.
- To review these procedures periodically and to ensure that the executive management controls these risks through properly defined framework.

The minutes of the meetings of all the Committees of the Boards of Directors are placed before the Board.

**Compliance Officer**

Shri Ramesh Shenoy, Company Secretary, was the Compliance Officer till he superannuated with effect from November 11, 2017 and thereafter, Shri Aashay Khandwala is the Compliance Officer for complying with the requirements of various provisions of the laws and regulations impacting the Company's business including the Listing Regulations and the Uniform Listing Agreements entered into with the Stock Exchanges.

**General Body Meetings**
**1. Annual General Meeting**

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

Financial Year	Date and Time	Whether Special Resolution passed
2016-17	September 26, 2017 at 12.00 noon	Yes. Private Placement of Non-Convertible Debentures
2015-16	September 27, 2016 at 2.00 p.m	Yes. Private Placement of Non-Convertible Debentures and / or other Debt securities
2014-15	September 30, 2015 at 2.00 p.m	Yes. i. Issue of Private Placement of Non Convertible Debentures or other Debt securities ii. Issue of Securities to Qualified Institutional Buyers iii. Payment of Commission to Non Executive Directors

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

During the year, there were no Extraordinary General Meetings held by the Company.

### 2. Postal Ballot

- i. The Company had issued a Postal Ballot Notice along with the Postal Ballot form on March 16, 2017 in terms of Section 110 of the Act and results thereof were announced on April 24, 2017. Details of resolution passed and the voting pattern are as under.

Details of Resolutions passed	Percentage of valid votes cast in favour of the resolution
Special Resolution for Issue of securities through qualified institutions placement on a private placement basis to qualified institutional buyers ("QIBs")	87.66

Shri Anil Lohia, Partner of M/s Dayal & Lohia, Chartered Accountants was appointed as Scrutinizer for conducting the above Postal Ballot voting process in a fair and transparent manner.

- ii. The Company had issued a Postal Ballot Notice along with the Postal Ballot form on January 25, 2018 in terms of Section 110 of the Act and results thereof were announced on February 28, 2018. Details of resolution passed and the voting pattern are as under.

Details of Resolutions passed	Percentage of valid votes cast in favour of the resolution
Special Resolution for sale and / or disposal of the business by sale of shares of subsidiary company	93.62

Shri Rinkit Kiran Uchat, Partner of M/s Dayal & Lohia, Chartered Accountants was appointed as Scrutinizer for conducting the above Postal Ballot voting process in a fair and transparent manner.

- iii. The Company had issued a Postal Ballot Notice along with the Postal Ballot form on March 7, 2018 in terms of Section 110 of the Act and results thereof were announced on April 13, 2018. Details of resolution passed and the voting pattern are as under.

Details of Resolutions passed	Percentage of valid votes cast in favour of the resolution
Special Resolution for Issue of securities through qualified institutions placement on a private placement basis to qualified institutional buyers ("QIBs")	85.55

Shri Rinkit Kiran Uchat, Partner of M/s Dayal & Lohia, Chartered Accountants was appointed as Scrutinizer for conducting the above Postal Ballot voting process in a fair and transparent manner.

All the above resolutions were passed with requisite majority. The Company had complied with the procedure for Postal Ballot in terms of Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014 and amendments thereto from time to time.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a special resolution through postal ballot.

### Means of Communication

#### a. Quarterly Results

Quarterly Results are published in the Financial Express, English newspaper circulating in substantially the whole of India and in Navshakti, Marathi newspaper and are also posted on the Company's website [www.rinfra.com](http://www.rinfra.com).

#### b. Media Releases and Presentations

Official media releases are sent to the Stock Exchanges before their release to the media for wider dissemination. Presentations made to media, analysts, institutional investors, etc. are posted on the Company's website in the section on Investor Communications.

#### c. Company Website

The Company's website [www.rinfra.com](http://www.rinfra.com) contains a separate dedicated section on 'Investor Relations'. It contains comprehensive database of information of interest to our investors including the financial results and Annual Reports of the Company, information on dividend declared by the Company, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered/ facilities extended by the Company to our investors, in a user friendly manner. The basic information about the Company as called for in terms of the Listing Regulations is provided on the Company's website and the same is updated regularly.

#### d. Annual Report

The Annual Report containing, inter alia, Notice of Annual General Meeting, Audited Financial Statement, Consolidated Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Business Responsibility Report and Management Discussion and Analysis also forms part of the Annual Report and are displayed on the Company's website.

**The Act read with the Rules made thereunder and the Listing Regulations facilitate the service of documents to members through electronic means, the Company E-mails the Annual Report to all those Members whose E-mail ids are available with its Registrar and Transfer Agent.**

Corporate Governance Report

**e. NSE Electronic Application Processing System (NEAPS):**

The NEAPS is web based system designed by NSE for corporates. The Shareholding Pattern, Corporate Governance Report, Corporate announcements, media releases, financial results, etc. are filed electronically on NEAPS.

**f. BSE Corporate Compliance and Listing Centre ("the Listing Centre"):**

The Listing Centre is a web based application designed by BSE for corporates. The Shareholding Pattern, Corporate Governance Report, Corporate announcements, Media Releases, financial results, etc. are filed electronically on the Listing Centre.

**g. Unique Investor helpdesk:**

Exclusively for investor servicing, the Company has set up unique investor Help Desk with multiple access modes as under:

Toll free no. (India) : 1800 4250 999  
Telephone nos. : +91 40 6716 1500  
Facsimile no. : +91 40 67161791  
Email : rinfra@karvy.com

**h. Designated email-id:**

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

**i. SEBI Complaint Redressal System (SCORES):**

The investors' complaints are also being processed through the centralized web based complaint redressal system. The salient features of SCORES are availability of centralised data base of the complaints and uploading online action taken reports by the Company. Through SCORES, the investors can view online, the actions taken and current status of the complaints.

**Management Discussion and Analysis**

A Management Discussion and Analysis forms part of this annual report and includes discussions on various matters specified under Regulation 34 (2) and Schedule V of the Listing Regulations.

**Subsidiaries**

All the subsidiary companies are managed by their respective Boards. Their Board have the rights and obligations to manage such companies in the best interest of their stakeholders.

The Board reviews the performance of its subsidiary companies, inter alia, by the following means:

- The minutes of the meetings of the Boards of the subsidiary companies are regularly / quarterly placed before the Company's Board of Directors.
- Financial statement, in particular the investments made by the unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Audit Committee / Board.
- Quarterly review of Risk Management process including that of the subsidiary companies is made by the Risk Management Committee / Audit Committee / Board.

The Company has formulated policy for determining material

subsidiaries which is put on Company's website with web link: <http://www.rinfra.com/documents/70197/76856/Policy-for-Determining-Material-Subsidiary.pdf>.

One of the Independent Directors is nominated to the Board of the subsidiaries incorporated in India as and when a subsidiary becomes an "unlisted material subsidiary" within the meaning of the above expression in accordance with Regulation 24 of the Listing Regulations. The Independent Directors of the Company have been appointed on the Boards of "unlisted material subsidiary" viz. Ms. Ryna Karani on the Board of BSES Rajdhani Power Limited.

**Disclosures**

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

**b. Related Party Transactions:**

During the financial year 2017-18, no transactions of material nature have been entered into by the Company that may have a potential conflict with the interests of the Company. The details of related party transactions are disclosed in Notes to Accounts. The policy on dealing with Related Party Transactions is placed on the Company's website at web link: <http://www.rinfra.com/documents/Policy-for-Related-Party-Transaction.pdf>.

**c. Accounting Treatment**

In preparation of the financial statements, the Company has followed the Accounting Standards as prescribed under Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) and under Section 133 of the Act as applicable. However, in certain cases the Company has exercised the option available as per court orders which overrides the relevant provisions of Ind AS, which has been disclosed in notes 41 and 43 in notes to standalone financial statement and in notes 20 and 22 in notes to abridged standalone financial statement and notes 27, 28 and 35 in notes to consolidated financial statement and in notes 20, 21 and 28 in notes to abridged consolidated financial statement.

**d. Code of Conduct**

The Company has adopted the code of conduct and ethics for directors and senior management. The Code has been circulated to all the members of the Board and senior management and the same has been put on the Company's website at web link: <http://www.rinfra.com/web/rinfra/Code-of-Conduct-for-Directors>. The Board members and senior management have affirmed their compliance with the code and a declaration signed by the Chief Executive Officer of the Company is given below:

"It is hereby declared that the Company has obtained from all members of the Board and senior management personnel affirmation that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the year 2017-18."

Sd/-

Lalit Jalan, Chief Executive Officer

# Reliance Infrastructure Limited

## Corporate Governance Report

### e. CEO and CFO certification

Shri Lalit Jalan, Chief Executive Officer and Shri Shridhar Narsimhan, Chief Financial Officer of the Company have provided certification on financial reporting and internal controls to the Board as required under Regulation 17 of the Listing Regulations.

### f. Review of Directors' Responsibility Statement

The Board in its report has confirmed that the financial statements for the year ended March 31, 2018 have been prepared as per the applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

### Policy on prohibition of insider trading

The Company has formulated the Reliance Infrastructure Limited – Code of Conduct for Prevention of Insider Trading and Code for Fair Disclosure of Unpublished Price Sensitive Information (Code) in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Company Secretary is the Compliance Officer under the Code responsible for complying with the procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre-clearance of trades, monitoring of trades and implementation of the Code under the overall supervision of the Board. The Company's Code, inter alia, prohibits purchase and/or sale of securities of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods. The Company's Code is available on the Company's website.

### Disclosure with respect to demat suspense account / unclaimed suspense account

In terms of the disclosure requirement under Regulation 34 (3) read with Para F of Schedule V of Listing regulations, the details of shareholders and the outstanding shares lying in the "Reliance Infrastructure Limited – Unclaimed Suspense Account" as on March 31, 2018 were as under:

Sr. Particulars No.	No of shareholders	No of shares
(a) Aggregate number of shareholders and the outstanding shares lying in suspense account as on April 1, 2017	76,339	2,90,490
(b) Number of shareholders who approached listed entity for transfer of shares from suspense account during April 1, 2017 to March 31, 2018	220	2,612
(c) Number of shareholders to whom shares were transferred from suspense account during April 1, 2017 to March 31, 2018	220	2,612
(d) Number of Shares transferred to IEPF	72,902	2,36,862

Sr. Particulars No.	No of shareholders	No of shares
(e) Aggregate number of shareholders and the outstanding shares lying in suspense account as on March 31, 2018	3,217	51,016

The voting rights on the shares outstanding in the 'Reliance Infrastructure Limited – Unclaimed Suspense Account' as on March 31, 2018 shall remain frozen till the rightful owner of such shares claims the shares.

Wherever shareholders have claimed the share(s), after proper verifications, the share certificates were dispatched to them or share(s) were credited to the respective beneficiary account.

### Compliance with the non mandatory requirements

#### a. The Board

The Company has a Non executive Chairman and he is entitled to maintain Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

#### b. Separate posts of Chairman and CEO

The Company maintains separate posts of Chairman and CEO. Shri Lalit Jalan is the Chief Executive Officer of the Company.

#### c. Audit Qualifications

There are no audit qualifications on the financial statements of the Company for the year 2017-18.

#### d. Reporting of Internal Auditor

The internal auditor reports directly to the Audit Committee of the Company.

### General shareholder information

The mandatory and various additional information of interest to investors are voluntarily furnished in a separate section on investor information in this annual report.

### Auditor's certificate on corporate governance

The Auditors' certificate on compliance of Regulation 34(3) of the Listing Regulations relating to corporate governance is published at the end of this Report.

### Review of governance practices

We have in this report attempted to present the governance practices and principles being followed at Reliance Infrastructure Limited, as evolved over the period, and as best suited to the needs of our business and stakeholders.

Our disclosures and governance practices are continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the globally recognised practices of governance, so as to meet the expectations of all our stakeholders.

**Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations**

Sr. No.	Particulars	Regulation	Compliance Status	Compliance Observed
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>Composition &amp; Meetings</li> <li>Review of compliance reports &amp; compliance certificate</li> <li>Plans for orderly succession for appointments</li> <li>Code of Conduct</li> <li>Fees / compensation to Non-Executive Directors</li> <li>Minimum information to be placed before the Board</li> <li>Risk assessment and management</li> <li>Performance evaluation</li> </ul>
2.	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>Composition &amp; Meetings</li> <li>Powers of the Committee</li> <li>Role of the Committee and review of information by the Committee</li> </ul>
3.	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Role of the Committee</li> </ul>
4.	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Role of the Committee</li> </ul>
5.	Risk Management Committee	21	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Role of the Committee</li> </ul>
6.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>Review of Vigil Mechanism for Directors and employees</li> <li>Direct access to Chairperson of Audit Committee</li> </ul>
7.	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>Policy of Materiality of Related Party Transactions and dealing with Related Party Transactions</li> <li>Approval including omnibus approval of Audit Committee</li> <li>Review of Related Party Transactions</li> <li>No material Related Party Transactions</li> </ul>
8.	Subsidiaries of the Company	24	Yes	<ul style="list-style-type: none"> <li>Appointment of Company's Independent Director on the Board of material subsidiary</li> <li>Review of financial statements of subsidiary by the Audit Committee</li> <li>Minutes of the Board of Directors of the subsidiaries are placed at the meeting of the Board of Directors</li> <li>Significant transactions and arrangements of subsidiary are placed at the meeting of the Board of Directors</li> </ul>
9.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>Maximum directorships and tenure</li> <li>Meetings of Independent Directors</li> <li>Cessation and appointment of Independent Directors</li> <li>Familiarisation of Independent Directors</li> </ul>
10.	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes	<ul style="list-style-type: none"> <li>Memberships / Chairmanships in Committees</li> <li>Affirmation on compliance of Code of Conduct by Directors and Senior Management</li> <li>Disclosure of shareholding by Non-Executive Directors</li> <li>Disclosures by Senior Management about potential conflicts of interest</li> <li>No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Persons, Director and Promoter</li> </ul>
11.	Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"> <li>Compliance with discretionary requirements</li> <li>Filing of quarterly compliance report on Corporate Governance</li> </ul>
12.	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> <li>Terms and conditions for appointment of Independent Directors</li> <li>Composition of various Committees of the Board of Directors</li> <li>Code of Conduct of Board of Directors and Senior Management Personnel</li> <li>Details of establishment of Vigil Mechanism / Whistle-blower policy</li> <li>Policy on dealing with Related Party Transactions</li> <li>Policy for determining material subsidiaries</li> <li>Details of familiarization programmes imparted to Independent Directors</li> </ul>



# Reliance Infrastructure Limited

## Auditors' Certificate Regarding Compliance of Conditions of Corporate Governance

To

The Members of Reliance Infrastructure Limited

### INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by the Reliance Infrastructure Limited ('the Company'), for the year ended on 31 March 2018, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2016 ('Listing Regulations') 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Listing Regulations.

### MANAGEMENT'S RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management.

### AUDITORS' RESPONSIBILITY

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special

Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### OPINION

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended March 31, 2018.

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

### RESTRICTION ON USE

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

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

**Vishal D. Shah**  
Partner  
Membership No. 119303

Place: Mumbai  
Date: August 1, 2018

**For M/s. B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No.  
01248W 1W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No. 042070

Place: Mumbai  
Date: August 1, 2018



## Investor Information

### Important Points

**Hold securities in dematerialised form as transfer of shares in physical form will no more be permissible.**

**As per notification issued by SEBI, with effect from December 5, 2018, the shares of the Company can be transferred only in dematerialised form. Members are advised to dematerialise shares in the Company to facilitate transfer of shares.**

Form for updating PAN / Bank Details is provided as a part of this Annual Report.

Members are requested to send duly filled form along with

- Self attested copy of the PAN card of all the holders; and
- Original cancelled cheque leaf with names of the shareholders or Bank Passbook showing names of members, duly attested by an authorised bank official.

Holding securities in dematerialised form is beneficial to the investors in the following manner:

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

### Hold securities in consolidated form

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

### Furnish bank details and get dividend directly credited in bank account

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

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

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

### Intimate mobile number

Shareholders are requested to intimate their mobile number and changes therein, if any, to Karvy, if shares are held in physical form or to their DP if the holding is in electronic form, to receive communications on corporate actions and other information of the Company.

### Register for SMS alert facility

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

### Submit nomination form and avoid transmission hassle

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

Nomination Form may be downloaded from the Company's website, [www.rinfra.com](http://www.rinfra.com) under the section "Investor Relations".

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

### Deal only with SEBI registered intermediaries

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

### Corporate benefits in electronic form

Investor holding shares in physical form should opt for corporate benefits like bonus, split, consolidation, merger, etc in electronic form by providing their demat account details to Karvy.

### Register e-mail address

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

### Course of action in case of non-receipt of dividend, revalidation of dividend warrant, etc.

Shareholders may write to the Company's RTA, furnishing the particulars of the dividend not received, and quoting the folio number / DP ID and Client ID particulars (in case of dematerialised shares), as the case may be and provide bank details along with cancelled cheque bearing the name of the shareholder for updation of bank details and payment of unpaid dividend. Karvy would request the concerned shareholder to execute an indemnity before processing the request. **As per circular dated April 20, 2018 issued by SEBI, the unencashed dividend can be remitted by electronic transfer only and no duplicate dividend warrants will be issued by the Company. The shareholders are advised to register their bank details**

# Reliance Infrastructure Limited

## Investor Information

with the Company / RTA or their DPs, as the case may be, to claim unencashed dividend from the Company.

### Facility for a Basic Services Demat Account (BSDA)

As per SEBI all the depository participants shall make available a BSDA for the shareholders unless otherwise opted for regular demat account with (a) No Annual Maintenance charges if the value of holding is up to ₹ 50,000 and (b) Annual Maintenance charges not exceeding ₹ 100 for value of holding from ₹ 50,001 to ₹ 2,00,000. (Refer Circular CIR/MRD/DP/22/2012 dated August 27, 2012 and Circular CIR/MRD/DP/20/2015 dated December 11, 2015).

### Annual General Meeting

The 89<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Tuesday, September 18, 2018 at 10:45 a.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.

### E-voting

The Members can cast their votes online from 10.00 a.m. on September 14, 2018 to 5.00 p.m. on September 17, 2018.

### Financial year of the Company

The financial year of the Company is from April 1 to March 31 every year.

### Website

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

### Dedicated email id for investors

For the convenience of our investors, the Company has designated an email id for investors i.e. [rinfra.investor@relianceada.com](mailto:rinfra.investor@relianceada.com).

### Registrar and Transfer Agents (RTA)

Karvy Computershare Private Limited  
(Unit: Reliance Infrastructure Limited)  
Karvy Selenium Tower – B  
Plot No. 31 & 32, Survey No. 116/22, 115/24, 115/25  
Financial District, Nanakramguda  
Hyderabad 500 032, Telangana, India  
Website: [www.karvy.com](http://www.karvy.com)  
Tel : +91 40 6716 1500  
Fax : +91 40 6716 1791  
Toll Free No. (India) : 1800 4250 999  
Email : [rinfra@karvy.com](mailto:rinfra@karvy.com)  
Post your request: <http://kcpl.karvy.com/adag>

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

### Dividend announcements

The Board of Directors of the Company has recommended a dividend of ₹ 9.50 [95 per cent] per equity share of the Company for the financial year ended March 31, 2018, subject to approval by the shareholders at the ensuing Annual General Meeting (AGM). The dividend, if declared, will be paid after the Meeting.

### Book closure dates for the purpose of dividend and AGM

Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 15, 2018 to Tuesday, September 18, 2018 (both days inclusive) for the purpose of AGM as well as to determine the entitlement of shareholders to receive the dividend, if declared, for the year ended March 31, 2018.

### Dividend Remittance

Dividend on Equity Shares as recommended by the Directors for the financial year ended March 31, 2018, when declared at the AGM will be paid to:

- all those equity shareholders, whose names appear in the Register of Members as on Friday, September 14, 2018 and
- those whose names appear as beneficial owners as on Friday, September 14, 2018, as furnished by the National Securities Depository Limited and Central Depository Services (India) Limited for the purpose.

### Modes of payment of dividend

The dividend is paid under two modes, viz.

- Electronic Payment via
  - NACH (National Automated Clearing House)
  - NEFT (National Electronic Funds Transfer)
  - RTGS (Real Time Gross Settlement)
  - Direct Credit
- Dispatch of physical dividend warrant

### Unclaimed dividend/Shares

The provisions of Sections 124 and 125 on unclaimed dividend and Investor Education and Protection Fund (IEPF) under the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (IEPF Rules) have come into force with effect from September 7, 2016.

The Company has transferred the dividend for the year 1996-97 to 2009-10 remaining unclaimed for seven years from the date of declaration to IEPF.

During the year under review, the Company transferred ₹ 1,60,77,167 to the Investor Education and Protection Fund pursuant to the provisions of the Companies Act, 2013.

During the year, the Company also transferred to the IEPF Authority 11,14,923 shares of ₹ 10 each in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more, as on the due date of transfer, i.e. October 31, 2017.

Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <http://www.rinfra.com/Details-of-equity-shares-transferred-to-IEPF.aspx>. The said details have also been uploaded on the website of the iepf authority and the same can be accessed through the link [www.iepf.gov.in](http://www.iepf.gov.in)

The dividend and other benefits, if any, for the following years remaining unclaimed for seven years from the date of declaration are required to be transferred by the Company to IEPF and the various dates for transfer of such amount are as under:

**Investor Information**

Financial year ended	Dividend per share (₹)	Date of declaration	Due for transfer on	Outstanding unclaimed dividend as on March 31, 2018
2010-11	7.20	September 27, 2011	November 03, 2018	16,832,847
2011-12	7.30	September 4, 2012	October 12, 2019	18,315,364
2012-13	7.40	August 27, 2013	October 3, 2020	19,445,447
2013-14	7.50	September 30, 2014	November 6, 2021	20,489,265
2014-15	8.00	September 30, 2015	November 6, 2022	23,153,024
2015-16	8.50	September 27, 2016	November 4, 2023	26,467,283
2016-17	9.00	September 26, 2017	November 2, 2024	29,886,975

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

**Shareholding Pattern**

Sl. No.	Category	As on 31.03.2018		As on 31.03.2017	
		Number of Shares	%	Number of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
	(i) Indian	12,71,77,036	48.36	*12,71,77,036	48.36
	(ii) Foreign	0	0.00	0	0.00
	<b>Sub Total (A)</b>	<b>12,71,77,036</b>	<b>48.36</b>	12,71,77,036	48.36
(B)	Public shareholding				
	(i) Institutions:				
	Insurance Companies	2,32,33,141	8.83	3,34,65,606	12.73
	Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI)	6,50,13,321	24.72	5,75,39,067	21.88
	Mutual Funds	88,82,322	3.38	47,73,660	1.82
	Financial Institutions/Banks	8,91,132	0.34	11,43,905	0.43
	Others	1,31,212	0.05	1,31,357	0.05
	(ii) Non-institutions	3,09,46,361	11.77	3,15,65,214	12.00
	<b>Sub Total (B)</b>	<b>12,90,97,489</b>	<b>49.09</b>	12,86,18,809	48.91
(C)	Shares held by Custodian and against which Depository Receipts have been issued -	62,65,475	2.38	67,44,155	2.56
	<b>Sub Total (C)</b>				
(D)	ESOS Trust	4,50,000	0.17	4,50,000	0.17
	<b>Sub Total (D)</b>				
	<b>Grand Total (A) + (B) + (C) + (D)</b>	<b>26,29,90,000</b>	<b>100.00</b>	26,29,90,000	100.00

\* Shares held by ESOS Trust have been shown as Non-Promoter Non-Public as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with effect from December 1, 2015.

# Reliance Infrastructure Limited

## Investor Information

### Distribution of shareholding

Number of shares	Number of Shareholders as on 31.03.2018		Total shares as on 31.03.2018		Number of Shareholders as on 31.03.2017		Total shares as on 31.03.2016	
	Number	%	Number	%	Number	%	Number	%
1 – 500	8,51,419	99.27	1,84,83,699	7.03	10,77,374	99.43	1,97,33,030	7.50
501 – 5,000	5,702	0.66	69,51,994	2.64	5,596	0.52	67,72,505	2.58
5,001 – 1,00,000	445	0.05	92,06,858	3.50	438	0.04	90,43,948	3.44
1,00,001 and above	133	0.02	22,83,47,449	86.83	130	0.01	22,74,40,517	86.48
<b>Total</b>	<b>8,57,699</b>	<b>100.00</b>	<b>26,29,90,000</b>	<b>100.00</b>	<b>10,83,538</b>	<b>100.00</b>	<b>26,29,90,000</b>	<b>100.00</b>

### Dematerialization of shares and liquidity

The Company was among the first few companies to admit its shares to the depository system of National Securities Depository Limited (NSDL) for dematerialization of shares. The International Securities Identification Number (ISIN) allotted to the Company is INE036A01016. The Company was the first to admit its shares and also the first to go 'live' on to the depository system of Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The equity shares of the Company are compulsorily traded in dematerialized form as mandated by the Securities and Exchange Board of India (SEBI).

#### Status of dematerialization of Shares

As on March 31, 2018, 98.68 per cent of the Company's equity shares are held in dematerialised form

#### Share transfer system

Shareholders/investors are requested to send share certificate(s) along with the share transfer deed in the prescribed form SH-4 duly filled in, executed and affixed with the share transfer stamp(s), to Karvy. If the transfer documents are in order, the transfer of shares is registered within 7 days of receipt of transfer documents by Karvy. **However, SEBI vide its notification has**

**stated that transfer of securities shall not be processed unless the securities are held in the dematerialised form with effect from December 5, 2018.**

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

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

#### Odd lot shares scheme for small shareholders

In view of the difficulty experienced by the shareholders of the Company in selling their odd lot shares in the stock market and to mitigate the hardships caused to them, the Reliance Group has framed a scheme for the purchase and disposal of odd lot equity shares at the prevailing market price. The scheme is available to shareholders of Reliance Infrastructure Limited, who hold up to 49 shares in physical form. The shareholders who wish to avail the above facility can contact Karvy.

### Investors' grievances attended

Received From	Received during April to March		Redressed during April to March		Pending as on	
	2017-18	2016-17	2017-18	2016-17	31.3.2018	31.3.2017
Securities and Exchange Board of India	22	27	22	27	0	0
Stock Exchanges	14	2	14	2	0	0
Direct from investors	2	5	2	5	0	0
<b>Total</b>	<b>38</b>	<b>34</b>	<b>38</b>	<b>34</b>	<b>0</b>	<b>0</b>

### Analysis of grievances

Particulars	Number		Percentage	
	2017-18	2016-17	2017-18	2016-17
Non-receipt of dividend warrants	19	26	50.00	76.47
Non-receipt of share certificates	0	0	0.00	0.00
Others	19	8	50.00	23.53
<b>Total</b>	<b>38</b>	<b>34</b>	<b>100.00</b>	<b>100.00</b>

There was no complaint pending as on March 31, 2018.

#### Note:

Investors' queries / grievances are normally attended within a period of 3 days from the date of receipt thereof, except in cases involving external agencies or compliance with longer procedural requirements specified by the authorities concerned.

### Legal proceedings

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

**Investor Information**
**Equity History (For the past 10 years)**

Sr. No	Dates	Particulars	Price per equity Shares	No of Shares	Cumulative Total
1	01.04.2007	Outstanding Equity Shares			22,85,30,308
2	15.10.2007	Allotment of shares on conversion of FCCBs <sup>1</sup>	1006.92	+ 79,99,954	23,65,30,262
3	01.04.2008	Extinguishment of shares consequent to Buy-back 2 and 3	N.A	- 1,12,60,000	22,52,70,262
4	31.03.2010	Allotment of shares on conversion of warrants <sup>4</sup>	928.89	+1,96,00,000	24,48,70,262
5	07.01.2011	Allotment of shares on conversion of warrants <sup>5</sup>	928.89	+ 2,25,50,000	26,74,20,262
6	21.04.2011 to 13.02.2012	Extinguishment of shares consequent to Buy-Back <sup>6</sup>	N.A	- 44,30,262	26,29,90,000
	31.03.2018	Total Number of outstanding equity shares			26,29,90,000

**Notes:**

- Equity Shares were allotted on conversion of zero coupon FCCBs. These FCCBs were converted into Equity Shares at a pre-determined price of ₹ 1,006.92 from October 15, 2007 to February 4, 2008 at a pre-determined exchange rate of US\$1 = ₹ 45.24. The entire FCCBs were converted into equity shares.
- Pursuant to the approval of the Board of Directors on March 5, 2008 the Company bought-back 87,60,000 equity shares from March 5, 2008 up to February 6, 2009.
- Pursuant to the approval accorded by the shareholders on April 17, 2008, the Company bought-back 25,00,000 equity shares from February 25, 2009 up to April 16, 2009.
- Warrants converted into Equity shares at a price of ₹ 928.89 per share. The Company had on July 9, 2009 allotted 4,29,00,000 warrants of ₹ 928.89 (including a premium of ₹ 918.89) each on preferential basis to one of the promoter companies, Reliance Project Ventures and Management Private Limited (RPVMPL) (Formerly Known as AAA Project Ventures Private Limited). The warrants were convertible into equity shares of ₹ 10 each at a premium of ₹ 918.89 per equity share on or before January 8, 2011. Out of 4,29,00,000 warrants, the warrant holder exercised its option to convert 1,96,00,000 warrants and it was allotted 1,96,00,000 equity shares of ₹ 10 each at a price of ₹ 928.89 (including a premium of ₹ 918.89) on March 31, 2010. Further, on January 7, 2011, RPVMPL exercised its option to convert 2,25,50,000 warrants and it was allotted 2,25,50,000 equity shares of ₹ 10 each at a premium of ₹ 918.89 per equity share. The balance 7,50,000 warrants have been cancelled and the amount of ₹ 17,41,66,875 paid thereon has been forfeited by the Company. As on March 31, 2011, there were no warrants remaining outstanding.
- Pursuant to the approval of the Board of Directors on February 14, 2011, the Company bought-back 44,30,262 equity shares from April 11, 2011 to February 13, 2012.

**Stock Price and Volume**

Month	BSE Limited			National Stock Exchange of India Limited			GDRs	
	High	Low	Volume	High	Low	Volume	High	Low
	₹	₹	Nos.	₹	₹	Nos.	US \$	US \$
April 2017	603.45	552.15	75,36,772	603.45	552.05	4,31,25,001	27.81	25.92
May 2017	630.00	436.40	1,04,32,910	620.05	436.20	5,87,66,709	28.60	21.44
June 2017	509.20	463.30	57,50,093	509.45	462.75	4,27,02,086	23.43	21.91
July 2017	534.75	497.40	44,96,421	535.00	473.00	2,71,53,150	24.72	23.49
August 2017	548.80	450.55	86,48,621	548.00	450.60	5,21,29,072	25.49	21.78
September 2017	531.60	455.40	69,46,620	531.80	455.05	4,06,42,672	24.46	21.16
October 2017	509.90	450.10	51,84,024	510.50	450.05	3,52,14,303	23.34	20.91
November 2017	512.00	390.60	75,89,817	512.55	390.55	4,79,64,063	23.21	19.22
December 2017	574.55	427.00	92,69,386	574.30	425.60	8,02,99,977	26.03	20.31
January 2018	589.80	492.50	1,02,50,038	589.90	492.05	7,12,18,403	27.57	23.41
February 2018	504.30	408.55	68,79,659	504.05	407.45	4,99,25,599	23.15	20.12
March 2018	461.15	406.00	68,51,721	461.80	406.00	5,70,31,629	20.92	18.95

GDRs were issued on March 8, 1996 and each GDR represents 3 equity shares. Issue price per GDR was US\$ 14.40.

US\$ = 65.1750 as on March 31, 2018

# Reliance Infrastructure Limited

## Investor Information

### Stock Exchange listings

The Company's equity shares are actively traded on BSE and NSE.

### Listings on Stock Exchanges

#### BSE Limited (BSE)

Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai 400001  
Website : [www.bseindia.com](http://www.bseindia.com)

#### National Stock Exchange of India Limited (NSE)

Exchange Plaza, 5th Floor  
Plot No C /1, G Block  
Bandra-Kurla Complex  
Bandra (East),  
Mumbai 400 051  
Website : [www.nseindia.com](http://www.nseindia.com)

### Stock codes

BSE Limited : 500390

National Stock Exchange of India Limited : RELINFRA

### ISIN

ISIN for equity shares : INE036A01016

#### 1. Depository

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

#### 2. Domestic Custodian

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

### Security Codes of GDRs

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

### An Index Scrip:

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

### Global Depository Receipts (GDRs)

London Stock Exchange (LSE), 10, Paternoster Square  
London EC4M 7 LS, United Kingdom,  
Website : [www.londonstockexchange.com](http://www.londonstockexchange.com)

### Note:

The GDRs of the Company are traded on the electronic screen based quotation system, the SEAQ (Securities Exchange Automated Quotation) International, on the portal system of the NASDAQ of the U.S.A. and also over the counter at London, New York and Hong Kong.

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

Outstanding GDRs as on March 31, 2018 represent 67,44,155 equity shares constituting 2.56 per cent of the paid-up equity share capital of the Company. Each GDR represent three underlying equity shares in the Company.

### Debt Securities

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

### Debenture Trustees

Axis Trustee Services Limited Axis House C-2, Wadia International Centre Pandurang Budhkar Marg, Worli, Mumbai 400 025 Website: <a href="http://www.axistrustee.com">www.axistrustee.com</a>	IDBI Trusteeship Services Limited Asian Building, Ground Floor 17 R Kamani Marg Ballard Estate Mumbai 400 001 Website: <a href="http://www.idbitrustee.com">www.idbitrustee.com</a>
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### Payment of Listing Fees and Depository Fees

Annual Listing fees for the year 2018-19 have been paid by the Company to the stock exchanges and to NSDL and CDSL.

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

Period	RInfra (%)	Sensex (%)	Nifty (%)
FY 2017-18	-24.82	11.30	10.25
2 years	-19.88	30.10	30.69
3 years	-1.45	17.92	19.11

### Commodity price risks or foreign exchange risk and hedging activities

The Company does not have any exposure to commodity price risks. However, the foreign exchange exposure and the interest rate risk have not been hedged by any derivative instrument or otherwise.

### Key Financial Reporting Dates for Financial Year 2018-19

Unaudited results for the First Quarter ended June 30, 2018	: August 1, 2018
Unaudited results for the Second Quarter and half year ending September 30, 2018	: On or before November 14, 2018
Unaudited results for the Third Quarter ending December 31, 2018	: On or before February 14, 2019
Audited results for the Financial Year 2018-19	: On or before May 30, 2019

### Depository services

For guidance on depository services, shareholders may write to the Registrar and Transfer Agent (RTA) of the Company or National Securities Depository Limited, Trade World, A Wing, 4th and 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai 400 013, website: [www.nsdl.co.in](http://www.nsdl.co.in) or Central Depository Services (India) Limited, Unit No. A-2501, A Wing, Marathon Futurex, 25th Floor, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (E), Mumbai 400 013 website: [www.cdsindia.com](http://www.cdsindia.com)



**Investor Information****Communication to members**

The quarterly financial results of the Company in respect of first three Quarters were declared within 45 days of the end of the quarter. The Audited Accounts of the Company and results for the fourth quarter were announced within 60 days from the close of the financial year as per the Listing Regulations. The Company's media releases and details of significant developments are also made available on the Company's website: [www.rinfra.com](http://www.rinfra.com).

**Reconciliation of share capital audit**

The Securities and Exchange Board of India has directed that all issuer companies shall submit a report reconciling the total shares held in both the depositories viz. NSDL and CDSL and in physical form with the total issued/paid up capital. The said certificate, duly certified by a qualified Chartered Accountant is submitted to the stock exchanges where the securities of the Company are listed within 30 days of the end of each quarter and the certificate is also placed before the Board of Directors of the Company.

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

Shareholders/Investors are requested to forward documents related to share transfer, dematerialisation requests (through their respective Depository Participant) and other related correspondences directly to Karvy Computershare Private Limited at the below mentioned address for speedy response:

Karvy Computershare Private Limited  
(Unit: Reliance Infrastructure Limited)  
Karvy Selenium Tower – B  
Plot No. 31 & 32, Survey No. 116/22, 115/24, 115/25  
Financial District, Nanakramguda  
Hyderabad 500 032, Telangana.  
E-mail: [rinfra@karvy.com](mailto:rinfra@karvy.com)  
Website: [www.karvy.com](http://www.karvy.com)

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

**Queries relating to financial statement of the Company may be addressed to :**

Chief Financial Officer  
Reliance Infrastructure Limited  
H Block, 1st Floor  
Dhirubhai Ambani Knowledge City  
Navi Mumbai 400 710  
Telephone : +91 22 3303 1000  
Fax : +91 22 3303 3664  
Email : [rinfra.investor@relianceada.com](mailto:rinfra.investor@relianceada.com)

**Correspondence on investor services may be addressed to:**

The Company Secretary  
Reliance Infrastructure Limited  
H Block, 1st Floor, Dhirubhai Ambani Knowledge City  
Navi Mumbai 400 710  
Telephone : +91 22 3303 1000  
Fax : +91 22 3303 3664  
Email : [rinfra.investor@relianceada.com](mailto:rinfra.investor@relianceada.com)

**Plant Locations**

Dahanu Power Plant: BSES Nagar, Dahanu Road 401 602, Thane District, Maharashtra

Samalkot Power Plant: Industrial Devp. Area Pedapuram Samalkot 533 440 Semandhara

Goa Power Plant: Opp. Sancoale Industrial Estate, Zuarinagar 403 726 Sancoale Mormugao, Goa

Wind Farm: Near Aimangala 577, 558 Chitradurga District Karnataka.

# FINANCIAL STATEMENTS

## Independent Auditors' Report on Standalone Ind AS Financial Statements

To the Members of Reliance Infrastructure Limited

### Report on the Standalone Ind AS Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of Reliance Infrastructure Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the standalone Ind AS financial statements').

### Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of state of affairs, profit (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of

the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profits (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Emphasis of Matter

We draw attention to the following matters in the Notes to the standalone Ind AS financial statements:

9. We draw attention to Note No. 41 of the standalone Ind AS financial statements regarding the Scheme of Amalgamation ('the Scheme') between Reliance Infraprojects Limited (wholly owned subsidiary of the Company) and the Company sanctioned by the Hon'ble High Court of Judicature at Bombay vide its order dated March 30, 2011, wherein the Company, as determined by the Board of Directors, is permitted to adjust foreign exchange/derivative/hedging losses/gains debited/credited to the Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve which overrides the relevant provisions of Ind AS - 1 'Presentation of financial statements'. The net gain on account of derivative instruments / forward contracts of ₹ 5.79 Crore for the year ended March 31, 2018 has been credited to the Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly foreign exchange loss of ₹ 17.47 Crore (net off of foreign exchange loss of ₹ Nil attributable to finance cost) for the year ended March 31, 2018 has been debited to Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve in terms of the Scheme. Had such transfer / withdrawal not been made, profit before tax for the year ended March 31, 2018 would have been lower by ₹ 11.68 Crore and General Reserve would have been higher by an equivalent amount.
10. We draw attention to Note No. 43 of the standalone Ind AS financial statements, wherein pursuant to the Scheme of Amalgamation of Reliance Cement Works Private Limited with Western Region Transmission

## Independent Auditors' Report on Standalone Ind AS Financial Statements

(Maharashtra) Private Limited (WRTM), wholly owned subsidiary of the Company, which was subsequently amalgamated with the Company with effect from April 1, 2013, WRTM or its successor(s) is permitted to offset any extraordinary/exceptional items, as determined by the Board of Directors, debited to the Statement of Profit and Loss by a corresponding withdrawal from General Reserve, which overrides the relevant provisions of Ind AS – 1 'Presentation of financial statements'. The Board of Directors of the Company, in terms of the aforesaid scheme, determined an amount of ₹ 411.50 Crore for the year ended March 31, 2018 as an exceptional item being the aggregate of write off of loan of ₹ 190.39 Crore given to a subsidiary viz., Mumbai Metro One Private Limited, write-off of investment of ₹ 22.61 Crore in another subsidiary viz., Reliance Defence System Private Limited and loss on fair valuation of assets and liabilities considered as held for sale of ₹ 198.50 Crore, which has been debited to the Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. Had such withdrawal not been made, profit before tax for the year ended March 31, 2018 would have been lower by ₹ 411.50 Crore and General Reserve would have been higher by an equivalent amount.

Our opinion is not modified in respect of above matters.

### Other Matter

11. The comparative financial information of the Company for the year ended March 31, 2017 included in these standalone Ind AS financial statements had been jointly audited by Haribhakti & Co. LLP, Chartered Accountants and Pathak H.D. & Associates, Chartered Accountants, whose report dated April 15, 2017 expressed an unmodified opinion on those audited standalone Ind AS financial statements for the year ended March 31, 2017.

Our opinion is not modified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133

of the Act; read with paragraphs 9 and 10 above, regarding exercise of option available as per Court Orders which overrides the relevant provisions of IND AS – 1 'Presentation of financial statements';

- e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B';
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements. – Refer Note No. 35(a) to the standalone Ind AS financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018; and
  - iv. The disclosures in the standalone Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 08 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended March 31, 2018.

#### For B S R & Co. LLP

Chartered Accountants  
Firm Regn. No: 101248W/  
W-100022

#### Bhavesh Dhupelia

Partner  
Membership No: 042070

Date : April 23, 2018

Place : Mumbai

#### For Pathak H. D. & Associates

Chartered Accountants  
Firm Regn. No. 107783W

#### Vishal D. Shah

Partner  
Membership No. 119303

Date : April 23, 2018

Place : Mumbai

**Annexure A to Auditors' Report**
**Referred to in our Auditors' Report of even date to the members of Reliance Infrastructure Limited on the Standalone Ind AS Financial Statements for the year ended March 31, 2018**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. However, we are informed that distribution system being underground is not physically verifiable.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deeds / transfer deeds / conveyance deeds / possession letters / allotment letters and other relevant records evidencing title/possession provided to us, we report that, the title deeds of all the immovable properties comprising of land and buildings other than self-constructed properties recorded as Property, Plant and Equipment, which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Particulars of Land and Building	Total number of cases	Gross Block as on March 31, 2018 (₹ Crore)	Net Block as on March 31, 2018 (₹ Crore)	Remarks
Freehold land at various locations	2	18.60	18.60	The title deeds are in the names of erstwhile Companies that merged with the Company under Section 391 to 394 of the Companies Act, 1956 pursuant to Schemes of Amalgamation as approved by the Hon'ble High Courts.
Freehold land at Hyderabad	1	4.16	4.16	Title deeds are not available with company.

In respect of immovable properties comprising of land and buildings that have been taken on lease and disclosed as Property, Plant and Equipment in the standalone Ind AS financial statements, the lease agreements or other relevant records are in the name of the Company, except the following:

Particulars of Land and Building	Total number of cases	Gross Block as on March 31, 2018 (₹ Crore)	Net Block as on March 31, 2018 (₹ Crore)	Remarks
Leasehold land at various locations	3	0.35	0.30	The lease agreements are in the names of erstwhile Companies that merged with the Company under Section 391 to 394 of the Companies Act, 1956 pursuant to Schemes of Amalgamation as approved by the Hon'ble High Courts.
Leasehold land at various locations	4	4.28	0.59	Lease agreements are not available with company.

The above reporting does not cover assets taken on Finance Lease and included as Property, Plant and Equipment as per Appendix C to Ind AS 17 "Leases".

- (ii) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, limited liability partnerships or other party covered in the register maintained under Section 189 of the Act. Accordingly, the provisions stated in paragraph 3(iii)(a), (b) & (c) of the Order are not applicable.
- (iv) Based on the information and explanations given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

# Reliance Infrastructure Limited

## Annexure A to Auditors' Report

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable except in case of electricity duty on consumption of Electricity and tax on sale of electricity where there have been significant delays in depositing the dues.
- (b) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess as at March 31, 2018 which were outstanding for a period of more than six months from the date they became payable, except for the following dues:

Name of the statute	Nature of the dues	Amount* (₹ Crore)	Period to which the amount relates	Due Date	Date of Payment
The Maharashtra Electricity Duty Act, 2016	Electricity duty on Consumption of Electricity	1,080.81	September 2016 to August 2017	End of next month	Not yet paid
The Maharashtra tax on sale of electricity Act, 1963	Tax on sale of electricity	134.05	September 2016 to August 2017	End of next month	Not yet paid

\*Including interest levied under the relevant statute for delay in payment.

- (c) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax as at March 31, 2018 which have not been deposited on account of a dispute are as follows:

Name of the statute	Nature of dues	Amount (₹ Crore)	Period to which the amount relates	Forum where the dispute is pending
Delhi Sales Tax Act, 1975	Sales Tax	328.26 <sup>1*</sup>	2004-2005	Department of Trade and Taxes Tribunal, & Divisional Bench of High Court, New Delhi
Delhi Sales Tax on Works Contract Act, 1999	Works Contract Tax	0.05 <sup>2</sup>	2004-2005	Joint Commissioner (Appeal), Department of Trade and Taxes, New Delhi
Orissa Sales Tax Act, 1947	Sales Tax	3.46 <sup>3</sup>	2001-2002	Orissa Sales Tax Tribunal, Cuttack
West Bengal Value Added Tax Act, 2003	VAT	56.42 <sup>4</sup>	2010-2011	Appellate Additional Commissioner, Kolkata
West Bengal Value Added Tax Act, 2003	VAT	4.27 <sup>5</sup>	2008-2009	West Bengal Commercial Tax Appellate and Revisional Board, Kolkata
Madhya Pradesh Value Added Tax Act, 2002	VAT	3.12 <sup>6</sup>	2009-2010	Madhya Pradesh Commercial Tax Appellate Board, Bhopal
Central Sales Tax Act, 1956	Central Sales Tax	0.19 <sup>7</sup>	2009-2010	Madhya Pradesh Commercial Tax Appellate Board, Bhopal
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	0.24 <sup>9</sup>	2009-2010	Additional Commissioner Grade II, Appeals II, Noida
Central Sales Tax Act, 1956	Central Sales Tax	0.06 <sup>10</sup>	2010-2011	Additional Commissioner Grade II, Appeals II, Noida
Maharashtra Value Added Tax Act, 2002	Sales Tax	0.07 <sup>11</sup>	2008-2009	Joint Commissioner (Appeals) of Sales tax, Mumbai
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	0.06 <sup>12</sup>	2006-2007	Additional Commissioner Appeals, Trade Tax Department Lucknow
Central Sales Tax Act, 1956	Central Sales Tax	2.48 <sup>13</sup>	2006-2007	Additional Commissioner Grade II, Appeals II, Noida
Uttar Pradesh Value Added Tax Act, 2008	VAT	0.04 <sup>14</sup>	2011-2012	Additional Commissioner Grade II, Appeals II, Noida
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	2.26 <sup>16</sup>	2007-2008	Additional Commissioner Grade II, Appeals II, Noida
Central Sales Tax Act, 1956	Central Sales Tax	0.02 <sup>17</sup>	2011-2012	Additional Commissioner Grade II, Appeals II, Noida
Orissa Sales Tax Act, 1947	Sales Tax	0.24	2003-2004	Orissa Sales Tax Tribunal, Cuttack
Andhra Pradesh Value Added Tax Act, 2005	VAT	5.33 <sup>18</sup>	2010-2011 & 2011-2012	Andhra Pradesh VAT Appellate Tribunal, Vishakhapatnam



**Annexure A to Auditors' Report**

Name of the statute	Nature of dues	Amount (₹ Crore)	Period to which the amount relates	Forum where the dispute is pending
Bihar Value Added Tax Act , 2005	VAT	2.17 <sup>19</sup>	2013-2014, 2014-2015 & 2015-2016	Joint Commissioner of Commercial Taxes (Appeal), Bihar
Income Tax Act, 1961	Income Tax	794.89 (for which the tax authorities are the appellant)	A.Y. 1983-1984, 2003-2004, 2006-2007, 2007-2008 & 2008-2009	Supreme Court
Income Tax Act, 1961	Income Tax	465.74 (for which the tax authorities are the appellant)	A.Y. 1998-1999, 1999-2000, 2001-2002, 2002-2003, 2003-2004, 2007-2008, 2008-2009 & 2009-2010	Bombay High Court
Income Tax Act, 1961	Income Tax	24.92 (for which the tax authorities are the appellant)	A.Y. 2012-2013	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax Penalty	121.32	AY 2007-08, 2010-11 and 2015-16	CIT (Appeals), Mumbai
Foreign Trade (Development and Regulation ) Act ,1992	Duty Drawback	296.50	2008-2009	Supreme Court
Foreign Trade (Development and Regulation ) Act ,1992	Duty Drawback	5.16	2009-2010	Director General of Foreign Trade Policy, Kolkata
Customs Act, 1962	Custom duty	64.38 <sup>20</sup>	April 2012- January 2013 & 2013-2014	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Customs Act, 1962	Custom duty	10.65 <sup>21</sup>	2011-2012 & 2012-2013	Custom, Excise and Service Tax Appellate Tribunal, Hyderabad
Customs Act, 1962	Custom duty	0.13 <sup>22</sup>	2011-2012 & 2012-2013	Commissioner of Customs (Appeal) Visakhpatanam
Customs Act, 1962	Custom duty	0.03 <sup>23</sup>	2005-2006	Commissioner of Customs (Appeal) Kandla Gujarat
The Central Excise Act, 1944	Excise Duty	0.38	March 2011 to June 2015	Commissioner Appeal of Goods Service and Tax and Central Excise, Mumbai
The Central Excise Act, 1944	Excise Duty	0.20	July 2015 to September 2016	Assistant Commissioner of Central Excise (Appeals-1) , Mumbai
Finance Act, 1994	Service Tax	10.33 <sup>24</sup>	2011-2012 & 2012-2013	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	92.41 <sup>25</sup>	October 2011 – December 2016	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	307.34	July 1, 2012 to June 30 2017	Commissioner of Central GST & Central Excise , Mumbai

Includes <sup>1</sup> ₹ 7.63 Crore, <sup>2</sup> ₹ 5,000, <sup>3</sup> ₹ 1.36 Crore, <sup>4</sup> ₹ 0.20 Crore, <sup>5</sup> ₹ 0.40 Crore, <sup>6</sup> ₹ 1.67 Crore, <sup>7</sup> ₹ 0.04 Crore, <sup>8</sup> ₹ 0.13 Crore, <sup>9</sup> ₹ 0.09 Crore, <sup>10</sup> ₹ 0.02 Crore <sup>11</sup> ₹ 35,000, <sup>12</sup> ₹ 0.01 Crore, <sup>13</sup> ₹ 0.62 Crore, <sup>14</sup> ₹ 0.02 Crore, <sup>15</sup> ₹ 0.01 Crore, <sup>16</sup> ₹ 0.26 Crore, <sup>17</sup> ₹ 0.02 Crore, <sup>18</sup> ₹ 1.33 Crore, <sup>19</sup> ₹ 0.43 Crore, <sup>20</sup> ₹ 23.13 Crore, <sup>21</sup> ₹ 3.71 Crore, <sup>22</sup> ₹ 0.44 Crore, <sup>23</sup> ₹ 0.03 Crore, <sup>24</sup> ₹ 5.46 and <sup>25</sup> ₹ 20.60 Crore paid / adjusted under protest.

\*As per the terms of the contract the amount is recoverable from the customers. The amount reported above includes interest of ₹ 198.30 Crore.

# Reliance Infrastructure Limited

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## Annexure A to Auditors' Report

- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or dues to debenture holders. The Company did not have any loans or borrowings from government during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and in our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of the clause 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of related party transactions as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, have been disclosed in the standalone Ind AS financial statements.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to them.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For B S R & Co. LLP**

Chartered Accountants

Firm Regn. No: 101248W/  
W-100022**Bhavesh Dhupelia**

Partner

Membership No: 042070

Date : April 23, 2018

Place : Mumbai

**For Pathak H. D. & Associates**

Chartered Accountants

Firm Regn. No. 107783W

**Vishal D. Shah**

Partner

Membership No. 119303

Date : April 23, 2018

Place : Mumbai

**Annexure B to Auditors' Report**

[Annexure to the Independent Auditor's Report referred to in paragraph "13(f)" under the heading "Report on other legal and regulatory requirements" of our report of even date on the Standalone Ind AS financial statements of Reliance Infrastructure Limited for year ended March 31, 2018.]

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Reliance Infrastructure Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For B S R & Co. LLP**

Chartered Accountants  
Firm Regn. No: 101248W/  
W-100022

**Bhavesh Dhupelia**

Partner  
Membership No: 042070

Date : April 23, 2018

Place : Mumbai

**For Pathak H. D. & Associates**

Chartered Accountants  
Firm Regn. No. 107783W

**Vishal D. Shah**

Partner  
Membership No. 119303

Date : April 23, 2018

Place : Mumbai

# Reliance Infrastructure Limited

## Balance Sheet as at March 31, 2018

	Notes	As at March 31, 2018	(₹ Crore) As at March 31, 2017
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	15,393.91	15,845.52
Capital Work-in-progress	3	217.01	183.67
Investment Property	4	528.70	558.42
Other Intangible Assets	5	11.86	13.63
Financial Assets			
Investments	7(a)	17,287.34	16,631.03
Other Financial Assets	13	56.69	65.58
Loans	12	39.22	40.59
Other Non - Current Assets	14	396.26	332.58
<b>Total Non-Current Assets</b>		<b>33,930.99</b>	<b>33,671.02</b>
<b>Current Assets</b>			
Inventories	6	335.67	307.24
Financial Assets			
Investments	7(b)	266.64	245.40
Trade Receivables	8	4,801.33	5,059.37
Service Concession Receivable	9	-	75.54
Cash and Cash Equivalents	10	86.22	153.72
Bank Balance other than Cash and Cash Equivalents above	11	499.47	91.78
Loans	12	13,557.69	11,544.18
Other Financial Assets	13	2,108.68	1,429.58
Other Current Assets	14	905.63	1,040.06
<b>Total Current Assets</b>		<b>22,561.33</b>	<b>19,946.87</b>
Assets classified as Non-Current Assets held for Sale	15	667.77	1,860.65
<b>Total Assets before Regulatory Assets</b>		<b>57,160.09</b>	<b>55,478.54</b>
Regulatory deferral account debit balances and related deferred tax balances	16	1,626.83	1,956.89
<b>Total Assets</b>		<b>58,786.92</b>	<b>57,435.43</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	17	263.03	263.03
Other Equity	18	21,721.63	20,732.11
<b>Total Equity</b>		<b>21,984.66</b>	<b>20,995.14</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	19	4,567.16	6,738.92
Financial Lease Obligations	53(2)	4,110.92	4,164.75
Trade Payables	21	8.79	4.98
Other Financial Liabilities	22	539.25	504.01
Provisions	24	364.73	380.00
Deferred Tax Liabilities (Net)	25(e)	2,449.88	2,522.40
Other Non - Current Liabilities	23	1,900.21	1,958.08
<b>Total Non-Current Liabilities</b>		<b>13,940.94</b>	<b>16,273.14</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	20	3,437.48	5,248.54
Financial Lease Obligations	53(2)	58.68	52.66
Trade Payables	21	5,295.98	5,562.03
Other Financial Liabilities	22	5,724.48	4,004.61
Other Current Liabilities	23	8,009.84	3,862.84
Provisions	24	34.22	251.54
Current Tax Liabilities (Net)		300.64	480.30
<b>Total Current Liabilities</b>		<b>22,861.32</b>	<b>19,462.52</b>
Liabilities relating to Non-Current Assets held for Sale	15	-	704.63
<b>Total Equity and Liabilities</b>		<b>58,786.92</b>	<b>57,435.43</b>

The accompanying notes form an integral part of the financial statements (1 to 57).

As per our attached Report of even date

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022  
  
**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

**For Pathak H. D. & Associates**  
Chartered Accountants  
Firm Registration No. 107783W  
  
**Vishal D. Shah**  
Partner  
Membership No. 119303

For and on behalf of the Board

<b>Anil D Ambani</b>	DIN - 00004878	} Directors
<b>S Seth</b>	DIN - 00004631	
<b>S S Kohli</b>	DIN - 00169907	
<b>K Ravikumar</b>	DIN - 00119753	
<b>V R Galkar</b>	DIN - 00009177	
<b>Shiv Prabhat</b>	DIN - 07319520	

**Lalit Jalan**  
**Sridhar Narasimhan**  
**Aashay Khandwala**

Chief Executive Officer  
Chief Financial Officer  
Company Secretary

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

## Statement of Profit and Loss for the year ended March 31, 2018

	Note	Year ended March 31, 2018	(₹ Crore) Year ended March 31, 2017
<b>Continuing Operations:</b>			
<b>Revenue from Operations</b>	26	<b>8,975.30</b>	8,757.68
Other Income	27	<b>2,171.38</b>	2,124.07
Less: Transfer to General Reserve	41	<b>5.79</b>	27.34
		<b>2,165.59</b>	2,096.73
<b>Total Income</b>		<b>11,140.89</b>	10,854.41
<b>Expenses</b>			
Cost of Power Purchased		<b>2,809.26</b>	2,623.38
Cost of Fuel Consumed		<b>1,076.49</b>	1,004.75
Construction Material Consumed and Sub-Contracting charges		<b>402.27</b>	1,098.13
Employee Benefit Expenses	28	<b>995.09</b>	974.34
Finance Costs	29	<b>2,929.75</b>	2,640.99
Depreciation and Amortisation Expense	3, 4 & 5	<b>889.09</b>	930.32
Other Expenses	30	<b>1,081.90</b>	1,326.90
Less: Transfer from General Reserve	41	<b>17.47</b>	272.36
		<b>1,064.43</b>	1,054.54
<b>Total Expenses</b>		<b>10,166.38</b>	10,326.45
<b>Profit Before Exceptional Items, Rate Regulated Activities and Tax</b>		<b>974.51</b>	527.96
<b>Exceptional Items (Net)</b>			
	43		
Profit / (Loss) on sale of Investments		<b>284.19</b>	(153.33)
Expenses		<b>(411.50)</b>	(555.58)
Less: Transfer from General reserve		<b>411.50</b>	555.58
		<b>284.19</b>	(153.33)
<b>Profit Before Tax and Rate Regulated Activities</b>		<b>1,258.70</b>	374.63
Add: Regulatory income (Net of Deferred Tax)		<b>288.89</b>	755.94
<b>Profit Before Tax</b>		<b>1,547.59</b>	1,130.57
Tax Expenses			
- Current tax		-	46.00
- Deferred tax - Charge / (Credit) (Net)		<b>(83.02)</b>	(113.17)
- Income tax for earlier years (Net)		-	(16.51)
<b>Net Profit from Continuing Operations After Tax</b>		<b>1,630.61</b>	1,214.25
<b>Discontinued Operations:</b>			
<b>Profit before tax from Discontinued Operations</b>	15(b)	<b>33.76</b>	74.16
Tax Expenses of Discontinued Operations		-	-
<b>Profit from Discontinued Operations After Tax</b>		<b>33.76</b>	74.16
<b>Profit After Tax</b>		<b>1,664.37</b>	1,288.41
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit and Loss</b>			
Re-measurements of net defined benefit plans - (Gain) / Loss		<b>(29.63)</b>	30.45
Income-tax relating to the above		<b>10.50</b>	(6.00)
		<b>19.13</b>	(24.45)
<b>Total Comprehensive Income</b>		<b>1,683.50</b>	1,263.96
<b>Earnings per Equity Share (Face Value of ₹ 10 per share)</b>			
		₹	₹
<b>Before Rate Regulated Activities: Basic and Diluted</b>		<b>52.30</b>	20.25
<b>Continuing Operations: Basic and Diluted</b>		<b>62.00</b>	46.17
<b>Discontinued Operations: Basic and Diluted</b>		<b>1.29</b>	2.82
<b>Continuing and Discontinued Operations: Basic and Diluted</b>		<b>63.29</b>	48.99

The accompanying notes form an integral part of the financial statements (1 to 57)

As per our attached Report of even date

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

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

**Vishal D. Shah**  
Partner  
Membership No. 119303

For and on behalf of the Board

**Anil D Ambani** DIN - 00004878  
**S Seth** DIN - 00004631  
**S S Kohli** DIN - 00169907  
**K Ravikumar** DIN - 00119753  
**V R Galkar** DIN - 00009177  
**Shiv Prabhat** DIN - 07319520

Chairman  
Vice Chairman

} Directors

**Lalit Jalan**  
**Sridhar Narasimhan**  
**Aashay Khandwala**

Chief Executive Officer  
Chief Financial Officer  
Company Secretary

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

# Standalone Statement of Changes in Equity

## A. Equity Share Capital

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
As at March 31, 2017	263.03	-	263.03
As at March 31, 2018	263.03	-	263.03

## B. Other Equity

Particulars	Note	Reserves and Surplus							Total			
		Retained Earnings	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Debt Redemption Reserve	General Reserve	Other Reserves				
								Contingency Reserve		Statutory Reserves @	Foreign Currency Monetary Item Translation Difference Account	Treasury Shares
<b>Balance as at April 01, 2016</b>		(441.34)	3,777.02	130.03	8,825.09	600.98	5,814.74	95.00	263.99	6.97	(36.85)	19,035.62
Profit for the year		1,228.41	-	-	-	-	-	-	-	-	-	1,228.41
Other comprehensive income for the year												
- Remeasurement gain / (loss) on defined benefit plans (Net of Tax)	45	(24.45)	-	-	-	-	-	-	-	-	-	(24.45)
Total comprehensive income for the year		1,263.96	-	-	-	-	-	-	-	-	-	1,263.96
Addition to Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	-	(4.40)	-	(4.40)
Amortisation from Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	-	(69.02)	-	(69.02)
Transfer to Statement of Profit and Loss (Net)	41	-	-	-	-	-	(245.02)	-	-	-	-	(245.02)
Transfer to Statement of Profit and Loss	43	-	-	-	-	-	(555.58)	-	-	-	-	(555.58)
Transfer to General Reserve		-	-	-	-	-	95.00	(95.00)	-	-	-	-
Scheme of Amalgamation		5.68	1,402.95	-	-	-	-	-	-	-	-	1,408.63
Debt Redemption Reserve		(200.39)	-	-	-	200.39	-	-	-	-	-	-
Transfer to General Reserve		-	-	-	-	(175.00)	175.00	-	-	-	-	-
Provision for diminution in value of Treasury shares		-	-	-	-	-	-	-	-	-	11.27	11.27
Transaction with owners in their Capacity as owners												
Dividend Paid (Including Tax on Dividend)	55 (b)	(251.39)	-	-	-	-	-	-	-	-	-	(251.39)
		(446.10)	1,402.95	-	-	25.39	(530.60)	(95.00)	-	64.62	11.27	432.53
<b>Balance as at March 31, 2017</b>		<b>376.52</b>	<b>5,179.97</b>	<b>130.03</b>	<b>8,825.09</b>	<b>626.37</b>	<b>5,284.13</b>	<b>-</b>	<b>263.99</b>	<b>71.59</b>	<b>(25.58)</b>	<b>20,732.11</b>



## Standalone Statement of Changes in Equity

Particulars	Note	Reserves and Surplus							Other Reserves			Total
		Retained Earnings	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Debenture Redemption Reserve	General Reserve	Contingency Reserve	Statutory Reserves @	Foreign Currency Monetary Item Translation Difference Account	Treasury Shares	
<b>Balance as at April 01, 2017</b>		<b>376.52</b>	<b>5,179.97</b>	<b>130.03</b>	<b>8,825.09</b>	<b>626.37</b>	<b>5,284.13</b>	-	<b>263.99</b>	<b>71.59</b>	<b>(25.58)</b>	<b>20,732.11</b>
Profit for the year		1,664.37	-	-	-	-	-	-	-	-	-	1,664.37
Other comprehensive income for the year	45	19.13	-	-	-	-	-	-	-	-	-	19.13
- Remeasurements gain / (loss) on defined benefit plans (Net of Tax)												
<b>Total comprehensive income for the year</b>		<b>1,683.50</b>	-	-	-	-	-	-	-	-	-	<b>1,683.50</b>
Additions to Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	-	3.19	-	3.19
Amortisation from Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	-	(2.99)	-	(2.99)
Transfer to Statement of Profit and Loss (Net)	41	-	-	-	-	-	(11.68)	-	-	-	-	(11.68)
Transfer to Statement of Profit and Loss	43	-	-	-	-	-	(411.50)	-	-	-	-	(411.50)
Debenture Redemption Reserve	-	(150.03)	-	-	-	150.03	-	-	-	-	-	-
Transfer to General Reserve from Retained Earnings		(1,000.00)	-	-	-	-	1,000.00	-	-	-	-	-
Transfer to General Reserve from Debenture Redemption Reserve		-	-	-	-	(248.17)	248.17	-	-	-	-	-
Provision for diminution in value of Treasury shares		-	-	-	-	-	-	-	-	-	6.45	6.45
Transaction with owners in their Capacity as owners		-	-	-	-	-	-	-	-	-	-	-
Dividend Paid (Including Tax on Dividend)	55 (b)	(283.43)	-	-	-	-	-	-	-	-	-	(283.43)
		(1,433.46)	-	-	-	(98.14)	824.99	-	-	6.18	6.45	(693.98)
<b>Balance as at March 31, 2018</b>		<b>626.56</b>	<b>5,179.97</b>	<b>130.03</b>	<b>8,825.09</b>	<b>528.23</b>	<b>6,109.12</b>	-	<b>263.99</b>	<b>77.77</b>	<b>(19.13)</b>	<b>21,721.63</b>

**Standalone Statement of Changes in Equity**

**@ Statutory Reserves includes :**

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
1. Development Reserve Account No.1	1.69	1.69
2. Development Reserve Account No.2	18.97	18.97
3. Debt Redemption Reserve	2.30	2.30
4. Rural Electrification Scheme Reserve	0.11	0.11
5. Reserve to augment production facilities	0.04	0.04
6. Reserve for Power Project	100.00	100.00
7. Development Reserve Account No.3	140.88	140.88
<b>Total</b>	<b>263.99</b>	<b>263.99</b>

The above statement of changes in Equity should be read in conjunction with the accompanying notes (1 to 57).

As per our attached Report of even date

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

Date : April 23, 2018  
Place : Mumbai

For and on behalf of the Board

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

**Vishal D. Shah**  
Partner  
Membership No. 119303

Date : April 23, 2018  
Place : Mumbai

**Anil D Ambani**  
**S Seth**  
**K S Kohli**  
**K Ravikumar**  
**V R Gaikar**  
**Shiv Prabhat**

**Lalit Jalan**  
**Sridhar Narasimhan**  
**Ashay Khandwala**

Date : April 23, 2018  
Place : Mumbai

Chairman  
Vice Chairman

Directors

Chief Executive Officer  
Chief Financial Officer  
Company Secretary

**Cash Flow Statement for the year ended March 31, 2018**

	(₹ Crore)	
	Year ended March 31, 2018	Year ended March 31, 2017
<b>A. Cash Flow from Operating Activities :</b>		
Profit before Tax	1,547.59	1,130.57
Adjustments for :		
Depreciation and Amortisation Expenses	889.09	930.32
Net (Income) / Expenses relating to Investment Property	(34.85)	(35.21)
Interest Income	(2,012.64)	(1,860.09)
Dividend Income	(23.53)	(10.25)
(Gain) / Loss on Sale / Redemption of Investments (Net)	(300.80)	60.56
Interest and Finance Cost (net of transfer from reserves)	2,929.75	2,640.99
Provision for Doubtful debts / Advances / Deposits	87.04	106.43
Provision for ECL	77.60	19.20
Amortisation of Consumer Contribution	(14.87)	(14.76)
Loan written off	-	12.00
Excess Provisions written back	(453.99)	(53.19)
Loss on Sale / Discarding of Assets (Net)	105.16	41.82
Provision for Contingency Reserve Fund	17.78	16.77
Provision for / (write back of) Diminution in Value of Investments	7.31	(4.13)
Provision for Leave Encashment and Gratuity	17.03	37.72
Income from Financial Guarantee Obligation	2.84	(7.48)
Reversal of Provision for Impairment of Assets	(31.05)	(39.64)
<b>Cash generated from Operations before Working Capital changes</b>	<b>2,809.46</b>	<b>2,971.63</b>
Adjustments for :		
Decrease in Financial Assets and Other Assets	745.93	404.60
(Increase) / Decrease in Inventories	(28.43)	117.73
Increase in Financial Liabilities and Other Liabilities	795.18	1,287.67
	<b>1,512.68</b>	<b>1,810.00</b>
<b>Cash generated from Operations</b>	<b>4,322.14</b>	<b>4,781.63</b>
Income Taxes paid (net of refund)	(122.27)	(103.01)
<b>Net Cash generated from Operating Activities-Continuing Operations</b>	<b>4,199.87</b>	<b>4,678.62</b>
<b>Net Cash generated from Operating Activities-Discontinued Operations</b>	<b>31.63</b>	<b>56.27</b>
<b>Net Cash generated from Operating Activities-Continuing &amp; Discontinued Operations</b>	<b>4,231.50</b>	<b>4,734.89</b>
<b>B. Cash Flow from Investing Activities :</b>		
Purchase of Property, Plant and Equipment (including Capital work-in-progress, capital advances and capital creditors)	(538.35)	(453.79)
Purchase of Investment Property	(1.45)	(64.54)
Proceeds from Disposal of Property, Plant and Equipment	18.99	21.41
Net Income / (Expenses) relating to Investment Property	27.63	25.59
(Investment) / Redemption in Fixed Deposits with Banks	(408.57)	20.53
Investments in Subsidiaries / Joint Ventures / Associates	(710.75)	(1,094.79)
Investments in Assets held for Sale	-	(228.43)
Investments in Others	(14.40)	(967.16)
Proceeds from disposal of Assets held for Sale (Refer Note No 15)	336.80	2,010.00
Sale of Investment in Subsidiaries	569.12	-
Proceeds from Capital Reduction Scheme in Subsidiaries	-	93.55
Sale / Redemption of Investments in Others	5.00	1,050.41
Advance / Loan against proposed sale of Mumbai Power Business	4,102.00	-

# Reliance Infrastructure Limited

## Cash Flow Statement for the year ended March 31, 2018

	(₹ Crore)	
	Year ended March 31, 2018	Year ended March 31, 2017
Inter Corporate Deposits given (Net)	<b>(2,253.34)</b>	(764.07)
Dividend Received	<b>23.53</b>	10.25
Interest Income	<b>885.79</b>	1,116.63
<b>Net Cash generated from Investing Activities</b>	<b>2,042.00</b>	775.59
<b>Cash flow generated from Investing Activities-Discontinued Operations</b>	<b>44.14</b>	132.37
<b>Cash flow generated from Investing Activities-Continuing &amp; Discontinued Operations</b>	<b>2,086.14</b>	907.96
<b>C. Cash Flow from Financing Activities :</b>		
Proceeds from Long Term Borrowings	<b>3,190.00</b>	2,480.00
Repayment of Long Term Borrowings	<b>(4,702.90)</b>	(4,455.86)
Repayment of Short Term Borrowings (Net)	<b>(1,818.19)</b>	(692.90)
Principal Payment of Financial Lease Obligation	<b>(47.81)</b>	(47.25)
Payment of Interest and Finance Charges	<b>(2,196.40)</b>	(2,090.10)
Interest Payment on Finance Lease Obligation	<b>(456.81)</b>	(462.21)
Realised Gain on Derivative Instruments (Net)	<b>0.02</b>	1.82
Dividends paid to shareholders including tax	<b>(282.30)</b>	(250.39)
<b>Net Cash (used in) Financing Activities from Continuing Operations</b>	<b>(6,314.39)</b>	(5,516.89)
<b>Net Cash (used in) Financing Activities from Discontinued Operations</b>	<b>(70.74)</b>	(147.77)
	<b>(6,385.13)</b>	(5,664.66)
<b>D. Effect of exchange differences on translation of foreign currency cash and cash equivalent</b>	<b>(0.01)</b>	(2.14)
Net Increase / (Decrease) in Cash and Cash Equivalents ( A+B+C+D)	<b>(67.50)</b>	(23.95)
Cash and cash equivalents as at the beginning of the year	<b>153.72</b>	178.79
Cash and cash equivalents as at the end of the year	<b>86.22</b>	154.84
<b>Net Increase / (Decrease) as disclosed above</b>	<b>(67.50)</b>	(23.95)
<b>Cash and Cash Equivalents – Continuing Operations</b>	<b>86.22</b>	153.72
<b>Cash and Cash Equivalents – Discontinued Operations</b>	<b>-</b>	1.12
<b>Components of Cash and Cash Equivalents (Refer Note No 10)</b>		

The above statement of cash flows should be read in conjunction with the accompanying notes (1 to 57).

\* Including balance in unpaid dividend account of ₹ 15.46 Crore (₹ 14.32 Crore) and balance in current account with banks of ₹ 11.88 Crore (₹ 7.45 Crore) lying in Escrow account with bank held as Security against borrowings and bank deposits with Sales-tax department ₹ 47,290/- (₹ 47,290)

Refer Note No. 32 for Disclosure pursuant to para 44 A to 44 E of Ind AS 7- Statement of Cash flows.

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

Compiled from the Audited Financial Statements of the Company referred to in our Report dated April 23, 2018  
As per our attached Report of even date

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

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

**Vishal D. Shah**  
Partner  
Membership No. 119303

For and on behalf of the Board

**Anil D Ambani** DIN - 00004878  
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**V R Galkar** DIN - 00009177  
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Chairman  
Vice Chairman

} Directors

**Lalit Jalan**  
**Sridhar Narasimhan**  
**Aashay Khandwala**

Chief Executive Officer  
Chief Financial Officer  
Company Secretary

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

Notes annexed to and forming part of the Standalone Financial Statements

**Corporate Information:**

Reliance Infrastructure Limited ("RInfra", "the Company") is one of the largest infrastructure companies, developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors within the infrastructure space such as Power, Roads, Metro Rail and Defence. RInfra is also a leading utility having presence across the value chain of power business i.e. Generation, Transmission, Distribution and Power Trading. RInfra also provides Engineering, Procurement and Construction (EPC) services for various infrastructure projects.

The Company is a public limited Company which is listed on two recognised stock exchanges in India. The Company's Global Depository Receipts, representing Equity Shares, is also listed on London Stock Exchange. The Company is incorporated and domiciled in India under the provisions of the Companies Act, 1913. The registered office of the Company is located at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710.

These financial statements of the Company for the year ended March 31, 2018 were authorised for issue by the board of directors on April 23, 2018. Pursuant to the provisions of section 130 of the Act, the Central Government, Income tax authorities, Securities and Exchange Board of India, other statutory regulatory body and under section 131 of the Act, the board of directors of the Company have powers to amend / re-open the financial statements approved by the board / adopted by the members of the Company.

**1. Significant Accounting Policies:**

**(a) Basis of preparation, measurement and significant accounting policies**

**(i) Compliance with Indian Accounting Standard (Ind AS)**

The standalone financial statements of the Company have been prepared and comply in all material aspects with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with relevant rules and other accounting principles. The policies set out below have been consistently applied during the years presented.

**(ii) Basis of Preparation**

These financial statements are presented in 'Indian Rupees', which is also the Company's functional currency and all amounts, are rounded to the nearest Crore, with two decimals, unless otherwise stated. The financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III to the Act, applicable Ind AS, other applicable pronouncements and regulations.

**(iii) Basis of Measurement**

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- defined benefit plans – planned assets measured at fair value; and
- assets held for sale – measured at fair value less cost to sell or carrying value whichever is lower

**(iv) New Standards and Interpretations not yet effective**

Amendments to Ind AS 115, 'Revenue from Contracts with Customers':

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after April 01, 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from April 01, 2018.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch – up approach).

The Company is evaluating the amendment and the impact on the financial statements.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ('MCA') has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 01, 2018. The Company is evaluating the requirement of the amendment and the impact on the Financial Statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

### (b) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The board of directors of RInfra has appointed the Chief Executive Officer ('CEO') to assess the financial performance and position of the Company, and makes strategic decisions. The CEO has been identified as being the Chief Operating Decision Maker for corporate planning. Refer Note No. 38 for segment information presented.

### (c) Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- Held primarily for the purpose of trading

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- Held primarily for the purpose of trading

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Regulatory Assets / Liabilities are presented as separate line item distinguished from assets and liabilities as per Ind AS 114.

### (d) Revenue Recognition Policy

Revenue is recognized when the amount of revenue can be reliably measured, it is probable that the economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenue is measured at the fair value of the consideration received or receivable and is net of discounts, taxes and amount collected on behalf of the Government.

Further, specific criteria for revenue recognition followed for different businesses are as under-

#### (i) Power Business

- a. Revenue from Sale of Power:** Revenue from sale of power is accounted for on the basis of billing to consumers based on billing cycles followed by the Company which is inclusive of fuel adjustment charges (FAC) and includes unbilled revenue for the year. Generally all consumers are billed on the basis of recording of consumption of energy by installed meters. Where meters have stopped or are faulty, the billing is done based on the past consumption for such period.



Notes annexed to and forming part of the Standalone Financial Statements

- b. **Revenue from Transmission Business:** In case of transmission businesses not assessed as service concession arrangement, revenue is accounted on the basis of periodic billing to consumers / state transmission utility. The surcharge on late / non-payment of dues by customers for sale of energy is recognized as revenue on certainty of receipt.

The Transmission system incentive/disincentive is accounted for based on the certification of availability by the respective regional power committee and in accordance with the norms notified / approved by the Central Electricity Regulatory Commission (CERC).

- c. The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the revenue of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments / accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit / credit balances (Regulatory Assets / Regulatory Liabilities) as the case may be in the financial statements, which would be recovered / refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

(ii) **EPC and Contracts Business**

In respect of construction contracts, the Company uses the 'percentage-of-completion method' to determine the appropriate amount of revenue to be recognised in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with the future activity on a contract are excluded from contract costs in determining the stage of completion.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion.

Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that they have been agreed with the customer and are capable of being reliably measured.

(iii) **Service Concession Arrangements**

The Company manages service concession arrangements which include the construction of transmission lines and a power plant followed by a period in which the Company maintains and services the infrastructure. This may also include, in a secondary period, asset replacement or refurbishment. These concession arrangements set out rights and obligations related to the infrastructure and the service to be provided.

Under Appendix A to Ind AS 11 – "Service Concession Arrangements", these arrangements are accounted for based on the nature of the consideration. The financial model is used when the Company has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

For fulfilling those obligations, the Company is entitled to receive either cash from the grantor or a contractual right to charge the users of the service. The consideration received or receivable is allocated by reference to the relative fair values of the services provided; typically:

- a) Construction component
- b) A service element for operating and maintenance services performed

The right to consideration gives rise to financial asset:

Revenue from the oncession arrangements earned under the financial asset model consists of the (i) fair value of the amount due from the grantor; and (ii) interest income related to the capital investment in the project.

### (iv) Others

Insurance and other claims are recognized as revenue on certainty of receipt on prudent basis.

Income from rentals and others is recognized in accordance with terms of the contracts with customers based on the period for which the facilities have been used.

Rental income arising from operating lease is accounted on a straight line basis over the lease terms.

Amounts received from consumers as Service Line Contribution (SLC) towards Property, Plant and Equipment (PPE) are accounted as Liability under Non-Current Liabilities. An amount equivalent to depreciation on such PPE is recognised as income in the Statement of Profit and Loss over the life of the assets.

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

### (e) Foreign Currency Transactions

#### Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

#### Transactions and Balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss except in case of certain long term foreign currency monetary items where the treatment is as under:

The Company has availed an option of continuing the policy adopted for exchange differences arising from translation of long term foreign currency monetary items outstanding as on March 31, 2016 in accordance with Para 46A of AS-11 "The Effects of changes in Foreign Exchange Rates" of Previous GAAP. Accordingly, foreign exchange gain/losses on long term foreign currency monetary items relating to the acquisition of depreciable assets are added to or deducted from the cost of such assets and in other cases, such gains or losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the remaining life of the concerned monetary item.

Non monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the dates of the transaction.

### (f) Financial Instruments

The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values on initial recognition, except for trade receivables which are initially measured at transaction price.

#### (I) Financial Assets

##### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Notes annexed to and forming part of the Standalone Financial Statements

(ii) **Measurement**

**Initial**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Subsequent**

**Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair Value through Other Comprehensive Income (FVOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in the Statement of Profit and Loss. Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair Value through Profit or Loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

**Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**Investments in Subsidiaries, Associates and Joint-Ventures**

The Company has accounted for its equity instruments in Subsidiaries, Associates and Joint-Ventures at cost except where Investments are accounted for at cost shall be accounted in accordance with Ind AS 105, wherein they are classified as assets held for sale.

*Transition to Ind AS*

Ind AS 101 "First-time Adoption of Indian Accounting Standards" permits a first time adopter to measure its each investment in subsidiaries, joint ventures or associates, at the date of transition, at cost determined in accordance with Ind AS 27 "Separate Financial Statements" or deemed cost. The deemed cost of such investment can be its fair value at date of transition to Ind AS of the Company, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in Reliance Power Limited, associate of the Company, which will

## Notes annexed to and forming part of the Standalone Financial Statements

be regarded at deemed cost at its fair value on transition date. The rest of the investments in subsidiaries, joint ventures and associates are carried at their Previous GAAP carrying values as its deemed cost on the transition date.

### (iii) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note No. 54 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company measures the expected credit loss associated with its trade receivables based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### (iv) De recognition of Financial Assets

A financial asset is derecognised only when:

- Right to receive cash flow from assets have expired or
- The Company has transferred the rights to receive cash flows from the financial asset or
- It retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## (II) Financial Liabilities

### Initial Recognition and Measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

### Subsequent measurement

Financial liabilities at amortized cost: After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

#### (a) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR method.

#### (b) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### (c) Financial Guarantee Obligations

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries, joint ventures or associates are provided for no compensation, the fair values as on the date of transition are accounted for as contributions and recognised as part of the cost of the equity investment.

**Notes annexed to and forming part of the Standalone Financial Statements**

**Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

**(g) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Disclosures for valuation methods, significant estimates and assumptions of Financial Instruments (including those carried at amortised cost) (Refer Note No. 2) and Quantitative disclosures of fair value measurement hierarchy (Refer Note No. 54).

**(h) (i) Derivatives**

Derivatives including forward contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Company does not designate their derivatives as hedges and such contracts are accounted for at fair value through profit or loss and are included in the Statement of Profit and Loss.

## Notes annexed to and forming part of the Standalone Financial Statements

In respect of derivative transactions, gains / losses are recognised in the Statement of Profit and Loss on settlement.

On a reporting date, open derivative contracts are revalued at fair values and resulting gains / losses are recognised in the Statement of Profit and Loss

### (ii) Embedded Derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a nonfinancial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

Derivatives embedded in a host contract that is a financial asset within the scope of Ind AS 109 "Financial Instruments" are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

### (i) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### (j) Property, Plant and Equipment

Property, Plant and Equipment assets are carried at cost net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Capital work in progress (CWIP) includes cost of property, plant and equipment under installation / under development, as at balance sheet date. All project related expenditure viz. civil works, machinery under erection, construction and erection materials, preoperative expenditure incidental / attributable to the construction of projects, borrowing cost incurred prior to the date of commercial operations and trial run expenditure are shown under CWIP. These expenses are net of recoveries and income (net of tax) from surplus funds arising out of project specific borrowings. Property, Plant and Equipment are derecognised from the financial statements, either on disposal or when retired from active use.

Gains and losses on disposal or retirement of Property, Plant and Equipment are determined by comparing proceeds with carrying amount.

These are recognized in the Statement of Profit and Loss.

### Depreciation methods, estimated useful lives and residual value

#### Power Business

Property, Plant and Equipment relating to license business and other power business are depreciated under the straight line method as per the rates and useful life prescribed as per the Electricity Regulations, as referred to in Part "B" of Schedule II to the Act. Depreciation on amount of fair valuation for assets carried at fair value on date of transition is charged over the balance residual life of the assets considering the life prescribed as per the Electricity Regulation.

Once the individual asset is depreciated to the extent of seventy (70) percent, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset, as provided in the Electricity Regulations. The residual values are not more than 10% of the cost of the assets.



Notes annexed to and forming part of the Standalone Financial Statements

**EPC and Contracts Business**

Property, Plant and Equipment of EPC and Contracts Business are depreciated under the reducing balance method as per the useful life and in the manner prescribed in Part "C" Schedule II to the Act.

**Other Activities**

Property, Plant and Equipment of other activities have been depreciated under the straight line method as per the useful life and in the manner prescribed in Part "C" Schedule II to the Act.

**(k) Investment Property**

Investment property comprise portion of office building that are held for long term yield and / or capital appreciation. Investment property is initially recognised at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in Statement of Profit and Loss as incurred.

Depreciation on Investment Property is depreciated under the straight line method as per the rates and the useful life prescribed as per Schedule II of the Companies Act.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on periodical basis performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss.

**(l) Intangible Assets**

Intangible assets are stated at cost of acquisition net of tax/duty credits availed, if any, less accumulated amortisation /depletion. Cost includes expenditure directly attributable to the acquisition of asset.

**Amortisation Method**

Softwares pertaining to the power business are amortized as per the rate and in the manner prescribed in the Electricity Regulations. Other softwares are amortised over a period of 3 years.

Intangible Assets are derecognised from the financial statements, either on disposal or when retired from active use.

Gains and losses on disposal or retirement of Intangible Assets are determined by comparing proceeds with carrying amount. These are recognized in the Statement of Profit and Loss.

**(m) Inventories**

Inventories are stated at lower of cost and net realisable value. In case of fuel, stores and spares "cost" means weighted average cost. Unserviceable / damaged stores and spares are identified and written down based on technical evaluation.

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

**(n) Allocation of Expenses**

**(i) Power Business:**

The allocation to capital and revenue is done consistently on the basis of a technical evaluation.

**(ii) EPC and Contracts Business:**

Common overheads are absorbed by various jobs in proportion to the prime cost of each job.

**(o) Employee Benefits**

**(i) Short-term Obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as short term employee benefit obligations in the balance sheet.

### (ii) Post-employment Obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and
- (b) defined contribution plans such as provident fund, superannuation fund etc.

#### Defined Benefit Plans

##### (a) Gratuity Obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The Company contributes to a trust set up by the Company which further contributes to policies taken from Insurance Regulatory and Development Authority (IRDA) approved insurance companies.

##### (b) Provident Fund

The benefit involving employee established provident funds, which require interest shortfall to be recompensated are to be considered as defined benefit plans. As per the Audited Accounts of Provident Fund Trust maintained by the Company, the shortfall arising in meeting the stipulated interest liability, if any, gets duly provided for.

#### Defined Contribution Plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. Superannuation plan, a defined contribution scheme is administered by IRDA approved Insurance Companies.

### (iii) Other long-term employee benefit obligations:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### (p) Treasury Shares

The Company has created a Reliance Infrastructure ESOS Trust (ESOS Trust) for providing share-based payment to its employees. The Company uses ESOS Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOS Trust buys shares of the company from the market, for giving shares to employees.

The Company treats ESOS Trust as its extension and shares held by ESOS Trust are treated as treasury shares.

Reliance Infrastructure ESOS Trust has in substance acted as an agent and the Company as a sponsor retains the majority of the risks rewards relating to funding arrangement. Accordingly, the Company has recognised issue of shares to the Trust as the issue of treasury shares and deducted from equity by consolidating Trust into financial statements of the Company.

**Notes annexed to and forming part of the Standalone Financial Statements**

**(q) Borrowing Costs**

Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

**(r) Income Taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other Comprehensive Income' or directly in equity, in which case the tax is recognised in 'Other Comprehensive Income' or directly in equity, respectively.

**(s) Provisions**

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

**(t) Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

## Notes annexed to and forming part of the Standalone Financial Statements

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A Contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

### **(u) Impairment of Non-financial Assets**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss.

The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss recognized for goodwill is not reversed in subsequent periods.

### **(v) Cash and Cash Equivalents**

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **(w) Cash flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **(x) Accounting for Oil and Gas Activity**

Oil and natural gas exploration and evaluation expenditures are accounted for using the 'successful efforts' method of accounting. Costs are accumulated on a field-by-field basis. Geological and geophysical costs are expensed as incurred. Costs directly associated with an exploration well, and exploration and property leasehold acquisition costs, are capitalised until the determination of reserves is evaluated. If it is determined that commercial discovery has not been achieved, these costs are charged to expense.

### **(y) Contributed Equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **(z) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### **(aa) Earnings per Share (EPS)**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Both Basic earnings per share and Diluted earnings per share have been calculated with and without considering income from Rate Regulated activities and Discontinued Operations in the Net Profit attributable to Equity Shareholders.

Notes annexed to and forming part of the Standalone Financial Statements

**(bb) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**As a lessee**

Leases of property, plant and equipment where the Company, as lessee, has substantially obtained all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**As a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the entity's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**(cc) Non-current assets (or disposal group) held for sale and discontinued operations**

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately in the Statement of Profit and Loss.

### (dd) Business Combinations

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

## 2. Critical estimates and judgements

The presentation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### Estimation of deferred tax assets recoverable

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has ₹ 55.33 Crore (₹ 51.24 Crore) of Minimum Alternate Tax (MAT) credit entitlement assets. According to management's estimate, these balances will expire and may not be used to offset taxable income. The Company neither has any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these MAT credit entitlement as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets on these balances.

Similarly, the Company has unused capital gain tax losses of ₹ 747.71 Crore (₹ 1,011.12 Crore), which according to the management will expire and may not be used to offset taxable gain, if any, incurred by the Company. Refer Note No. 25(d) for amounts of such temporary differences on which deferred tax assets are not recognised.

- **Estimated fair value of unlisted securities**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Refer Note No. 54 on fair value measurements where the assumptions and methods to perform the same are stated.

- **Estimation of defined benefit obligation**

The cost of the defined benefit gratuity plan and other post-employment employee benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Refer Note No. 46 for key actuarial assumptions.

- **Impairment of trade receivables, loans and other financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Refer Note No. 54 on financial risk management where credit risk and related impairment disclosures are made.



**Notes annexed to and forming part of the Standalone Financial Statements**
**• Revenue recognition**

The Company uses the 'percentage-of-completion method' to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

**• Regulatory deferral assets and liabilities**

From April 01, 2012 till March 31, 2016 (2nd Multi Year Tariff (MYT) control period) and from April 01, 2016 till March 31, 2020 (3rd (MYT) control period), determination of Retail Supply Tariff (RST) / Transmission charges chargeable by the Company to its consumers is governed by MERC (MYT) Regulations 2011 and MERC (MYT Regulations) 2015, whereby MERC is required to determine the RST and Transmission charges in a manner that the Company recovers its power purchase costs as well as other prudently incurred expenses and earns assured return of 15.5% p.a. on MERC approved equity in Distribution Wires Business and Transmission Business and 17.5% p.a. on MERC approved equity in Retail Supply Business, subject to achievement of Plant Load Factor of 85% , transmission availability of 98% and Aggregate Technical and Commercial (AT&C) loss reduction targets respectively. The rate review or "truing up" process during the MYT period is being conducted as per the principles stated in MYT Regulations 2011 and 2015.

During the truing up process, revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) are determined by the regulator and are permitted to be carried forward as regulatory assets/ regulatory liabilities, which would be recovered / refunded through future billing based on future tariff determination by the regulator. At the end of each accounting period, Company also determines regulatory assets/regulatory liabilities in respect of each accounting period on self true up basis on principles specified in accounting policy Note No. 1(d)(i) wherever regulator is yet to take up formal truing up process.

Refer Note No. 16 for tariff orders received during the reporting periods that allowed the Company to recover regulatory gap determined by the regulator.

**Note 3: Property, Plant and Equipment**
**(₹ Crore)**

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Machinery	Distribution Systems	Railway Siding	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Electrical Installations	Total	Capital work in progress
<b>Gross carrying amount</b>													
As at April 1, 2016	2,624.42	55.83	1,536.56	8,350.22	4,535.43	8.20	22.05	23.76	14.87	30.67	22.65	17,224.66	168.61
Additions	-	2.48	29.50	153.61	260.91	-	0.41	4.57	1.59	10.19	0.94	464.20	15.06
Disposals	-	-	-	21.23	0.49	-	0.03	1.28	0.19	0.09	0.03	23.34	-
<b>Closing gross carrying amount as on March 31, 2017</b>	<b>2,624.42</b>	<b>58.31</b>	<b>1,566.06</b>	<b>8,482.60</b>	<b>4,795.85</b>	<b>8.20</b>	<b>22.43</b>	<b>27.05</b>	<b>16.27</b>	<b>40.77</b>	<b>23.56</b>	<b>17,665.52</b>	<b>183.67</b>
<b>Accumulated depreciation and impairment</b>													
As at April 1, 2016	-	1.99	83.90	606.14	217.86	0.88	1.95	2.83	1.31	5.38	2.38	924.62	
Depreciation charge during the year	-	1.98	79.22	568.32	231.40	0.88	1.88	2.64	1.31	6.22	2.20	896.05	
Impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	0.14	0.04	-	0.01	0.41	0.03	0.03	0.01	0.67	
<b>Closing accumulated depreciation and impairment as on March 31, 2017</b>	<b>-</b>	<b>3.97</b>	<b>163.12</b>	<b>1,174.32</b>	<b>449.22</b>	<b>1.76</b>	<b>3.82</b>	<b>5.06</b>	<b>2.59</b>	<b>11.57</b>	<b>4.57</b>	<b>1,820.00</b>	
<b>Net carrying amount as on March 31, 2017</b>	<b>2,624.42</b>	<b>54.34</b>	<b>1,402.94</b>	<b>7,308.28</b>	<b>4,346.63</b>	<b>6.44</b>	<b>18.61</b>	<b>21.99</b>	<b>13.68</b>	<b>29.20</b>	<b>18.99</b>	<b>15,845.52</b>	<b>183.67</b>
<b>Gross carrying amount</b>													
Opening gross carrying amount as at April 1, 2017	2,624.42	58.31	1,566.06	8,482.60	4,795.85	8.20	22.43	27.05	16.27	40.77	23.56	17,665.52	183.67
Additions	-	0.68	42.81	251.70	195.28	-	0.90	4.36	0.88	5.46	2.70	504.77	33.34
Disposals	-	-	3.16	161.31	0.93	-	0.12	5.90	0.05	0.01	0.12	171.60	-
<b>Closing gross carrying amount as on March 31, 2018</b>	<b>2,624.42</b>	<b>58.99</b>	<b>1,605.71</b>	<b>8,572.99</b>	<b>4,990.20</b>	<b>8.20</b>	<b>23.21</b>	<b>25.51</b>	<b>17.10</b>	<b>46.22</b>	<b>26.14</b>	<b>17,998.69</b>	<b>217.01</b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

(₹ Crore)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Machinery	Distribution Systems	Railway Siding	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Electrical Installations	Total	Capital work in progress
<b>Accumulated depreciation and impairment</b>													
As at April 1, 2017	-	3.97	163.12	1,174.32	449.22	1.76	3.82	5.06	2.59	11.57	4.57	1,820.00	
Depreciation charge during the year	-	1.92	61.42	538.32	238.84	0.36	1.81	2.96	1.38	5.99	2.18	855.18	
Impairment loss-Reversal	-	-	-	31.04	-	-	-	-	-	-	-	31.04	
Disposals	-	-	0.88	36.44	0.11	-	0.04	1.77	0.04	0.01	0.07	39.36	
<b>Closing accumulated depreciation and impairment as on March 31, 2018</b>	-	<b>5.89</b>	<b>223.66</b>	<b>1,645.16</b>	<b>687.95</b>	<b>2.12</b>	<b>5.59</b>	<b>6.25</b>	<b>3.93</b>	<b>17.55</b>	<b>6.68</b>	<b>2,604.78</b>	
<b>Net carrying amount as on March 31, 2018</b>	<b>2,624.42</b>	<b>53.10</b>	<b>1,382.05</b>	<b>6,927.83</b>	<b>4,302.25</b>	<b>6.08</b>	<b>17.62</b>	<b>19.26</b>	<b>13.17</b>	<b>28.67</b>	<b>19.46</b>	<b>15,393.91</b>	<b>217.01</b>

Capital Work in Progress include ₹ Nil (March 31, 2017 ₹ Nil) being borrowing cost capitalised

### Notes:

#### (i) Leased assets

##### a) Asset taken on Finance Lease

Terms of leasehold land taken

- Period of lease : 25 Years
- Renewal option : No renewal option given in the Power Purchase agreement

Terms of power purchase agreement with Vidarbha Industries Power Limited (VIPL) assessed as finance lease has resulted in the certain asset classes being disclosed as assets of the Company. The details are as follows:

(₹ Crore)

Particulars	March 31, 2017			March 31, 2018	
	Opening carrying amount	Depreciation 2016-17	Net carrying amount	Depreciation 2017-18	Net carrying amount
Leasehold land	25.94	1.16	24.78	<b>1.16</b>	<b>23.62</b>
Buildings	421.80	18.85	402.95	<b>18.85</b>	<b>384.10</b>
Plant and machinery	3,328.68	204.03	3,124.65	<b>204.03</b>	<b>2,920.62</b>
Furniture and fixtures	1.26	0.10	1.16	<b>0.10</b>	<b>1.06</b>
Motor vehicles	1.22	0.15	1.07	<b>0.15</b>	<b>0.92</b>
Office equipments	0.90	0.07	0.83	<b>0.07</b>	<b>0.76</b>
Computers	1.02	0.25	0.77	<b>0.25</b>	<b>0.52</b>
<b>Total</b>	<b>3,780.82</b>	<b>224.61</b>	<b>3,556.21</b>	<b>224.61</b>	<b>3,331.60</b>

The Company has an exclusive right to obtain the entire contracted capacity of a specified facility at all times and in turn the power so purchased is used as a distribution licensee.

The price at which purchase is made is regulated at a price which is neither contractually fixed nor reflects the current market price.

##### b) Lease Hold Land

The lease period for lease hold land varies from 35 Years to 99 years. The Company considers lease hold land as financial lease as the Company has an ongoing and unhindered right to use as a distribution license holder, i.e. a legal right of having precedence over others in line with Electricity Act 2003 and relevant rules. The Regulator has to make available a replacement parcel of land in case of non-renewal of lease. In the eighty eight years history of the Company there have been extremely rare instances of alternation of such right to use of land due to perennial nature of business and consumer demand for electricity.

Notes annexed to and forming part of the Standalone Financial Statements

(ii) Property, Plant and Equipment pledged as security (Refer Note No. 19 and 20)

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
First charge & subservient charge		
Freehold Land	868.16	1,055.82
Leasehold Land	0.58	0.58
Buildings	454.79	465.04
Plant and Equipment	3,434.01	3,832.80
Distribution Systems	2,949.28	3,615.34
Railway Siding	6.25	6.44
Furniture and Fixtures	4.53	4.40
Vehicles	1.05	2.26
Office Equipment	5.61	7.79
Computers	3.14	6.01
Electrical Installations	7.67	8.64
Capital Work in Process	54.93	48.36
<b>Total</b>	<b>7,790.00</b>	<b>9,053.48</b>

(iii) Impairment loss

The impairment loss amounting to ₹ 31.04 Crore relates to property, plant and equipment located at Goa Power Station has been reversed during the year and adjusted towards loss on sale of Property, plant and Equipment.

(iv) Capital work-in-progress

Capital work in progress as at March 31, 2018 comprises expenditure for the plant in the course of construction.

(₹ Crore)					
Particulars	Year	Opening	Addition	Capitalisation	Closing
<b>CWIP Movement</b>	<b>2017-18</b>	<b>183.67</b>	<b>525.25</b>	<b>491.91</b>	<b>217.01</b>
CWIP Movement	2016-17	168.61	478.93	463.87	183.67

4. Investment Property:

(₹ Crore)		
Particulars	As at	
	March 31, 2018	March 31, 2017
<b>Gross Carrying Amount</b>		
Opening Gross Carrying Value	594.60	594.51
Additions	1.45	0.09
<b>Closing Gross Carrying Value</b>	<b>596.05</b>	<b>594.60</b>
<b>Accumulated Depreciation</b>		
Opening accumulated depreciation	36.18	5.09
Depreciation during the year	31.17	31.09
<b>Closing accumulated Depreciation</b>	<b>67.35</b>	<b>36.18</b>
Net carrying value	<b>528.70</b>	<b>558.42</b>

(i) Amounts recognised in the Statement of Profit and Loss for Investment Property

(₹ Crore)		
Particulars	Year Ended	
	March 31, 2018	March 31, 2017
Rental income	62.89	68.35
Direct operating expense from property that generated rental income	28.04	33.14
<b>Profit from Investment Property before Depreciation</b>	<b>34.85</b>	<b>35.21</b>
Depreciation	31.17	31.09
<b>Profit from Investment Property</b>	<b>3.68</b>	<b>4.12</b>

## Notes annexed to and forming part of the Standalone Financial Statements

### (ii) Contractual Obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

### (iii) Fair Value

The fair valuation of the investment property as at March 31, 2018 carried out by the independent valuer is ₹ 531 Crore.

### (iv) Pledged details

₹ 528.70 Crore (March 31, 2017 – ₹ 558.42 Crore) pledged with Lenders of the Company (Refer Note No. 19 and 20)

### Policy for Estimation of Fair Value

The Company obtains independent valuations for its investment properties periodically. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;
- discounted cash flow projections based on reliable estimates of future cash flows; and
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties is determined by reputed third party, independent valuers.

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

All resulting fair value estimates for investment properties are included in level 3.

## 5. Other Intangible Assets

	(₹ Crore)
Particulars	Computer Software
Gross carrying amount	
As at April 01, 2016	15.58
Additions	4.79
Disposals	-
<b>Closing gross carrying amount as on March 31, 2017</b>	<b>20.37</b>
<b>Accumulated amortisation and impairment</b>	
As at April 01, 2016	3.56
Amortisation charge during the year	3.18
Disposals	-
<b>Closing accumulated amortisation and impairment as on March 31, 2017</b>	<b>6.74</b>
<b>Net carrying amount as on March 31, 2017</b>	<b>13.63</b>
 <b>Gross carrying amount</b>	
As at April 01, 2017	20.37
Additions	0.97
Disposals	-
<b>Closing gross carrying amount as on March 31, 2018</b>	<b>21.34</b>
<b>Accumulated amortisation and impairment</b>	
As at April 01, 2017	6.74
Amortisation charge during the year	2.74
Disposals	-
<b>Closing accumulated amortisation and impairment as on March 31, 2018</b>	<b>9.48</b>
<b>Net carrying amount as on March 31, 2018</b>	<b>11.86</b>

Note:

- (1) The above Intangible Assets are other than internally generated.
- (2) Remaining amortisation period of computer software is between 1 to 2 years.  
₹ 2.85 Crore (March 31, 2017 – ₹ 4.09 Crore) is pledged with the Lenders (Refer Note No. 19)

Notes annexed to and forming part of the Standalone Financial Statements

Property, Plant & Equipment – Discontinued Operation

						(₹ Crore)
Particulars	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Electrical Installations	Total
<b>Gross Carrying amount</b>						
As at April 01, 2016	0.12	0.03	0.19	0.10	0.02	0.46
Additions	-	-	-	0.06	-	0.06
Disposals	-	0.01	0.01	-	0.01	0.03
<b>Gross Carrying amount as on March 31, 2017</b>	<b>0.12</b>	<b>0.02</b>	<b>0.18</b>	<b>0.16</b>	<b>0.01</b>	<b>0.49</b>
Accumulated depreciation and Impairment as at April 01, 2016	-	-	0.01	0.01	-	0.02
Depreciation charge during the year	-	-	0.01	0.01	-	0.02
Disposals	-	-	0.01	-	-	0.01
<b>Accumulated depreciation and impairment as on March 31, 2017</b>	<b>-</b>	<b>-</b>	<b>0.01</b>	<b>0.02</b>	<b>-</b>	<b>0.03</b>
<b>Net carrying amount as on March 31, 2017</b>	<b>0.12</b>	<b>0.02</b>	<b>0.17</b>	<b>0.14</b>	<b>0.01</b>	<b>0.46</b>
<b>Gross Carrying amount</b>						
As at April 01, 2017	0.12	0.02	0.18	0.16	0.01	0.49
Additions	-	-	-	-	-	-
Disposals	0.12	0.02	0.18	0.16	0.01	0.49
<b>Gross Carrying amount as on March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Accumulated depreciation and impairment as at April 1, 2017	-	-	0.01	0.02	-	0.03
Depreciation charge during the year	-	0.01	0.01	0.01	-	0.03
Disposals	-	0.01	0.02	0.03	-	0.06
<b>Accumulated depreciation and impairment as on March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount as on March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Intangible Asset – Discontinued Operation

		(₹ Crore)
Particulars	Computer Software	
<b>Gross Carrying amount</b>		
As at April 01, 2016		0.21
Additions		-
Disposals		-
<b>Gross Carrying amount as on March 31, 2017</b>		<b>0.21</b>
<b>Accumulated Amortisation and Impairment</b>		
As at April 01, 2016		0.10
Amortisation charge during the year		0.05
Disposals		-
<b>Accumulated Amortisation and impairment as on March 31, 2017</b>		<b>0.15</b>
<b>Net carrying amount as on March 31, 2017</b>		<b>0.06</b>
<b>Gross Carrying amount</b>		
Opening gross carrying amount as at April 01, 2017		0.21
Additions		-
Disposals		-
<b>Gross Carrying amount as on March 31, 2018</b>		<b>-</b>
<b>Accumulated Amortisation and Impairment</b>		
As at April 01, 2017		0.15
Amortisation charge during the year		0.02
Disposals		-
<b>Accumulated Amortisation and impairment as on March 31, 2018</b>		<b>-</b>
<b>Net carrying amount as on March 31, 2018</b>		<b>-</b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### 6. Inventories

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
Fuel (including in transit and with third party ₹ 52.35 Crore (March 31, 2017 – ₹ 4.64 Crore))	219.07	184.58
Stores and Spares (These Inventories are given as security to the Lenders – Refer Note No. 19 & 20).	116.60	122.66
<b>Total</b>	<b>335.67</b>	<b>307.24</b>
(Inventories are stated at lower of cost and net realisable value.)		

### Note 7: Financial assets

#### 7(a) Non-current investments

Particulars	Face value in ₹ unless otherwise specified	As at March 31, 2018		As at March 31, 2017	
		Number of shares / units	Amount ₹ Crore	Number of shares / units	Amount ₹ Crore
<b>Investment in Equity Instruments (fully paid-up unless specified)</b>					
<b>In Subsidiary Companies at cost</b>					
<b>Unquoted</b>					
BSES Rajdhani Power Limited^	10	530,400,000	530.40	530,400,000	530.40
BSES Yamuna Power Limited^	10	283,556,000	283.56	283,559,995	283.56
BSES Kerala Power Limited^	10	6,27,60,000	82.81	6,27,60,000	82.81
Reliance Power Transmission Limited	10	50,000	19.19	50,000	19.19
Parbati Koldam Transmission Company Limited^	10	201,899,380	202.08	201,899,380	202.08
Mumbai Metro One Private Limited****	10	353,280,000	761.48	353,280,000	761.45
Mumbai Metro Transport Private Limited	10	24,000	0.02	24,000	0.02
Delhi Airport Metro Express Private Limited	10	953,000	1.34	3,000	0.39
Tamil Nadu Industries Captive Power Company Limited (₹ 5.35 per share Paid up)	10	23,000,000	-	23,000,000	-
Reliance Sea Link One Private Limited	10	10,000	0.77	10,000	0.77
PS Toll Road Private Limited^#	10	7,936	5.61	7,936	5.61
KM Toll Road Private Limited#	10	3,409,000	34.00	3,409,000	34.00
HK Toll Road Private Limited#	10	3,711,000	37.26	3,711,000	37.26
DA Toll Road Private Limited#	10	9,018,000	91.43	9,018,000	91.43
Nanded Airport Private Limited*	10	741,308	7.39	741,308	7.39
Baramati Airport Private Limited*	10	554,712	5.52	554,712	5.52
Latur Airport Private Limited*	10	215,287	2.13	215,287	2.13
Yavatmal Airport Private Limited*	10	87,107	0.85	87,107	0.85
Osmanabad Airport Private Limited*	10	207,120	2.05	207,120	2.05
Reliance Airport Developers Limited	10	4,655,742	46.50	7,139,665	71.31
CBD Tower Private Limited	10	169,490,260	169.49	169,490,260	169.49
Reliance Energy Trading Limited	10	2,000,000	2.00	2,000,000	2.00
Reliance Cement Corporation Private Limited	10	130,000	0.13	130,000	0.13
Reliance Electric Generation and Supply Limited	10	50,000	0.05	50,000	0.05
Utility Infrastructure & Works Private Limited	10	694,000	6.85	694,000	6.85
Reliance Defence Limited	10	50,000	0.05	50,000	0.05
Reliance Smart Cities Limited	10	50,000	0.05	50,000	0.05
Reliance E-Generation and Management Private Limited	10	10,000	0.01	10,000	0.01
Reliance Energy Limited	10	50,000	0.05	50,000	0.05
Reliance Property Developers Private Limited (Formerly known as Reliance Infra Solution Private Limited)	10	10,000	0.01	10,000	0.01
Western Transmission (Gujarat) Limited\$\$	10	-	-	50,000	0.05



**Notes annexed to and forming part of the Standalone Financial Statements**

Particulars	Face value in ₹ unless otherwise specified	As at March 31, 2018		As at March 31, 2017	
		Number of shares / units	Amount ₹ Crore	Number of shares / units	Amount ₹ Crore
Western Transco Power Limited \$\$	10	-	-	50,000	0.05
Reliance Cruise and Terminals Limited	10	50,000	0.05	50,000	0.05
Reliance Armaments Limited **	10	49,999	0.05	-	-
Reliance Ammunition Limited **	10	49,999	0.05	-	-
Reliance Velocity Limited **	10	10,000	0.01	-	-
<b>In Associate Companies measured at cost</b>					
<b>Quoted</b>					
Reliance Power Limited ^#	10	1,211,998,193	6,828.42	1,211,998,193	6,828.42
<b>Unquoted</b>					
Metro One Operation Private Limited @ Cost ₹ 30,000	10	3,000	@	3,000	@
Reliance Geo Thermal Power Private Limited @ Cost ₹ 25,000	10	2,500	@	2,500	@
RPL Sun Technique Private Limited	10	5,000	0.01	5,000	0.01
RPL Photon Private Limited	10	5,000	0.01	5,000	0.01
RPL Sun Power Private Limited	10	5,000	0.01	5,000	0.01
<b>In Joint Venture Company measured at cost</b>					
<b>Unquoted</b>					
Utility Powertech Limited	10	792,000	0.40	792,000	0.40
<b>In Others at FVTPL</b>					
<b>Unquoted</b>					
Urthing Sobla Hydro Power Private Limited @ ₹ 20000	10	2,000	@	2,000	@
Western Electricity Supply Company of Odisha Limited (WESCO) @ ₹ 1000	10	100	@	100	@
North Eastern Electricity Supply Company of Odisha Limited (NESCO) @ ₹ 1000	10	100	@	100	@
Southern Electricity Supply Company of Odisha Limited(SOUTHCO) @ ₹ 1000	10	100	@	100	@
Crest Logistics and Engineers Private Limited	10	409,795	0.41	409,795	0.41
Rampia Coal Mine and Energy Private Limited	1	27,229,539	2.72	27,229,539	2.72
Reliance Infra Projects International Limited	USD 1	10,000	0.04	10,000	0.04
Larimar Holdings Limited @ ₹ 4909	USD 1	111	@	111	@
Indian Highways Management Company Limited	10	555,370	0.56	555,370	0.56
Jayamkondam Power Limited @ ₹ 1.	10	409,795	@	409,795	@
Nationwide Communication Private Limited @ ₹ 4000	10	400	@	400	@
<b>Total</b>			<b>9,125.82</b>		<b>9,149.64</b>
<b>Investment in Preference Shares (fully paid-up) at FVTPL</b>					
<b>In Others- Unquoted</b>					
Non-Convertible Redeemable Preference Shares in Reliance Infra Projects International Limited	USD 1	360,000	639.56	360,000	636.37
10% Non-Cumulative Non-Convertible Redeemable Preference Shares in Crest Logistics and Engineers Private Limited	1	10,950,000	368.25	10,950,000	317.45
6% Non-Cumulative Non-Convertible Redeemable Preference Shares in Crest Logistics and Engineers Private Limited @ ₹ 20,000	10	2,000	@	2,000	@
10% Non-Convertible Non-Cumulative Redeemable Preference Shares in Jayamkondam Power Limited @ ₹1	1	10,950,000	@	10,950,000	@
10% Non-convertible, Non-cumulative Redeemable Preference Shares (Series D) in Crest Logistic and Engineers Private Limited	10	3,000,000	404.83	3,000,000	348.99

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

Particulars	Face value in ₹ unless otherwise specified	As at March 31, 2018		As at March 31, 2017	
		Number of shares / units	Amount ₹ Crore	Number of shares / units	Amount ₹ Crore
6% Non-cumulative, Non-convertible Redeemable Preference shares of Baramati Airport Private Limited	10	792,590	0.79	-	-
6% Non-cumulative, Non-convertible Redeemable Preference shares of Latur Airport Private Limited	10	175,522	0.18	-	-
6% Non-cumulative, Non-convertible Redeemable Preference shares of Nanded Airport Private Limited	10	3,891,676	3.89	-	-
6% Non-cumulative, Non-convertible Redeemable Preference shares of Osmanabad Airport Private Limited	10	189,380	0.19	-	-
6% Non-cumulative, Non-convertible Redeemable Preference shares of Reliance Airport Developers Limited	10	12,222,104	12.22	-	-
6% Non-cumulative, Non-convertible Redeemable Preference shares of Yavatmal Airport Private Limited	10	216,886	0.22	-	-
<b>Total</b>			<b>1,430.13</b>		<b>1,302.81</b>
<b>Investment in Government or Trust Securities at amortised Cost Quoted</b>					
<b>Contingencies Reserve Investments</b>					
7.46% Central Government of India	100	-	-	500,000	4.98
8.12% Central Government of India	100	7,500,000	76.53	7,500,000	77.99
8.27% Central Government of India	100	1,500,000	15.33	1,500,000	15.40
7.68% Central Government of India	100	1,500,000	15.23	1,500,000	15.22
7.68% Central Government of India	100	1,300,000	13.71	1,300,000	13.69
<b>Total</b>			<b>120.80</b>		<b>127.28</b>
<b>Investment in Debentures (fully paid-up) at FVTPL Unquoted</b>					
10.50% Unsecured Redeemable Non-Convertible Debentures in Crest Logistics and Engineers Private Limited	100	100,000,000	472.75	100,000,000	414.69
10.50% Unsecured Redeemable Non-Convertible Debentures in Crest Logistics and Engineers Private Limited	100	120,000,000	537.36	120,000,000	471.37
<b>Total</b>			<b>1,010.11</b>		<b>886.06</b>
<b>Other Investments</b>					
<b>Equity instruments in subsidiaries at Cost (unless otherwise specified) Unquoted</b>					
DS Toll Road Limited			46.80		46.80
NK Toll Road Limited			198.27		58.27
DA Toll Road Private Limited			444.91		444.91
HK Toll Road Private Limited			302.26		300.26
KM Toll Road Private Limited			474.15		379.35
Delhi Airport Metro Express Private Limited			787.53		708.19
PS Toll Road Private Limited			1,078.51		1,078.51
Mumbai Metro Transport Private Limited			0.53		0.53
Reliance Power Transmission Limited			54.63		54.63
Latur Airport Private Limited			-		0.10
Nanded Airport Private Limited			-		3.18
Yavatmal Airport Private Limited			-		0.16
Reliance Airport Developers Limited			-		12.08
Reliance Defence System Private Limited			1,508.17		1,509.49
Reliance Defence Limited			44.42		54.34

**Notes annexed to and forming part of the Standalone Financial Statements**

Particulars	Face value in ₹ unless otherwise specified	As at March 31, 2018		As at March 31, 2017	
		Number of shares / units	Amount ₹ Crore	Number of shares / units	Amount ₹ Crore
GF Toll Road Private Limited			121.20		60.20
JR Toll Road Private Limited			148.08		133.03
TK Toll Road Private Limited			211.52		171.27
TD Toll Road Private Limited			32.95		15.25
Baramati Airport Private Limited			-		0.73
Osmanabad Airport Private Limited			-		0.13
Reliance Electric Generation and Supply Limited			3.70		-
<b>Debt instruments in subsidiary at amortised Cost (unless otherwise specified)</b>					
Unquoted					
Mumbai Metro One Private Limited (at amortised cost)			142.85		133.83
<b>Total</b>			<b>5,600.48</b>		<b>5,165.24</b>
Less: Diminution in the value of Investments @ ₹ 3,000/-			@		@
<b>Total Non Current Investments</b>			<b>17,287.34</b>		<b>16,631.03</b>
		<b>Market Value</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>
Aggregate amount of quoted investments		4,496.03	6,949.22	5,957.81	6,955.70
Aggregate amount of unquoted investments			10,338.12	-	9,675.33
Aggregate amount of impairment in the value of investments (@ 3,000)			@		@

\* The Balance equity stake is held by another subsidiary Reliance Airport Developers Limited

\*\* Subsidiary relationship during the year

\*\*\*\* 26,11,20,000 equity shares are in safe keep accounts.

^ 53,03,99,995 (31,20,00,000 ) shares of BSES Rajdhani Power Limited,

28,35,59,995 (16,68,00,000) shares of BSES Yamuna Power Limited,

5,470 (5,470) shares of PS Toll Road Private Limited,

13,91,46,870 (13,91,46,870) shares of Parbati Koldam Transmission Company Limited,

10,19,00,000 (11,20,00,000) shares of Reliance Power Limited, are pledge with the lenders of the respective investee Company.

# 45,99,180 (45,99,180) shares of DA Toll Road Private Limited,

2,465 (2,465) shares of PS Toll Road Private Limited,

10,22,700 (10,22,700) shares of KM Toll Road Private Limited,

11,13,300 (11,13,300) shares of HK Toll Road Private Limited,

71,06,20,433 (62,75,20,433) shares of Reliance Power Limited ,

1,88,28,000 (1,88,28,000) shares of BSES Kerala Power Limited,

15,000 (15,000) Reliance Electric Generation and Supply Limited are pledge with lenders of the company.

\$\$ ceased to be a subsidiary of the Company during the year.

The list of investment in subsidiary, joint ventures and associates along with proportion of ownership interest held and country of incorporation are disclosed in Note No. 43 of Consolidated Financial Statement.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### 7(b) Current investments

(₹ Crore)					
	Face value in ₹ unless otherwise stated	As at March 31, 2018		As at March 31, 2017	
		Number of shares / units	Amount ₹ Crore	Number of shares / units	Amount ₹ Crore
<b>Investment in Mutual Funds Units at FVTPL</b>					
Quoted					
SBI Premiere Liquid Fund – Direct – Growth	1000	139,585	38.03	48,318	12.33
Reliance Liquid Fund – Treasury Plan – Direct – Growth Option	1000	301,270	127.74	150,930	59.88
Taurus Liquid Mutual Fund – Direct Plan – Growth	1000	281	0.05	281	0.05
JM Liquidity Fund – Growth Option – Direct	10	-	-	18,127,896	80.69
Indiabulls Liquid Fund – –Short term fund	10	-	-	581,841	92.45
Indiabulls Ultra Short Term Fund–Direct Plan–Growth	10	450,389	77.84	-	-
			243.66		245.40
<b>Contingencies Reserve Investments</b>					
Reliance Liquid Fund – Direct Plan– Growth Option	1000	81,854	22.98	-	-
			22.98		-
			266.64		-
		Market Value	Book Value	Market Value	Book Value
Aggregate amount of quoted investments		266.64	266.64	245.40	245.40
Aggregate amount of unquoted investments		-	-	-	-
Aggregate amount of impairment in the value of investments		-	-	-	-

### Financial Assets

#### 8. Trade Receivables

(₹ Crore)			
Particulars	As at		As at
	March 31, 2018	Current	March 31, 2017
Unsecured considered good unless otherwise stated			
Considered good including Retentions on Contract	<b>4,801.33</b>		5,059.37
Considered doubtful	<b>91.57</b>		78.39
	<b>4,892.90</b>		5,137.76
Less: Provision for Doubtful Debts	<b>91.57</b>		78.39
<b>Total</b>	<b>4,801.33</b>		<b>5,059.37</b>

Company holds security deposits of ₹ 376.58 Crore (March 31, 2017 – ₹ 354.39 Crore) in respect of power business debtors. (These Trade Receivables are given as security to the Lenders – Refer Note No. 19 and 20).

**Notes annexed to and forming part of the Standalone Financial Statements**
**9. Service Concession Receivable**
**(₹ Crore)**

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	<b>75.54</b>	1,382.26
Accrued interest	<b>8.22</b>	150.39
Scheduled Repayments	-	202.01
Unrecovered financial assets	<b>83.76</b>	114.50
Non Current Assets held for sale	-	1,140.60
Closing balance	-	75.54
Non-current	-	-
Current	-	75.54

Finance receivables comprise of amounts receivable with respect to concession agreements where the demand risk falls on the grantor or amounts that are guaranteed to the Company contractually under the concession agreements.

**Service Concession Arrangements - main features -**

Name of the entity	Description of the arrangement	Significant terms of the arrangement	Financial Asset
Samalkot Power Station Division	Samalkot Power Station operates the 220 MW combined cycle power plant at Samalkot in the State of Telangana. The 220 MW plant uses natural gas, as the primary fuel and naphtha/high speed diesel as the secondary fuel and sells the power to AP Transco.	Period of concession: 2008 – 23-12-2017 Remuneration: Annual fixed charges payment and variable charges Investment grant from concession grantor : Yes Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : Yearly Basis upon which re-pricing or re-negotiation is determined : Inflation Premium payable to grantor : Nil	<b>March 31, 2018</b> <b>Nil</b> March 31, 2017 ₹ 75.54 Crore
		<b>Total March 31, 2018</b> Total March 31, 2017	<b>Nil</b> ₹ 75.54 Crore

**10. Cash and Cash Equivalents**
**(₹ Crore)**

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with Banks in		
Current Account	<b>66.02</b>	85.69
Bank Deposits with original maturity of less than 3 months	-	49.82
Unpaid Dividend Account	<b>15.46</b>	14.32
Cheques and drafts on hand	<b>1.44</b>	0.22
Cash on hand	<b>3.30</b>	3.67
<b>Total</b>	<b><u>86.22</u></b>	<b><u>153.72</u></b>

**11. Bank Balances other than Cash and Cash Equivalents**
**(₹ Crore)**

Particulars	As at March 31, 2018	As at March 31, 2017
Bank Deposits with Original Maturity of more than 3 months but less than 12 months	<b>499.47</b>	91.78
<b>Total</b>	<b><u>499.47</u></b>	<b><u>91.78</u></b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### Restricted Cash and Cash Balances:

- The Company is required to keep restricted cash for
- Issuing the Bank Guarantee for Sales-tax department
  - Payment of Dividend
  - Escrow accounts,

details of which are given below:

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
Bank Deposits - with original maturity of less than 3 months*	-	@
Unpaid Dividend Account	15.46	14.32
Escrow Account	11.88	7.45
<b>Total</b>	<b>27.34</b>	<b>21.77</b>

\* @ is ₹ 47,290

### 12. Loans

Particulars	(₹ Crore)			
	As at March 31, 2018		As at March 31, 2017	
<b>(Unsecured, Considered good unless otherwise stated)</b>	<b>Current</b>	<b>Non-Current</b>	<b>Current</b>	<b>Non-Current</b>
Loans - Intercompany Deposits to				
Related Parties * (Refer Note No. 37)	2,883.46	-	2,120.22	-
Others - Considered Good	10,667.76	-	9,417.77	-
Others - Considered Doubtful	2,554.14	-	2,543.93	-
	16,105.36	-	14,081.92	-
Less: Provision for Expected Credit Loss	2,554.14	-	2,543.93	-
<b>Total</b>	<b>13,551.22</b>	<b>-</b>	<b>11,537.99</b>	<b>-</b>
Loan to Employees	6.47	39.22	6.19	40.59
	13,557.69	39.22	11,544.18	40.59

\*Secured ₹ 1,874.50 Crore (₹ Nil)

### 13. Other Financial Assets

Particulars	(₹ Crore)			
	As at March 31, 2018		As at March 31, 2017	
	<b>Current</b>	<b>Non-Current</b>	<b>Current</b>	<b>Non-Current</b>
<b>(Unsecured, Considered good unless otherwise stated)</b>				
Security Deposits				
Considered good	94.70	33.83	82.81	49.25
Considered doubtful	-	17.70	-	17.78
Fixed Deposit with Banks with maturity of more than 12 months	-	0.88	-	-
Interest Receivable (includes Secured ₹ 250.24 Crore (March 31, 2017 - ₹ 13.53 Crore)				-
Considered Good	1,226.61	12.29	407.45	12.53
Considered Doubtful	143.03	-	75.64	-
Advance to Employees	2.56	9.69	8.52	3.80
Derivative Financial Instruments (Net)	-	-	0.02	-
Other Receivables (Refer Note No. 16)	784.81	-	930.78	-
Less: Provision for diminution in value of deposits/ Expected Credit Loss	143.03	17.70	75.64	17.78
<b>Total</b>	<b>2,108.68</b>	<b>56.69</b>	<b>1,429.58</b>	<b>65.58</b>



**Notes annexed to and forming part of the Standalone Financial Statements**
**14. Other Assets**

Particulars	(₹ Crore)			
	As at March 31, 2018		As at March 31, 2017	
	Current	Non-Current	Current	Non-Current
Advances to Vendors	360.13	393.09	480.19	323.35
Advance due from Customers for Contract Work	389.55	-	328.64	
Capital Advances	-	0.39	-	6.16
Advances recoverable in cash or in kind or for value to be received	130.99	0.15	141.13	
Income-tax Refund Receivable	3.64	-	61.03	-
Prepaid Expenses	21.32	2.63	29.07	3.07
<b>Total</b>	<b>905.63</b>	<b>396.26</b>	<b>1,040.06</b>	<b>332.58</b>

**15. Non-Current Assets and Non-Current Liabilities classified as held for Sale and Discontinued Operations**
**(a) Description**

- (i) Toll Roads: During the year ended March 31, 2017 Reliance Infrastructure Invit Fund (Fund) has been formed as a Trust to invest in infrastructure assets primarily being the toll road assets. The Company is a Sponsor / project manager to the Fund. Pursuant to this, the Company has proposed to transfer the controlling interest in seven Toll Road Companies viz, DS Toll Road Limited, GF Toll Road Private Limited, NK Toll Road Limited, JR Toll Road Private Limited, SU Toll Road Private Limited, TK Toll Road Private Limited and TD Toll Road Private Limited and accordingly investment in equity shares in these subsidiaries has been considered as assets classified as held for sale as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".
- (ii) Western Region System Strengthening Scheme (WRSSS): On October 12, 2017, the Company completed the transfer of its WRSSS Transmission Undertakings to its two subsidiaries namely Western Transmission Gujarat Limited (WTGL) and Western Transco Power Limited (WTPL) and accordingly the Assets and Liabilities as well as Income and Expenditure of WRSSS have been considered as discontinued operations as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".

**(b) Financial Performance and cash flow information of WRSSS is as follows:**

Particulars	(₹ Crore)	
	Year ended March 31, 2018	Year ended March 31, 2017
Revenue	74.59	149.92
Expenses	40.83	75.76
<b>Profit before income tax</b>	<b>33.76</b>	<b>74.16</b>
Income tax expenses	-	-
<b>Profit after income tax from Discontinued Operations</b>	<b>33.76</b>	<b>74.16</b>
<b>Other comprehensive income from discontinued operations</b>	<b>-</b>	<b>-</b>
Net cash inflow/(outflow) from operating activities	31.63	56.27
Net cash inflow/(outflow) from investing activities	44.14	132.37
Net cash inflow/(outflow) from financing activities	(70.74)	(147.77)
<b>Net increase in cash generated from discontinued operations</b>	<b>5.03</b>	<b>40.87</b>

**(c) Details of sale of WRSSS - Divisions of the Company**

Particulars	(₹ Crore)	
	Year ended March 31, 2018	
Total Consideration		
Amount Received		336.80
Less : Carrying Amount of net assets sold		535.30
Loss on sale of Undertakings		(198.50)

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

The Carrying amount of Assets and Liabilities of WRSSS as at the date of sale i.e. October 12, 2017 were as follows:

(₹ Crore)

Particulars	As at October 12, 2017
Property, Plant and Equipment	0.44
Service Concession Receivable	1,104.38
Trade Receivables	39.33
Other Current & Non Current Assets	55.18
<b>Total Assets</b>	<b>1,199.33</b>
Borrowings	660.59
Trade Payables	0.06
Other Current & Non Current Assets	3.38
<b>Total Liabilities</b>	<b>664.03</b>
<b>Net Assets</b>	<b>535.30</b>

(d) Non-Current Assets and Non-Current Liabilities classified as held for Sale

(₹ Crore)

Particulars	Face value in ₹ unless otherwise stated	As at March 31, 2018		As at March 31, 2017	
		Number of Shares	Amount	Number of Shares	Amount
<b>Equity Investment in Subsidiaries</b>					
SU Toll Road Private Limited	10	18,412,260	208.73	18,412,260	208.73
TD Toll Road Private Limited	10	10,744,920	105.31	10,744,920	105.31
TK Toll Road Private Limited	10	12,755,650	143.54	12,755,650	143.54
DS Toll Road Limited	10	5,210,000	5.21	5,210,000	5.21
NK Toll Road Limited	10	4,477,000	4.48	4,477,000	4.48
GF Toll Road Private Limited	10	1,961,100	195.12	1,961,100	195.12
JR Toll Road Private Limited	10	10,703	5.38	10,703	7.99
<b>Sub-total</b>			667.77		670.38
<b>Assets of WRSSS</b>					
<b>Assets classified as held for sale</b>					
Property, Plant and Equipment	-	-	-	-	0.45
Other Intangible Assets	-	-	-	-	0.06
Trade Receivables	-	-	-	-	40.67
Service Concession receivable	-	-	-	-	1,140.60
Other Current and Non Current Assets	-	-	-	-	8.49
<b>Sub-total</b>			-		1,190.27
<b>Total assets of Disposal Group held for Sale</b>			667.77		1,860.65
Liabilities directly associated with assets classified as held for sale:					
<b>Non-Current Liabilities of WRSSS</b>					
Trade Payables	-	-	-	-	4.96
Borrowings	-	-	-	-	622.85
Other Financial Liabilities	-	-	-	-	76.33
Other Liabilities	-	-	-	-	0.49
<b>Total liabilities of Disposal Group held for Sale</b>			-		704.63

Notes annexed to and forming part of the Standalone Financial Statements

**Assets pledged details**

26,57,100 (26,57,100) shares of DS Toll Road Limited,  
22,83,270 (22,83,270) shares of NK Toll Road Limited,  
90,22,007 (90,22,007) shares of SU Toll Road Private Limited  
are pledged with the Lenders of the respective investee Company.

15,63,000 (15,63,000) shares of DS Toll Road Limited,  
13,43,100 (13,43,100) shares of NK Toll Road Limited,  
55,23,678 (55,23,678) shares of SU Toll Road Private Limited  
5,88,330 (5,88,330) shares of GF Toll Road Private Limited  
5,138 (5,245) shares of JR Toll Road Private Limited  
32,23,476 (32,23,476) shares of TD Toll Road Private Limited  
38,26,695 (38,26,695) shares of TK Toll Road Private Limited  
are pledged with the Lenders of the Company.  
3,68,245 (3,68,245) equity shares of SU Toll Road Private Limited are in safe keep accounts.

**16. Regulatory Deferral Account Balance  
Regulatory Assets / (Liability)**

In accordance with accounting policy (Refer Note No. 1(d)(i)) and in accordance with the Guidance Note on Rate Regulated Activities issued by ICAI, the reconciliation of the Regulatory Assets / (Liabilities) of Mumbai Distribution and Mumbai Transmission division as on March 31, 2018 is as under:

(₹ Crore)							
Sr. No.	Particulars	Mumbai Distribution	Mumbai Transmission	Total as at March 31, 2018	Mumbai Distribution	Mumbai Transmission	Total as at March 31, 2017
I	Regulatory Assets / (Liability)						
A	Opening Balance	1,815.46	141.43	1,956.89	2,446.78	86.69	2,533.47
B	Add : Income recoverable/ (reversible) from future tariff / Revenue Gap for the year						
1	For Current Year	256.60	(16.85)	239.75	250.07	11.52	261.59
2	For Earlier Year	-	-	-	467.76	-	467.76
3	Regulatory assets recoverable on account of Deferred Tax on Depreciation difference	42.26	6.88	49.14	20.40	6.19	26.59
	Total a (1+2+3)	298.86	(9.97)	288.89	738.23	17.71	755.94
C	Recovered / (refunded) during the year	618.95	-	618.95	1,369.55*	(37.03)	1,332.52
D	Net Movement during the year (B-C)	(320.09)	(9.97)	(330.06)	(631.32)	54.74	(576.58)
E	<b>Closing Balance (A-D)</b>	<b>1,495.37</b>	<b>131.46</b>	<b>1,626.83</b>	<b>1,815.46</b>	<b>141.43</b>	<b>1,956.89</b>
II	Deferred Tax (Assets) / Liability associated with Regulatory Assets / (Liability)						
	Opening Balance	169.10	3.99	173.09	399.68	(12.82)	386.86
	Add: Deferred Tax (Assets) / Liabilities During the Year	(124.94)	(5.89)	(130.83)	(230.58)	16.81	(213.77)
	Total deferred Tax (Assets) / Liability associated with regulatory Assets / (Liability)	44.16	(1.90)	42.26	169.10	3.99	173.09
	Less: Recoverable from future Tariff	44.16	(1.90)	42.26	169.10	3.99	173.09
	Closing Balance	-	-	-	-	-	-
III	<b>Balance as at the end of the year (I+II)</b>	<b>1,495.37</b>	<b>131.46</b>	<b>1,626.83</b>	<b>1,815.46</b>	<b>141.43</b>	<b>1,956.89</b>

Regulatory Assets of ₹ 723.69 Crore as at March 31, 2018, ₹ 1,102.13 Crore as at March 31, 2017 have been given as Security to the Lenders – Refer Note No. 19 and 20.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

- a. \* includes ₹ 739.61 Crore recoverable from Vidarbha Industries Power Limited (VIPL) as per MERC Order dated June 20, 2016 in the matter of petition of VIPL for truing up for FY 2014-15 and provisional truing up for FY 2015-16 and also MERC Order dated October 21, 2016 in the matter of petition of the Company for True-up for the year 2014-15 and provisional Truing up for the year 2015-16. Out of this amount, VIPL has paid ₹ 213.50 Crore during the year ended March 31, 2017 and the balance amount of ₹ 526.11 Crore recoverable from VIPL is included in Other Current financial assets as Other Receivables.
- b. From April 01, 2016 till March 31, 2020 (3rd MYT control period), determination of Retail Supply Tariff (RST) / Transmission charges chargeable by the Company to its consumers is governed by MERC (MYT Regulations) 2015, whereby MERC is required to determine the RST and Transmission charges in a manner that the Company recovers its power purchase costs as well as other prudently incurred expenses and earns assured return of 15.5% p.a. on MERC approved equity in Distribution Wires Business and Transmission Business and 17.5% p.a. on MERC approved equity in Retail Supply Business, subject to achievement of Plant Load Factor of 85%, transmission availability of 98% and Aggregate Technical and Commercial (AT&C) loss reduction targets respectively. The rate review or "truing up" process during the MYT period is being conducted as per the principles stated in MYT Regulations 2015.
- c. During the truing up process, revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) are determined by the regulator and are permitted to be carried forward as regulatory assets/ regulatory liabilities which would be recovered / refunded through future billing based on future tariff determination by the regulator. At the end of each accounting period, Company also determines regulatory assets/regulatory liabilities in respect of each accounting period on self true up basis on principles specified in accounting policy Note No. 1 (d)(i) wherever regulator is yet to take up formal truing up process.
- d. During the year ended March 31, 2014, the Company had received tariff order from MERC allowing it to recover the regulatory gap determined by the regulator for the period upto March 31, 2012, aggregating to ₹ 2,463.18 Crore along with carrying cost of ₹ 1,403.65 Crore on smoothened recovery basis over a period of 6 years till FY 2018-19. The Company has apportioned an amount of ₹ 474.09 Crore towards carrying cost out of the total recovery during the year ended March 31, 2018 of ₹ 852.53 Crore under the said order.
- e. In accordance with the MERC tariff regulation for determination of tariff, the income-tax paid is considered for tariff determination (truing up). Accordingly, the Company has considered ₹ 49.14 Crore (₹ 26.59 Crore) of deferred tax liability for the year arising out of differences in rates of depreciation between MERC and income-tax as "Regulatory assets recoverable on account of Deferred Tax on Depreciation difference". Similarly, the deferred tax asset for the year of ₹ 130.83 Crore (March 31, 2017 - ₹ 213.77 Crore) on account of timing difference on taxability of regulatory income accounted in the books is treated as reduction from "Net tax recoverable from future tariff determination".

## 17. Share Capital

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
<b>Authorised</b>		
45,00,60,000 (45,00,60,000) Equity Shares of ₹ 10 each	<b>450.06</b>	450.06
80,00,000 (80,00,000) Equity Shares of ₹ 10 each with differential rights	<b>8.00</b>	8.00
155,00,00,000 (155,00,00,000) Redeemable Preference Shares of ₹ 10 each	<b>1,550.00</b>	1,550.00
4,20,00,000 (4,20,00,000) Unclassified Shares of ₹ 10 each	<b>42.00</b>	42.00
	<b>2,050.06</b>	2,050.06
<b>Issued</b>		
26,53,92,065 (26,53,92,065) Equity Shares of ₹ 10 each	<b>265.40</b>	265.40
	<b>265.40</b>	265.40
<b>Subscribed and fully paid-up</b>		
26,29,90,000 (26,29,90,000) Equity Shares of ₹ 10 each fully paid up	<b>262.99</b>	262.99
Add: 3,54,479 (3,54,479) Forfeited Shares - Amounts originally paid up	<b>0.04</b>	0.04
	<b>263.03</b>	263.03

### (a) Shares Pledged Details:

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	No of Shares Pledged by Promoter Group Companies	<b>8,78,13,612</b>	8,33,64,675

**Notes annexed to and forming part of the Standalone Financial Statements**
**(b) Reconciliation of the Shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	₹ Crore	No. of Shares	₹ Crore
Equity Shares:-				
At the beginning of the year	<u>26,29,90,000</u>	<u>262.99</u>	<u>26,29,90,000</u>	<u>262.99</u>
Outstanding at the end of the year	<u>26,29,90,000</u>	<u>262.99</u>	<u>26,29,90,000</u>	<u>262.99</u>

**(c) Terms / Rights attached to Equity Shares**
**(i) Voting**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

**(ii) Dividend**

The Board of Directors in their meeting dated April 23, 2018 have approved a final dividend of ₹ 9.50 per equity share for the financial year ended March 31, 2018. The proposal is subject to the approval of shareholders at the ensuing annual general meeting and if approved would result in a cash outflow of approximately ₹ 301.20 Crore including corporate dividend tax of ₹ 51.36 Crore.

**(iii) Liquidation**

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(d) Buy-back of Equity Shares**

Aggregate number of shares bought back during the period of five years immediately preceding the reporting date – Nil (44,30,262).

**(e) Details of Shareholders holding more than 5% Shares of the Total Equity Shares of the Company**

Name of the Shareholders	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	% held	No. of Shares	% held
Reliance Project Ventures and Management Private Limited	<b>10,61,48,937</b>	<b>40.36</b>	10,61,48,937	40.36
Life Insurance Corporation of India	<b>1,66,37,769</b>	<b>6.33</b>	2,58,44,788	9.83
Reliance Big Private Limited	<b>1,95,00,000</b>	<b>7.41</b>	1,95,00,000	7.41

**18. Other Equity – Reserves and Surplus**

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
Capital Reserve	<b>5,179.97</b>	5,179.97
Sale proceeds of fractional Equity Shares Certificates and Dividends thereon @ ₹ 37,953 (₹ 37,953)	@	@
Capital Redemption Reserve	<b>130.03</b>	130.03
Securities Premium Account	<b>8,825.09</b>	8,825.09
Debenture Redemption Reserve	<b>528.23</b>	626.37
Statutory Reserves:		
Development Reserve Account No.1	<b>1.69</b>	1.69
Development Reserve Account No.2	<b>18.97</b>	18.97
Debt Redemption Reserve	<b>2.30</b>	2.30
Rural Electrification Scheme Reserve	<b>0.11</b>	0.11
Reserve to augment Production Facilities	<b>0.04</b>	0.04
Reserve for Power Project	<b>100.00</b>	100.00
Development Reserve Account No. 3	<b>140.88</b>	140.88
General Reserve	<b>6,109.12</b>	5,284.13
Foreign Currency Monetary Item Translation Difference Account	<b>77.77</b>	71.59
Treasury Shares	<b>(19.13)</b>	(25.58)
Retained Earnings	<b>626.56</b>	376.52
<b>Total</b>	<b><u>21,721.63</u></b>	<b><u>20,732.11</u></b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### Other Equity

		(₹ Crore)	
Particulars	As at March 31, 2018	As at March 31, 2017	
<b>(a) Capital Reserves</b>			
1. Capital Reserve:			
Balance as per last Balance Sheet	5,179.97	3,777.02	
Add : As per Scheme of Amalgamation	-	1,402.95	
	<u>5,179.97</u>	<u>5,179.97</u>	
2. Sale proceeds of Fractional Equity Shares Certificates and Dividends thereon @ [₹ 37,953 (₹ 37,953)]	@	@	
<b>(b) Securities Premium Account</b>			
Balance as per last Balance Sheet	8,825.09	8,825.09	
<b>(c) Capital Redemption Reserve</b>			
Balance as per last Balance Sheet	130.03	130.03	
<b>(d) Debenture Redemption Reserve -</b>			
Balance as per last Balance Sheet	626.37	600.98	
Add: Transfer from Retained Earnings	150.03	200.39	
Less: Transfer to General Reserve	(248.17)	175.00	
	<u>528.23</u>	<u>626.37</u>	
<b>(e) Contingencies Reserve Fund</b>	-	95.00	
Less: Transfer to General Reserve	-	95.00	
	<u>-</u>	<u>-</u>	
<b>(f) Statutory Reserves</b>			
1. Development Reserve Account No.1	1.69	1.69	
2. Development Reserve Account No.2	18.97	18.97	
3. Debt Redemption Reserve	2.30	2.30	
4. Rural Electrification Scheme Reserve	0.11	0.11	
5. Reserve to augment production facilities	0.04	0.04	
6. Reserve for Power Project	100.00	100.00	
7. Development Reserve Account No. 3	140.88	140.88	
<b>(g) Foreign Currency Monetary Item Translation Difference Account</b> (Refer Note No. 42)			
Balance as per last Balance Sheet	71.59	6.97	
Add: Addition during the year	3.19	(4.40)	
Less: Amortisation during the year	(2.99)	(69.02)	
	<u>77.77</u>	<u>71.59</u>	
<b>(h) General Reserve</b>			
Balance as per last Balance Sheet	5,284.13	5,814.73	
Less: Transfer to Statement of Profit and Loss (Refer Note No 41) (Net)	11.68	245.02	
Less: Transfer to Statement of Profit and Loss (Refer Note No 43)	411.50	555.58	
Add: Transfer from Contingency Reserve fund	-	95.00	
Add: Transfer from Retained Earnings	1,000.00	-	
Add: Transfer from Debenture Redemption Reserve	248.17	175.00	
	<u>6,109.12</u>	<u>5,284.13</u>	

Notes annexed to and forming part of the Standalone Financial Statements

(₹ Crore)		
Particulars	As at March 31, 2018	As at March 31, 2017
<b>(i) Retained Earnings</b>		
Balance as per last Balance Sheet	376.52	(441.34)
Add : Net Profit for the current year	1,664.37	1,288.41
Add :Items of other Comprehensive Income recognised directly in retained earnings	19.13	(24.45)
-Remeasurements of post-employment benefit obligation, net of tax		
Less : Transfer to General Reserve	1,000.00	-
Less : Dividend Paid	236.69	223.54
Less : Tax on Dividend	46.74	27.85
Add: As per Scheme of Amalgamation	-	5.68
Less : Transfer to Debenture Redemption Reserve	150.03	200.39
	<u>626.56</u>	<u>376.52</u>
<b>(j) Treasury Shares</b>		
Balance as per last Balance Sheet	(25.58)	(36.85)
Less: Provision for Diminution in value of Equity Shares	6.45	11.27
	<u>(19.13)</u>	<u>(25.58)</u>
<b>Total</b>	<u>21,721.63</u>	<u>20,732.11</u>

**Nature and purpose of Other Reserves**

**(a) Capital Reserve**

The Reserve is created based on statutory requirement under the Companies Act, 2013, on account of forfeiture of equity shares warrants, mergers and acquisitions pursuant to the Order of Hon'ble High Court of Bombay. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

**(b) Securities Premium Account**

Securities premium account is used to record the premium on issue of shares. The same can be utilized in accordance with the provisions of the Act.

**(c) Debenture Redemption Reserve**

As per the Companies (Share Capital and Debentures) Rules, 2014 (amended), the Company is required to create debenture redemption reserve out of profits, which is available for payment of dividend, equal to 25% of the amount of debentures issued. Accordingly, the Company has appropriated 25% of the debentures issued which would be utilized for redemption of debentures during its maturity.

**(d) Capital Redemption Reserve**

The Capital Redemption Reserve is required to be created on buy-back of equity shares. The Company may issue fully paid up bonus shares to its members out of the capital redemption reserve account.

**(e) Statutory Reserves**

**(i) Development Reserve Account No. 1, 2 and 3**

It represents Development Rebate Reserve required under the Income-tax Act.

**(ii) Debt Redemption Reserve, Rural Electrification Scheme Reserve, Reserve to augment production facilities and Reserve for Power Project –**

These reserves were created under the repealed Electricity (Supply) Act, 1948 and Tariff Regulations. These are Statutory Reserves.

**(f) Foreign Currency Monetary Item Translation Difference Account**

The Company has availed an option of continuing the policy adopted for exchange differences arising from translation of long term foreign currency monetary items as per Previous GAAP. Foreign Currency Monetary Item Translation



# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

Difference is on account of foreign exchange gain / (loss) on non-depreciable long term foreign currency monetary items. The Company has opted to continue the accounting policy of Previous GAAP for such long term foreign currency monetary items as per D13AA of Ind AS 101 "First-time Adoption of Indian Accounting Standards". Accordingly, such gain / (loss) is carried to reserves under this head and amortised over the life of such long term foreign currency monetary items.

### (g) Treasury Shares

Reliance Infrastructure ESOS Trust has in substance acted as an agent and the Company as a sponsor retains the majority of the risks rewards relating to funding arrangement. Accordingly, the Company has recognised issue of shares to the Trust as the issue of treasury shares by consolidating Trust into financial statements of the Company.

## 19. Financial Liabilities – Borrowings

Particulars	(₹ Crore)			
	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current *	Non Current	Current *
<b>Secured</b>				
Non Convertible Debentures (Redeemable at par)	1,358.56	1,391.30	2,956.43	724.00
Term Loans from Banks	2,866.10	2,623.24	3,225.50	2,642.39
Term Loans from Financial Institutions	337.86	197.82	533.95	152.36
Loan from Others	4.64	4.21	15.04	5.04
	<u>4,567.16</u>	<u>4,216.57</u>	<u>6,730.92</u>	<u>3,523.79</u>
<b>Unsecured</b>				
Term Loans from Banks	-	8.00	8.00	126.00
	-	8.00	8.00	126.00
<b>Total Non- Current Borrowings</b>	<u>4,567.16</u>	<u>4,224.57</u>	<u>6,738.92</u>	<u>3,649.79</u>

\* Current Maturities of Long term Debt disclosed under other Financial Liabilities (Refer Note No. 22)

### Security

#### A. Non Convertible Debentures (NCD) of ₹ 2,755 Crore (Principal undiscounted amount) are secured as under:

₹ 125 Crore are secured by way of first pari-passu charge, on Company's fixed ₹ 125 Crore are secured by the following:-

- first pari-passu charge on Company's Properties situated at Village Sancoale, Goa.
- first pari-passu charge on Company's Properties situated at Samalkot Mandal, East Godavari District Andhra Pradesh.
- first pari-passu charge on certain fixed assets i.e. Plant and Machinery and Distribution Systems of Mumbai distribution division.
- One Flat located in Thane District in the State of Maharashtra.

₹ 585 Crore are secured by way of first pari-passu charge on specific land and buildings located in Mumbai and on certain Property, Plant and Equipment and Intangible Assets of Mumbai distribution division of the Company.

₹ 500 Crore are secured by first pari-passu charge on Land and Buildings, certain Plant and Machinery and Distribution Systems of the Company's Mumbai distribution division.

₹ 300 Crore are secured by the following:-

- Pledge of 19,56,84,684 Equity shares of M/s. Reliance Power Limited which are held by the Company.
- All of the Company's rights, title, interest and benefits in, to and under a specific bank account of the Company with HDFC Bank, Mumbai Branch.

₹ 650 Crore are secured by the following:-

- first pari-passu charge on Company's Properties situated at Village Sancoale, Goa.
- first pari-passu charge on Company's Properties situated at Samalkot Mandal, East Godavari District Andhra Pradesh.
- first pari-passu charge on certain fixed assets i.e. Plant and Machinery and Distribution Systems of Mumbai distribution division.
- One Flat located in Thane District in the State of Maharashtra.  
(The existing ₹ 125 Crore NCD holders also hold pari-passu charge on the above assets.)

Notes annexed to and forming part of the Standalone Financial Statements

₹ 225 Crore are secured by first ranking pari-passu charge on the following:

- (i) Specific Regulatory Assets, present and future, related to Mumbai distribution business and its related bank accounts.
- (ii) Escrow Accounts (including DSRA account and Surplus Regulatory Asset Account)
- (iii) One flat located in Thane District in the State of Maharashtra
- (iv) Lien on permitted Investments

(₹ 350 Crore from Bank of Maharashtra and ₹ 55.90 Crore from IndusInd Bank Limited, ₹ 140 Crore from Syndicate Bank, ₹ 24.10 Crore from Abu Dhabi Commercial Bank and ₹ 100 Crore from Axis Bank Limited also hold pari-passu charge on the above assets).

₹ 295 Crore are secured by the following:-

- (i) Pledge of 28,79,35,749 Equity shares of M/s. Reliance Power Limited which are held by the Company.
- (ii) Exclusive charge on One Flat located in Thane District in the State of Maharashtra.
- (iii) All of the Company's rights, title, interest and benefits in, to and under a specific bank account of Company with Deutsche Bank, Mumbai branch together with fixed deposits standing to the credit of the said bank account.

₹ 75 Crore are to be secured by first pari-passu charge on specific fixed assets of Mumbai Distribution Business of the Company, with a minimum security cover of 1.25x on the outstanding amount. The charge creation is under process.

**B. Term Loans from Banks of ₹ 5,653.89 Crore (Principal undiscounted amount) are secured as under:**

₹ 90 Crore from Jammu & Kashmir Bank is secured by way of first exclusive charge on certain Plant and Equipment of EPC division and on Property, Plant and Equipment of Windmill Project of the Company located in Jogimatti in Chitradurga district of Karnataka.

₹ 355.82 Crore from State Bank of India and ₹ 106.74 Crore from South Indian Bank are secured by way of first pari-passu charge on certain Property, Plant and Equipment of Mumbai transmission division and specific Land and Building located in Thane and Mumbai.

₹ 144 Crore from Bank of Baroda are secured by way of first pari-passu charge over land of Dahanu Thermal Power Station. (The security on these assets is yet to be created).

₹ 350 Crore from Bank of Maharashtra and ₹ 55.90 Crore from IndusInd Bank Limited, ₹ 140 Crore from Syndicate Bank, and ₹ 24.10 Crore from Abu Dhabi Commercial Bank and ₹ 100 Crore from Axis Bank Limited, are secured by the first pari-passu charge on the following:

- a. Specific Regulatory Assets, present and future, related to Mumbai distribution business and its related bank accounts.
- b. Escrow Accounts (including DSRA account and Surplus Regulatory Asset Account).
- c. One Flat located in Thane District in the State of Maharashtra.
- d. Lien on permitted Investments.  
(The existing ₹ 225 Crore NCD holders also hold pari-passu charge on the above assets).

₹ 496.88 Crore from Yes Bank Limited are secured by the following:

- a. Pledge of 22,01,03,025 Equity Shares of Reliance Naval and Engineering Limited held by Reliance Defence Systems Private Limited (step-down subsidiary of the Company).
- b. Subservient charge on Current Assets of the Company, both present and future with a minimum security cover of 1x on the outstanding amount to be maintained at all the times.

₹ 100.79 Crore from Yes Bank Limited are secured by the following:

- a. Pledge of 1,88,28,000 Equity Shares of BSES Kerala Power Limited (a 100% subsidiary of the Company)
- b. Subservient charge on Current Assets of the Company with a minimum security cover of 1x on the outstanding amount to be maintained at all the times.
- c. First Pari Passu charge on Moveable Property, Plant and Equipment of BSES Kerala Power Limited, both present and future.

## Notes annexed to and forming part of the Standalone Financial Statements

₹ 100 Crore from Axis Bank Limited are secured by first pari passu charge on inventory and trade receivable, book debts, other current assets and additionally secured by a flat of the Company located at Mumbai.

(Existing working capital consortium facility led by Canara Bank, also hold pari-passu charge on above assets).

₹ 375 Crore from IDFC Bank Limited and ₹ 150 Crore from Bank of Baroda are secured by the following.

- a. Pledge of 13,43,100 Equity Shares of NK Toll Road Limited, 15,63,000 Equity Shares of DS Toll Road Limited, 5,88,330 Equity Shares of GF Toll Road Private Limited, 10,22,700 Equity Shares of KM Toll Road Private Limited, 11,13,300 Equity Shares of HK Toll Road Private Limited, 38,26,695 Equity Shares of TK Toll Road Private Limited, 32,23,476 Equity Shares of TD Toll Road Private Limited and 55,23,678 Equity Shares of SU Toll Road Private Limited (all 100% subsidiaries of the Company).
- b. Pledge of 2,462 Equity Shares of JR Toll Road Private Limited and 2,465 Equity Shares of PS Toll Road Private Limited.
- c. Non-disposal Undertaking on 45,99,180 Equity Shares of DA Toll Road Private Limited (a 100% subsidiary of the Company).
- d. Non-disposal Undertaking on 19% Equity Share holding of SU Toll Road Private Limited, GF Toll Road Private Limited, KM Toll Road Private Limited, HK Toll Road Private Limited, TD Toll Road Private Limited, TK Toll Road Private Limited, NK Toll Road Private Limited and DS Toll Road Private Limited. (Pledge of this 19% Equity Shares is yet to be created).
- e. Second pari passu charge on the current assets of Company.
- f. First pari passu charge on all receivable arising out of sub-debt / loan advanced / to be advanced to Road Companies, as mentioned above.

₹ 83 Crore from Syndicate Bank are secured by second charge on Company's current assets excluding Regulatory Assets of Mumbai Distribution Business.

₹ 100 Crore from Axis Bank Limited is secured by the following.

- a. Residual charge on the entire current assets of the Company both present and future.
- b. Pledge of 2,676 Equity Shares of JR Toll Road Private Limited.

₹ 166.66 Crore from Vijaya Bank Limited is secured by subservient charge on moveable Property, Plant and Equipment of the Company with asset cover of minimum 1.25 times.

₹ 250 Crore from Canara Bank Limited is secured by subservient charge on moveable Property, Plant and Equipment of the Company with asset cover of minimum 1.25 times.

₹ 990 Crore from IndusInd Bank is secured by the subservient charge on all current assets of the Borrower's excluding Regulatory Assets of Mumbai Distribution Business, providing minimum 1x cover on outstanding facility.

₹ 975 Crore from Yes Bank is secured by the following.

- a. First pari-passu charge, both present and future, on Company's Building and Plant and Machinery situated at Dahanu Thermal Power Station.
- b. First pari-passu charge, both present and future, on specific Building situated in Mumbai.
- c. Exclusive charge on Investment Property situated at Mumbai.
- d. Exclusive charge over receivable and cash flow including rent and any other income incidental thereof from Reliance center property.

₹ 500 Crore loan from Yes Bank is secured by the following.

- a. First charge on all assets of Dahanu Thermal Power Plant including plant and machinery but excluding Land.
- b. Extension of charge on Pledge of 30% Equity Shares of Reliance Electric and Generation Supply Limited.

### C. Term Loans from Financial Institutions of ₹ 539.64 Crore (Principal undiscounted amount) are secured as under:

₹ 363.64 Crore from IFCI Limited are secured by the following:

- a. Minimum 1.25 times cover of Non-agriculture Land situated at Dahanu Thermal Power Station to be shared with other lenders on pari-passu basis subject to maintenance of 1.25 times cover for the Loan. (The security on these assets is yet to be created).
- b. Pledge of 22,70,00,000 Equity shares of M/s. Reliance Power Limited by Non-disposable undertaking and Power of Attorney mechanism, which are held by the Company. It is Interim Security till creation of security over land.

₹ 176 Crore from IFCI Limited are secured by exclusive charge on certain Property, Plant and Equipment of the Mumbai Distribution division of the Company.

**Notes annexed to and forming part of the Standalone Financial Statements**
**D. Loans from Others of ₹ 8.85 Crore are secured as under**

₹ 8.85 Crore from CISCO Systems Capital (India) Private Limited is secured by first and exclusive charge on specific office equipments including specific networking systems of the Company.

Maturity Profile and rate of interest of Non Convertible Debentures (NCD) (Principal undiscounted) are as under:

(₹ Crore)						
Particulars	2018-19	2019-20	2020-21	2021-22	2022-23 onwards	Total
Secured NCDs						
6.70%	125.00	-	-	-	-	125.00
9.80%	131.30	-	-	-	-	131.30
10.00%	-	-	318.70	-	-	318.70
10.20%	-	-	50.00	-	-	50.00
10.25%	-	-	-	-	50.00	50.00
10.50%	585.00	-	-	-	-	585.00
10.85%	200.00	25.00	-	-	-	225.00
11.50%	50.00	520.00	200.00	200.00	-	970.00
11.75%	300.00	-	-	-	-	300.00
<b>Total</b>	<b>1,391.30</b>	<b>545.00</b>	<b>568.70</b>	<b>200.00</b>	<b>50.00</b>	<b>2,755.00</b>

Maturity Profile of Secured and Unsecured Term Loan and Loan from Others (Principal undiscounted) is as under:

(₹ Crore)						
Particulars	Maturity Profile					
	2018-19	2019-20	2020-21	2021-22	2022-23	Total
Term Loans from Banks – Rate of Interest ranges from – 9.00 % to 12.75% p.a.	2,631.24	1,339.41	236.24	193.77	1,261.22	5,661.88
	2,631.24	1,339.41	236.24	193.77	1,261.22	5,661.88
Term Loans from Financial Institution – Rate of Interest ranges from – 11.15 % to 12.75 % p.a.	197.82	197.82	16.00	128.00	-	539.64
Loan from Others – 10 % p.a.	4.21	4.52	0.12	-	-	8.85
<b>Total</b>	<b>2,833.27</b>	<b>1,541.75</b>	<b>252.36</b>	<b>321.77</b>	<b>1,261.22</b>	<b>6,210.37</b>

**20. Current Liabilities**
**Financial Liabilities – Borrowings**

(₹ Crore)		
Particulars	As at March 31, 2018	As at March 31, 2017
<b>Secured</b>		
Working Capital Loans from Banks*	<b>1,025.53</b>	1,122.34
Term Loans from Banks**	<b>1,180.00</b>	1,900.00
Buyers' Credit – in Foreign Currency from Banks*	-	140.39
(A)	<b>2,205.53</b>	3,162.73
<b>Unsecured</b>		
Term Loans from Banks	<b>151.30</b>	395.00
Buyers' Credit – in Foreign Currency from Banks	-	62.16
Commercial Paper	<b>568.00</b>	1,230.00
Inter Corporate Deposits		
- from Related Parties (Refer Note No 37)	<b>442.65</b>	328.65
- Others	<b>70.00</b>	70.00
(B)	<b>1,231.95</b>	2,085.81
<b>Total</b>	(A) + (B) <b>3,437.48</b>	5,248.54

## Notes annexed to and forming part of the Standalone Financial Statements

Note:

\* Security: Working Capital Loans and Buyers' Credit from Consortium Banks are secured by way of first pari-passu charge on stock, book debts, other current assets and additionally secured by a specific immovable property of the Company located at Mumbai;

**\*\*Short Term Loans from banks of ₹ 1,180 Crore are secured as under:**

₹ 500 Crore from Canara Bank Limited is secured by subservient charge on moveable fixed assets of the Company with asset cover of minimum 1.25 times.

₹ 30 Crore from Yes Bank Limited is secured by subservient charge on the current assets of the company excluding Regulatory assets of Mumbai Distribution Business providing minimum 1x cover. The charge creation is under process.

₹ 500 Crore from Union Bank of India is secured by subservient charge on fixed assets of the Company with asset cover of minimum 1.25 times.

₹ 150 Crore from IDBI Bank Limited is secured by way of first pari-passu charge on stock, book debts, other current assets and additionally secured by a specific immovable property of the Company located at Mumbai (Existing working capital consortium facility led by Canara Bank, also hold pari-passu charge on above assets).

## 21. Trade Payables

Particulars	(₹ Crore)			
	As at March 31, 2018		As at March 31, 2017	
	Current	Non-Current	Current	Non-Current
Total outstanding dues to Micro and Small Enterprises	3.83	-	0.11	-
Total outstanding dues to Other than Micro and Small Enterprises including Retention Payable	5,292.15	8.79	5,561.92	4.98
<b>Total</b>	<b>5,295.98</b>	<b>8.79</b>	<b>5,562.03</b>	<b>4.98</b>

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
Principal amount due to suppliers as at the year end	3.83	0.11
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	0.09	0.01
Payment made to suppliers (other than interest) beyond the appointed date under Section 16 of MSMED	3.78	5.47
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of Interest due and payable for the period of delay in making the payment, which has been paid but beyond the appointed date during the year, but without adding the interest specified under MSMED Act	0.09	0.23
Amount of Interest accrued and remaining unpaid at the end of each accounting year to suppliers	0.09	0.24
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	0.18	-

**Notes annexed to and forming part of the Standalone Financial Statements**
**22. Other Financial Liabilities**
**(₹ Crore)**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Current	Non-Current	Current	Non-Current
Current Maturities of Long-term Debt	<b>4,224.57</b>	-	3,649.79	-
MTM on Derivatives Financial Instruments (including forward contracts)	-	-	5.79	-
Interest Accrued	<b>618.72</b>	<b>153.43</b>	274.18	135.73
Creditors for Capital Expenditure	-	-	5.05	-
Security Deposits	<b>57.60</b>	<b>376.58</b>	55.47	354.39
Unpaid Dividends	<b>15.46</b>	-	14.33	-
Financial Guarantee Obligation	-	<b>9.24</b>	-	13.89
Others	<b>808.13</b>	-	-	-
<b>Total</b>	<b><u>5,724.48</u></b>	<b><u>539.25</u></b>	<b><u>4,004.61</u></b>	<b><u>504.01</u></b>

**23. Other Liabilities**
**(₹ Crore)**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Current	Non-Current	Current	Non-Current
Advances received from Customers	<b>391.11</b>	<b>1,303.62</b>	812.82	1,390.30
Amount due to Customers for Contract work	<b>978.52</b>	-	1,197.54	-
Service Line Contribution	-	<b>209.96</b>	-	199.28
Contingencies Reserve Fund	-	<b>157.90</b>	-	140.11
Other Liabilities including Statutory Liabilities	<b>6,640.21</b>	<b>228.73</b>	1,852.48	228.39
<b>Total</b>	<b><u>8,009.84</u></b>	<b><u>1,900.21</u></b>	<b><u>3,862.84</u></b>	<b><u>1,958.08</u></b>

**24. Provisions**
**(₹ Crore)**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Current	Non-Current	Current	Non-Current
Provision for Disputed Matters	-	<b>160.00</b>	-	380.00
Provision for Employee Benefit:				
Provision for Leave Encashment	-	<b>117.35</b>	111.53	-
Provision for Gratuity (Refer Note No. 46)	<b>34.22</b>	<b>87.38</b>	140.01	-
<b>Total</b>	<b><u>34.22</u></b>	<b><u>364.73</u></b>	<b><u>251.54</u></b>	<b><u>380.00</u></b>

**Information about Provision for Disputed Matters and significant estimates**

Represents provision made for disputes in respect of power business and other corporate matters.

No further information is given as the matters are sub-judice and may jeopardize the interest of the Company.

**Movement in Provision for disputed matters**
**(₹ Crore)**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Balance	<b>380.00</b>	380.00
Less: provision reversed	<b>220.00</b>	-
<b>Closing Balance</b>	<b><u>160.00</u></b>	<b><u>380.00</u></b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### 25. Income Tax and Deferred Tax (Net)

#### 25(a) Income tax expenses

(₹ Crore)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>Income tax Expense:</b>		
Current tax:		
Current tax on profits for the year	-	40.00
Adjustments for current tax of prior periods	-	(16.51)
Total current tax expense (A)	-	23.49
Deferred tax:		
Decrease/(increase) in deferred tax assets	(104.09)	(96.35)
(Decrease)/increase in deferred tax liabilities	(176.61)	(16.82)
Total deferred tax expense/(benefit) (B)	(72.52)	(113.17)
Income tax expense (A + B)	(72.52)	(89.68)
Income tax expense is attributable to:		
Continuing operations	(72.52)	(89.68)
Discontinued operation	-	-

#### 25(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate

(₹ Crore)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit from continuing operations before income tax expense	1,547.59	1,130.57
Profit from discontinuing operation before income tax expense	33.76	74.16
	<u>1,581.35</u>	<u>1,204.73</u>
Tax at the Indian tax rate of 34.608%	547.27	416.94
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Income not considered for Tax purpose	(112.24)	(26.67)
Income chargeable to Tax at Special rate	62.40	-
Utilisation of Losses brought forward	(62.40)	-
Expenses withdrawn from general reserve and allowable for Income Tax	(4.04)	(84.80)
Expenses not allowable for tax purposes	13.84	58.50
Corporate social responsibility expenditure not allowable for Tax purpose	6.52	10.68
Fair Valuation of Preference shares / Debentures	(83.25)	(93.05)
Expected Credit Loss Provision on Intercompany Deposits	26.65	6.64
Effect of change in tax rate	8.48	-
Notional Direct Tax Reversal on Land Revaluation	(2.45)	-
Reversal of DTA on Sale of Undertaking	77.72	-
Deductions under chapter VIA of the Income Tax Act (Sections 80IA/80G)	(551.02)	(401.41)
Unrecognised MAT Credit	-	40.00
Adjustments for current tax of prior periods	-	(16.51)
Income tax expense charged to Statement of Profit and Loss	<u>(72.52)</u>	<u>(89.68)</u>



Notes annexed to and forming part of the Standalone Financial Statements

25(c) Amounts recognised in respect of current tax / deferred tax directly in equity

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
Amounts recognised in respect of current tax / deferred tax directly in equity	-	-

25(d) Tax losses and Tax credits

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
Unused Capital Gains tax losses for which no deferred tax asset has been recognised	747.71	1,011.12
Unused Tax Credits – MAT credit entitlement	55.33	51.24

During the year ended March 31, 2018, the unrecognised past Capital Loss of ₹ 263.41 Crore has been used to reduce the Current year's Capital Gains Tax of ₹ 60.77 Crore.

25(e) Deferred tax balances

The balance comprises temporary differences attributable to:

Particulars	(₹ Crore)	
	As at March 31, 2018	As at March 31, 2017
<b>Deferred tax liability on account of:</b>		
Property plant and Equipment, Intangible Assets and Investment Property –		
Carrying amounts other than on account of Fair Valuation	883.04	998.49
Fair Valuation of Property, Plant and Equipment	2,055.83	2,152.17
Impact of Effective Interest Rate on Borrowings / other Financial assets / liabilities	60.88	31.03
Fair Valuation of Financial Instruments	20.41	15.08
<b>Total Deferred Tax Liabilities</b>	<b>3,020.16</b>	<b>3,196.77</b>
<b>Deferred tax asset on account of:</b>		
Provisions	119.99	194.91
Service Concession Arrangements (Appendix A to Ind AS 11 "Construction Contracts")	154.31	246.95
Finance Lease Arrangement (Appendix C to Ind AS 17 "Leases")	292.84	229.40
Disallowances u/s 40(a)/43B of the Income Tax Act, 1961	3.14	3.11
<b>Total Deferred Tax Assets</b>	<b>570.28</b>	<b>674.37</b>
<b>Net Deferred Tax Liability</b>	<b>2,449.88</b>	<b>2,522.40</b>

**Note:** In line with the requirements of Ind AS 114, "Regulatory Deferral Accounts", the entity presents the resulting deferred tax asset / (liability) and the related movement in that deferred tax asset / (liability) with the related regulatory deferral account balances and movements in those balances, instead of within that presented above in accordance with Ind AS 12 "Income Taxes". Refer Note No. 16 for disclosures as per Ind AS 114.

25(f) Movement in deferred tax balances

Deferred Tax Liability	(₹ Crore)
	Amount
As at March 31, 2017	2,522.40
Charged/(Credited):	
– to profit or loss	(83.02)
– to other comprehensive income	10.50
<b>As at March 31, 2018</b>	<b>2,449.88</b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### 26. Revenue from Operations

	(₹ Crore)	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a) Income from Sale of Power and Transmission Charges	5,417.76	4,925.60
Less – Discount for Prompt payment of Bills	23.90	18.11
	5,393.86	4,907.49
Less – Tax on Sale of Electricity	166.91	158.06
	5,226.95	4,749.43
Wheeling Charges Received	1,534.80	1,585.40
Cross Subsidy Charges	159.82	82.30
Carrying Cost on Regulatory Assets	512.88	525.67
Miscellaneous Income	167.70	106.03
Sub-total (A)	7,602.15	7,048.83
(b) Revenue from EPC and Contracts Business		
Value of Contracts billed and Service Charges	786.47	1,645.81
Increase /(decrease) in Work in progress		
Work-in-progress at close	389.55	328.64
Less: Work-in-progress at commencement	328.64	441.69
Net increase / (decrease) in work-in-progress	60.91	(113.05)
Miscellaneous Income	47.29	45.90
Sub-total (B)	894.67	1,578.66
(c) Other Operating Income		
Provisions / Liabilities written back	420.66	51.35
Insurance Claims received	3.48	16.93
Other Income	54.34	61.91
Sub-total (C)	478.48	130.19
<b>Total (A) + (B) + (C)</b>	<b>8,975.30</b>	<b>8,757.68</b>

### 27. Other Income

	(₹ Crore)	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income on–		
Inter Corporate Deposits	1,720.21	1,452.56
Bank Deposits	3.43	10.37
Customer Dues	15.26	17.68
Others	33.20	65.41
	1,772.10	1,546.02
Fair value gain on Financial Instruments through FVTPL / Amortised Cost	240.54	314.07
Dividend Income	23.53	10.25
Net Gain on Sale of Investments	16.61	92.77
Gain on Derivative Instruments (net) (including MTM on Forward Contracts)	5.79	27.34
Provisions / Liabilities written back	33.33	41.47
Profit on sale of Property, Plant and Equipment	0.17	0.05
Income from Lease of Investment Property	62.89	68.35
Miscellaneous Income	16.42	23.75
	2,171.38	2,124.07

**Notes annexed to and forming part of the Standalone Financial Statements**
**28. Employee Benefit Expenses**

	<b>(₹ Crore)</b>	
<b>Particulars</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>
Salaries, Wages and Bonus (Refer Note No. 46)	<b>765.30</b>	756.90
Contribution to Provident Fund and other Funds (Refer Note No. 46)	<b>67.20</b>	66.69
Contribution to Gratuity Fund (Refer Note No. 46)	<b>50.54</b>	34.31
Workmen and Staff Welfare Expenses	<b>112.05</b>	116.44
	<b>995.09</b>	974.34

**29. Finance Costs**

	<b>(₹ Crore)</b>	
<b>Particulars</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>
Interest and Financing Charges on		
Debentures	<b>393.22</b>	485.35
External Commercial Borrowings and Commercial Paper	<b>95.39</b>	124.41
Working Capital and other Borrowings	<b>1,892.71</b>	1,442.91
Unwinding on Retention payable	-	27.39
Finance Lease Obligation	<b>456.81</b>	462.21
Security Deposits from Consumers	<b>36.29</b>	39.19
	<b>2,874.42</b>	2,581.46
Other Finance Charges	<b>55.33</b>	59.53
	<b>2,929.75</b>	2,640.99

**30. Other Expenses**

	<b>(₹ Crore)</b>	
<b>Particulars</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>
Consumption of stores and spares (Net of allocation to Repairs and other relevant revenue accounts)	<b>12.69</b>	17.28
Rent	<b>33.65</b>	39.67
Repairs and Maintenance		
Buildings	<b>16.93</b>	13.97
Plant and Machinery (including Distribution Systems)	<b>255.95</b>	258.57
Other Assets	<b>19.23</b>	11.78
Insurance	<b>23.63</b>	22.86
Rates and Taxes	<b>49.72</b>	42.53
Community Development and Environment Monitoring Expenses	<b>7.90</b>	2.64
Corporate Social Responsibility Expenditure (Refer Note No. 56)	<b>18.83</b>	32.33
Legal and Professional charges	<b>103.11</b>	99.91
Bad Debts	<b>2.71</b>	53.57
Directors' Sitting Fees and Commission	<b>6.57</b>	6.54
Miscellaneous Expenses	<b>267.26</b>	289.55
Loss on foreign currency translations or transactions	<b>17.47</b>	272.36
Loss on Sale / Disposal of Property, Plant and Equipment	<b>105.33</b>	41.85
Less: Impairment Provision reversed	<b>(31.05)</b>	-
	<b>74.28</b>	41.85
Provision for Expected Credit Loss	<b>77.60</b>	19.20
Provision for Doubtful Debts / Advances / Deposits / Diminution of investments	<b>94.35</b>	102.29
	<b>1,081.90</b>	1,326.90

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### 31. Earnings Per Equity Share

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(i) Profit for Basic and Diluted Earnings per Share before Rate Regulated Activities (a) (₹ Crore)	<b>1,375.48</b>	532.47
after Rate Regulatory Activities (b) (₹ Crore)	<b>1,664.37</b>	1,288.41
Profit of Discontinued Operations (c) (₹ Crore)	<b>33.76</b>	74.16
Profit of Continued Operations (d) (₹ Crore)	<b>1,630.61</b>	1,214.25
(ii) Weighted average number of Equity Shares		
For Basic Earnings per share (e)	<b>26,29,90,000</b>	26,29,90,000
For Diluted Earnings per share(f)	<b>26,29,90,000</b>	26,29,90,000
(iii) Earnings per share before Rate Regulated Activities (Face Value of ₹ 10 per share)	₹	₹
Basic (a/e)	<b>52.30</b>	20.25
Diluted (a/f)	<b>52.30</b>	20.25
(iv) Earnings per share for profit from Continuing and Discontinued Operations (Face Value of ₹ 10 per share)	₹	₹
Basic (b/e)	<b>63.29</b>	48.99
Diluted (b/f)	<b>63.29</b>	48.99
(v) Earnings per share for Continuing Operations (Face Value of ₹ 10 per share)	₹	₹
Basic (d/e)	<b>62.00</b>	46.17
Diluted (d/f)	<b>62.00</b>	46.17
(vi) Earnings per share for Discontinued Operations (Face Value of ₹10 per share)	₹	₹
Basic (c/e)	<b>1.29</b>	2.82
Diluted (c/f)	<b>1.29</b>	2.82

### 32. Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Statement of cash flows

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>(₹ Crore)</b>		
<b>Long term Borrowings</b>		
Opening Balance (Including Current Maturities)	<b>14,606.12</b>	16,632.30
Availed during the year	<b>3,190.00</b>	2,480.00
<b>Impact of non-cash items</b>		
- Forex Adjustment	-	27.03
- Impact of Effective Rate of Interest	<b>(84.08)</b>	(30.10)
Repaid During the year	<b>(4,750.71)</b>	(4,503.11)
<b>Closing Balance</b>	<b>12,961.33</b>	14,606.12
<b>Short term Borrowings</b>		
Opening Balance	<b>5,248.54</b>	7,241.48
Availed during the year	<b>10,555.82</b>	15,870.09

**Notes annexed to and forming part of the Standalone Financial Statements**

	(₹ Crore)	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>Impact of non-cash items</b>		
Forex adjustment	7.13	108.59
Cancellation of Loan on Merger	-	(1,408.63)
Repaid during the year	(12,374.00)	(16,562.99)
<b>Closing Balance</b>	<b>3,437.48</b>	<b>5,248.54</b>
<b>Interest Expenses</b>		
<b>Interest Accrued – Opening Balance</b>	<b>409.91</b>	288.89
Interest Charge as per Statement Profit & Loss	2,929.75	2,640.99
<b>Changes in Fair Value</b>		
- Impact of Effective Rate of Interest	85.70	4.95
- Impact of Power Purchase agreement accounted as Finance Lease	(456.81)	(462.21)
- Impact of Interest unwinding on Retentions	-	27.39
Interest paid to Lenders	(2,196.40)	(2,090.10)
<b>Interest Accrued – Closing Balance</b>	<b>772.15</b>	<b>409.91</b>

33. The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) read with Schedule VI of the Act. Accordingly, disclosures under Section 186 of the Act is not applicable to the Company.

34. Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year. Figures in bracket indicate previous year's figures. @ - represents figures less than ₹ 50,000 which have been shown at actuals in brackets with @.

**35. (a) Contingent Liabilities**

- i) Claims against the Company not acknowledged as debts and under litigation aggregates to ₹ 1,951.20 Crore (March 31, 2017 - ₹ 1,567.56 Crore). These include claim from suppliers aggregating to ₹ 607.81 Crore (March 31, 2017 - ₹ 413.09 Crore), income tax claims ₹ 317.58 Crore (March 31, 2017 - ₹ 713.27 Crore), indirect tax claims aggregating to ₹ 1,007.38 Crore (March 31, 2017 - ₹ 411.08 Crore) out of which claims of ₹ 320.63 Crore (March 31, 2017 - ₹ 304.10 Crore), if materialised, will be recovered from the customers and other claims ₹ 18.43 Crore (Net of provision made of ₹ 44 Crore) (March 31, 2017 - ₹ 30.12 Crore (Net of Provision made of ₹ 32 Crore)).
- ii) The Company's application for compounding in respect of its ECB of USD 360 million has been deemed by the Reserve Bank of India (RBI) as never to have been made subsequent to the withdrawal of the compounding application. Accordingly, there is no liability in respect of the compounding fee of ₹ 124.68 Crore earlier specified by RBI. Subsequent to the withdrawal of the compounding application, the matter has been referred to the Enforcement Directorate where the same is still pending.

**(b) Capital and Other Commitments**

- i) Estimated amount of contracts remaining unexecuted on capital account and not provided for ₹ 272.40 Crore (March 31, 2017 - ₹ 403.81 Crore).
- ii) Uncalled liability on partly paid shares ₹ 10.70 Crore (March 31, 2017 - ₹ 10.70 Crore)
- iii) The Company has given equity / fund support / other undertakings for setting up of projects / cost overrun in respect of various infrastructure and power projects being set up by Company's subsidiaries and associates; the amounts of which currently are not ascertainable.

**36. Payment to Auditors (excluding taxes)**

Particulars	2017-18	2016-17
(a) As Auditors		
Audit Fee	1.62 *	1.89
(b) For Other Services		
Other Services (certification fees)	0.86	0.89
(c) For Reimbursement of out-of-pocket expenses	0.01	0.02
	<b>2.49</b>	<b>2.80</b>

\*includes ₹ 0.11 Crore fees paid to Haribhakti & Co. LLP, being predecessor auditors of the Company.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### 37. Related Party Disclosure

As per Ind AS – 24 "Related Party Disclosure", the Company's related parties and transactions with them in the ordinary course of business are disclosed below:

#### (a) Parties where control exists

Subsidiaries	1	Reliance Power Transmission Limited (RPTL)
(including step down subsidiaries)	2	Reliance Airport Developers Limited (RADL) (formerly Reliance Airport Developers Private Limited (RADPL))
	3	BSES Kerala Power Limited (BKPL)
	4	Mumbai Metro One Private Limited (MMOPL)
	5	Reliance Energy Trading Limited (RETL)
	6	Parbati Koldam Transmission Company Limited (PKTCL)
	7	DS Toll Road Limited (DSTL)
	8	NK Toll Road Limited (NKTL)
	9	KM Toll Road Private Limited (KMTL)
	10	PS Toll Road Private Limited (PSTL)
	11	HK Toll Road Private Limited (HKTL)
	12	DA Toll Road Private Limited (DATL)
	13	GF Toll Road Private Limited (GFTL)
	14	CBD Tower Private Limited (CBDT)
	15	Reliance Electric Generation and Supply Limited (REGSL) (formerly Reliance Electric Generation and Supply Private Limited (REGSPL))
	16	Reliance Cement Company Private Limited (RCPL) (up to August 21, 2016)
	17	Reliance Cement Corporation Private Limited (RCCPL)
	18	Reliance Sea Link One Private Limited (RSOPL)
	19	Utility Infrastructure & Works Private Limited (UIWPL)
	20	Reliance Smart Cities Limited (RSCL)
	21	Reliance Energy Limited (REL)
	22	Reliance E-Generation and Management Private Limited (REGMPL)
	23	Reliance Defence Limited (RDL)
	24	Reliance Cruise and Terminals Limited (RCTL)
	25	BSES Rajdhani Power Limited (BRPL)
	26	BSES Yamuna Power Limited (BYPL)
	27	JR Toll Road Private Limited (JRTL)
	28	Delhi Airport Metro Express Private Limited (DAMEPL)
	29	SU Toll Road Private Limited (SUTL)
	30	TD Toll Road Private Limited (TDTL)
	31	TK Toll Road Private Limited (TKTL)
	32	Mumbai Metro Transport Private Limited (MMTPL)
	33	North Karanpura Transmission Company Limited (NKTCL)
	34	Talcher II Transmission Company Limited (TTCL)
	35	Latur Airport Private Limited (LAPL)
	36	Baramati Airport Private Limited (BAPL)
	37	Nanded Airport Private Limited (NAPL)
	38	Yavatmal Airport Private Limited (YAPL)
	39	Osmanabad Airport Private Limited (OAPL)
	40	Reliance Defence and Aerospace Private Limited (RDAPL)

## Notes annexed to and forming part of the Standalone Financial Statements

41	Reliance Defence Technologies Private Limited (RDTPPL)
42	Reliance SED Limited (RSL)
43	Reliance Propulsion Systems Limited (RPSL)
44	Reliance Defence System & Tech Limited (RDSTL) (formerly known as Reliance Space Limited (RsPL))
45	Reliance Defence Infrastructure Limited (RDIL)
46	Reliance Helicopters Limited (RHL)
47	Reliance Land Systems Limited (RLSL)
48	Reliance Naval Systems Limited (RNSL)
49	Reliance Unmanned Systems Limited (RUSL)
50	Reliance Aerostructure Limited (RAL)
51	Reliance Defence Systems Private Limited (RDSPL)
52	Reliance Armaments Limited (w.e.f. November 16, 2017) (RAL)
53	Reliance Ammunition Limited (w.e.f., November 11, 2017) (RAML)
54	Reliance Velocity Limited (w.e.f. February 17, 2018) (RVL)
55	Tamilnadu Industries Captive Power Company Limited (TICAPCO)
56	Reliance Delhi Metro Trust (RDMT)
57	Reliance Toll Road Trust (RTRT)
58	Reliance Property Developers Private Limited (RPDPL) (formerly Reliance Infra Solutions Private Limited (RISPL))
59	Space Trade Enterprises Private Limited (up to September 30, 2016) (STEPL)
60	Skyline Global Trade Private Limited (up to September 30, 2016) (SGTPL)
61	Worldcom Solutions Limited (up to September 30, 2016) (WSL)
62	Hirma Power Limited (upto September 30, 2016) (HPL)
63	Jayamkondam Power Limited (up to September 30, 2016) (JPL)
64	Reliance Thermal Energy Limited (up to September 30, 2016) (RTEL)
65	Globetech Advisory Services Limited (up to September 30, 2016) (GASL)
66	Dassault Reliance Aerospace Limited (DRAL)
67	Reliance Rafael Defence Systems Private Limited (RRDSPL)
68	Western Transmission (Gujarat) Limited (WTGL) (up to October 31, 2017)
69	Western Transco Power Limited (WTPL) (up to October 31, 2017)
70	Spieces Commerce and Trade Private Limited (SCTPL) (formerly known as Noida Global SEZ Private Limited) (NGSPL)
71	Reliance Concrete Private Limited (RCoPL) (up to April 01, 2016)

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

(i)	Associates (including Subsidiaries of Associates)	1	Reliance Power Limited (RePL)
		2	Rosa Power Supply Company Limited (ROSA)
		3	Sasan Power Limited (SPL)
		4	Vidarbha Industries Power Limited (VIPL)
		5	Chitrangi Power Private Limited (CPPL)
		6	Jharkhand Integrated Power Limited (JIPL)
		7	Coastal Andhra Power Limited (CAPL)
		8	Samalkot Power Limited (SaPoL)
		9	Rajasthan Sun Technique Energy Private Limited (RSTEPL)
		10	Dhursur Solar Power Private Limited (DSPPL)
		11	Coastal Andhra Power Infrastructure Limited (CAPIPL)



# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

		12	Urthing Sobla Hydro Power Private Limited (USHPPL)
		13	Reliance Naval and Engineering Limited (RNEL) (formerly Reliance Defence and Engineering Limited (RDEL)
		14	Reliance Marine and Offshore Limited (RMOL)
		15	E Complex Private Limited (ECPL)
		16	Reliance Geothermal Power Private Limited (RGPPL)
		17	Metro One Operations Private Limited (MOOPL)
		18	RPL Photon Private Limited (RPPL)
		19	RPL Sun Technique Private Limited (RSTPL)
		20	RPL Sun Power Private Limited (RSPPL)
		21	Reliance Engineering and Defence Services Limited (REDSL)
(ii)	Joint Venture		Utility Powertech Limited (UPL)
(iii)	Investing Party		Reliance Project Ventures and Management Private Limited (RPVMPL)
(iv)	Persons having control over investing party		Shri Anil D Ambani
(v)	Enterprises over which person described in (iv) has control / significant influence	1	Reliance Innoventures Private Limited (REIL)
		2	Reliance General Insurance Company Limited (RGI)
		3	Reliance Capital Limited (RCap)
		4	Reliance Tech Services Limited (RTSL)
		5	Reliance Infocomm Infrastructure Limited (RIIL)
		6	AAA Sons Private Limited (AAASPL)
		7	Reliance Securities Limited (RSL)
		8	Zapak Digital Entertainment Limited (ZDEL)
		9	Reliance Infratel Limited (RITL)
		10	Reliance Big TV Limited (RBTL)
		11	Reliance Webstore Limited (RWL)
		12	Reliance Communication Limited (RCom)
		13	Talenthous Entertainment Private Limited (THEPL)
		14	Reliance Big Entertainment Private Limited (RBEPL)
		15	Reliance Assets Reconstruction Company Limited (RARCL)
		16	Reliance Money Limited (RML)
		17	Unlimit IOT Private Limited (UIPL)
		18	Reliance Infocomm Limited (RInfo)
		19	Reliance Health Insurance Limited (RHIL) (formerly Reliance Health Insurance Private Limited (RHIPL))
		20	Reliance Enterprises and Ventures Private Limited (REVPL)
		21	Reliance Home Finance Limited (RHL)
		22	Reliance Nippon Life Asset Management Limited (RNLAML) (Formerly Reliance Capital Asset Management Company Limited) (RCAMCL)
		23	Reliance Commercial Finance Limited (RCFL)
		24	Reliance IDC Limited (RIDC)
		25	Nationwide Communication Private Limited (NCPL)
		26	Reliance Nippon Life Insurance Company Limited (RNLICL)
		27	Reliance Life Insurance Company Limited (RLICL)
		28	Reliance Ornatus Enterprises and Ventures Private Limited (ROEVPL)
		29	Reliance Big Private Limited (RBPL)
		30	Reliance Transport and Travels Private Limited (RTTPL)

Notes annexed to and forming part of the Standalone Financial Statements

c) Details of transactions during the year and closing balances as at the year end

(₹ Crore)

	Particulars	Year	Subsidiaries	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) has significant influence
<b>(a)</b>	<b>Statement of Profit and Loss Heads:</b>				
<b>(I)</b>	<b>Income:</b>				
(i)	Gross Revenue from EPC and Contracts Business	2017-18 2016-17	- -	50.66 208.82	- -
(ii)	Dividend Received	2017-18 2016-17	22.21 5.05	1.32 1.45	- -
(iii)	Interest earned	2017-18 2016-17	46.31 37.23	222.07 131.14	13.18 9.79
(iv)	Other Income ( including Income from Investment Property)	2017-18 2016-17	17.27 19.34	19.23 35.70	68.13 64.46
<b>(II)</b>	<b>Expenses:</b>				
(i) (a)	Purchase of Power (Including Open Access Charges (Net of Sales)	2017-18 2016-17	- -	1,634.33 1,881.87	37.13 41.52
(i) (b)	Purchase of Power -Compensation Bills / IEX (Net of Sales)	2017-18 2016-17	- 1.05	- -	- -
(ii)	Purchase / Services of other items on revenue account	2017-18 2016-17	- 0.60	4.51 -	0.15 0.43
(iii)	Purchase / Services of other items on capital account	2017-18 2016-17	- -	0.94 -	- -
(iv)	Receiving of Services	2017-18 2016-17	- -	- -	26.08 38.42
(v)	Dividend Paid	2017-18 2016-17	- -	95.53 90.23	18.33 17.31
(vi)	Interest Paid	2017-18 2016-17	0.07 0.04	23.48 9.84	25.98 35.02
<b>(b)</b>	<b>Balance Sheet Heads (Closing Balances):</b>				
(i)	Trade payables, Advances received and other liabilities for receiving of services on revenue and capital account	2017-18 2016-17	2.12 4.22	1,961.83 1,863.22	31.08 30.54
(ii)	Inter Corporate Deposit (ICD) Taken	2017-18 2016-17	52.65 3.65	190.00 150.00	200.00 175.00
(iii)	Investment in Securities	2017-18 2016-17	2,960.40 2,987.45	6,828.85 6,828.85	- -
(iv)	Inter Corporate Deposit (ICD) Given	2017-18 2016-17	496.31 464.23	2,164.15 1,564.15	223.00 91.84
(v)	Subordinate Debts	2017-18 2016-17	5,600.48 5,165.24	- -	- -
(vi)	Advance received against transfer of business	2017-18 2016-17	1,500.00 -	- -	- -
(vii)	Recoverable Expenses	2017-18 2016-17	0.05 -	- -	- -

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

(₹ Crore)

	Particulars	Year	Subsidiaries	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) has significant influence
(viii)	Trade Receivables, Advance given and other receivables for rendering services	2017-18 2016-17	82.88 85.40	2,397.47 2,376.31	31.29 4.75
(ix)	Interest receivable on Investments and Deposits	2017-18 2016-17	74.92 33.24	284.18 75.45	19.85 8.32
(x)	Other Receivable	2017-18 2016-17	- -	526.11 526.11	- -
<b>(c)</b>	<b>Contingent Liabilities (Closing balances):</b>				
(i)	Guarantees and Collaterals	2017-18 2016-17	363.53 381.05	300.00 300.00	0.24 0.24
<b>(d)</b>	<b>Transactions During the Year:</b>				
(i)	Guarantees and Collaterals provided earlier – expired / encashed / surrendered	2017-18 2016-17	17.52 810.18	- -	- -
(ii)	ICD Given to	2017-18 2016-17	300.70 244.72	1,978.15 1,773.80	135.00 0.71
(iii)	ICD Returned by	2017-18 2016-17	78.23 102.14	1,378.14 774.39	3.84 2.12
(iv)	Recoverable Expenses:-	2017-18 2016-17	- -	- -	- -
	(a) incurred for related parties	2017-18 2016-17	1.06 4.71	- -	0.14 0.09
	(b) incurred by related parties on our behalf	2017-18 2016-17	1.64 3.43	0.24 0.48	0.05 -
(v)	Investment in Equity	2017-18 2016-17	20.96 0.16	- 0.02	- -
(vi)	Subordinate Debts given	2017-18 2016-17	705.93 1,217.94	- -	- -
(vii)	Cancellation of ICD taken – on merger	2017-18 2016-17	- 1,408.63	- -	- -
(viii)	Purchase of Investments of Subsidiary company	2017-18 2016-17	- 582.38	- -	- -
(ix)	Amount received on Capital Reduction of Investments	2017-18 2016-17	- 93.55	- -	- -
(x)	ICD Taken from	2017-18 2016-17	49.00 3.65	40.00 587.50	25.00 390.60
(xi)	ICD Repaid to	2017-18 2016-17	- 20.00	- 437.50	- 390.60
(xii)	EPC Advance returned	2017-18 2016-17	- -	180.00 0.36	- -
(xiii)	Subordinate Debts returned	2017-18 2016-17	240.71 476.78	- -	- -
(xiv)	Subordinate Debts written off	2017-18 2016-17	22.61 -	- -	- -
(xv)	ICD Given Written off	2017-18 2016-17	190.39 -	- -	- -
(xvi)	Purchase of Fixed Assets	2017-18 2016-17	- -	- -	- 0.78
(xvii)	Sale of Fixed Assets	2017-18 2016-17	- -	0.52 -	- -
(xviii)	Sub-debts converted to preference Shares	2017-18 2016-17	16.39 -	- -	- -
(xix)	Transfer of Business through BTA	2017-18 2016-17	535.30 -	- -	- -
(xx)	Advance received against transfer of business	2017-18 2016-17	1,500.00 -	- -	- -

Notes annexed to and forming part of the Standalone Financial Statements

d) Key Management Personnel (KMP) and details of transactions with KMP

(₹ Crore)					
Name	Category	Years	Remuneration*	Dividend Paid	Commission & Sitting Fees
Shri Anil D Ambani Chairman	Promoter, Non-executive and Non- Independent director	2017-18 2016-17	- -	0.12 0.12	5.52 5.53
Shri S Seth Vice Chairman	Non-executive and Non- Independent director	2017-18	-	-	0.14
Dr V K Chaturvedi		2016-17	-	-	0.12
		2017-18	-	-	0.16
		2016-17	-	-	0.15
Shri Shiv Prabhat		2017-18	-	-	0.11
		2016-17	-	-	0.16
Shri S S Kohli	Independent director	2017-18	-	-	0.16
		2016-17	-	-	0.14
Shri K Ravikumar		2017-18	-	-	0.16
		2016-17	-	-	0.16
Shri V R Galkar		2017-18	-	-	0.16
		2016-17	-	-	0.16
Ms. Ryna Karani		2017-18	-	-	0.15
		2016-17	-	-	0.15
Shri Lalit Jalan		2017-18	3.10	-	-
		2016-17	2.81	-	-
Shri Madhukar Moolwaney	Chief Financial Officer upto June 03, 2016	2017-18 2016-17	- 1.75	- -	- -
Shri Sridhar Narasimhan	Chief Financial Officer w.e.f. June 04, 2016	2017-18 2016-17	1.96 1.85	- -	- -
Shri Ramesh Shenoy	Manager & Company Secretary upto Nov 10, 2017	2017-18 2016-17	0.76 1.17	- -	- -
Shri Aashay Khandwala	Manager & Company Secretary from Nov 11, 2017	2017-18 2016-17	0.22 -	- -	- -

e) Details of Material Transactions with Related Party

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

**2017-18**

ICD given to RePL ₹ 1,140.69 Crore. ICD refunded by RePL ₹ 1,357.14 Crore. Advance received against transfer of business from REGSL ₹ 1,500.00 Crore.

2016-17

Cancellation of ICD taken on merger of RCoPL ₹ 1,408.63 Crore

(ii) Balance sheet heads (Closing balance)

**2017-18**

Investment in Equity of RePL ₹ 6,828.42 Crore. ICD given to RNEL ₹ 1,696.44 Crore. Subordinate debt given to RDSPL ₹ 1,508.17 Crore. Advance received against transfer of business from REGSL ₹ 1,500.00 Crore. Trade Receivables, Advances given and other receivables for rendering services SaPoL ₹ 2,373.45 Crore.

2016-17

Trade payables, Advances received and other liabilities for receiving of services on revenue and capital account of CPPL ₹ 1,214.03 Crore. Investment in Equity of RePL ₹ 6,828.42 Crore. Subordinate debt given to RDSPL ₹ 1,509.49 Crore. Trade Receivables, Advances given and other receivables for rendering services SaPoL ₹ 2,356.77 Crore.

(iii) Expenses heads

**2017-18**

Purchase of Power (including Open access charges – Net of Sales) from VIPL ₹ 1,476.13 Crore

2016-17

Purchase of Power (including Open access charges – Net of Sales) from VIPL ₹ 1,719.13 Crore

\*Remuneration does not include post-employment benefits, as they are determined on an actuarial basis for the Company as a whole.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### Notes:

- 1) The above disclosure does not include transactions with/as public utility service providers, viz, electricity, telecommunications etc. in the normal course of business.  
The closing balances of the balance sheet items and transactions during the year are as per Ind AS financial statements except for Ind AS adjustments pertaining to Power Purchase Agreement with VIPL (Refer Note No. 53(2)).
- 2) Transactions with Related Party which are in excess of 10% of the Total Revenue (including regulatory Income) of the Company are considered as Material Related Party Transactions. Total Revenue (including regulatory Income) for 2017-18 and 2016-17 is as per Ind AS.
- 3) Includes contractual interest payments based on the interest rate prevailing at the reporting date

## 38. Segment Reporting

### (a) Description of segments and principal activities

The Company operates in two Business Segments namely Power and Engineering, Procurement, Construction (EPC) and Contracts. Business segments have been identified as reportable segments based on how the CODM examines the Company's performance both from a product and geographic perspective. The inter segment pricing is effected at cost. Segment accounting policies are in line with the accounting policies of the Company.

The Power segment is engaged in generation, transmission and distribution of electrical power at various locations. The Company operates a 500 MW Thermal Power Station at Dahanu, a 220 MW Combined Cycle Power Plant at Samalkot, a 48 MW Combined Cycle Power Plant at Mormugao, a 9.39 MW Wind-farm at Chitradurga and also purchases power from third parties and supplies the power through the Company's own distribution grid in suburbs of Mumbai.

EPC and Contracts segment of the Company renders comprehensive value added services in construction, erection, commissioning and contracting.

### (b) Summary of Segment information is as under:

The expenses and income that are not directly attributable to any business segment are shown as unallocable income (net of unallocable expenses). Interest income and finance cost are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Company.

(₹ Crore)

Particulars	Year ended March 31, 2018			Year ended March 31, 2017		
	Power	EPC & Contracts	Total	Power	EPC & Contracts	Total
<b>Revenue</b>						
External Sales	8,196.73	1,067.46	9,264.19	7,915.42	1,598.20	9,513.62
Inter-segment Sales	-	-	-	-	-	-
Total Revenue	8,196.73	1,067.46	9,264.19	7,915.42	1,598.20	9,513.62
<b>Result</b>						
Segment Result	2,007.13	465.70	2,472.83	1,927.64	251.44	2,179.08
Unallocated Income net of Unallocable Expenses			(292.32)			(113.90)
Exceptional Item -Unallocable Segment- (Refer Note No. 43)			284.19			(153.33)
Finance Costs			(2,929.75)			(2,640.99)
Interest Income			2,012.64			1,859.71
Profit before Taxation			1,547.59			1,130.57
Taxes			(83.02)			(83.68)
Profit after Tax from Continuing Operations			1,630.61			1,214.25
Profit after Tax from Discontinued Operations			33.76			74.16
Profit for the Year			1,664.37			1,288.41
Capital Expenditure *	532.00	2.05		478.67	0.18	
Depreciation *	801.17	53.81		832.30	64.42	
Reversal of Impairment Loss*	(31.04)	-		-	-	
Non Cash expenses other than depreciation *	104.28	0.51		122.99	0.22	

\* Only pertaining to the segment

**Notes annexed to and forming part of the Standalone Financial Statements**
**(c) Segment Revenue**

Sales between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the Statement of Profit and Loss.

Particulars	Year ended March 31, 2018			Year ended March 31, 2017		
	Total segment revenue	Inter segment revenue	Revenue from external customers	Total segment revenue	Inter segment revenue	Revenue from external customers
Power Business (incl. Regulatory Income)	8,196.73	-	8,196.73	7,915.42	-	7,915.42
EPC & Contracts Business	1,067.46	-	1,067.46	1,598.20	-	1,598.20
Total Segment Revenue	9,264.19	-	9,264.19	9,513.62	-	9,513.62
Less: Regulatory Income	288.89	-	288.89	755.94	-	755.94
Revenue from Operations as per Statement of Profit and Loss	8,975.30	-	8,975.30	8,757.68	-	8,757.68

**(d) Segment Assets**

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset. Assets which can't be allocated to any of the segments are shown as Unallocated Assets.

Investments & derivative financial instruments held by the Company are not considered to be segment assets but are managed by the treasury function.

Particulars	As at March 31, 2018	As at March 31, 2017
	Segment Assets	Segment Assets
Power	18,955.13	19,871.84
EPC & Contracts	4,884.59	5,469.12
Unallocated	34,279.43	30,233.82
Assets classified as held for sale	667.77	1,860.65
Total Segment Assets	58,786.92	57,435.43

**(e) Segment Liabilities**

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment. Liabilities which can't be allocated to any of the segments are shown as Unallocated Liabilities.

The Company's borrowings and derivative financial instruments are not considered to be segment liabilities, but are managed by the treasury function.

Particulars	As at March 31, 2018	As at March 31, 2017
	Segment Liabilities	Segment Liabilities
Power	10,784.05	9,780.20
EPC & Contracts	4,922.00	6,377.80
Unallocated	21,096.21	19,577.66
Liabilities of Discontinued Operations	-	704.63
Total Segment Liabilities	36,802.26	36,440.29

**(f) Information about Major Customer**

Revenue from Crest Logistics and Engineers Private Limited of the Company's EPC & Contract Business is ₹ 612.38 Crore (March 31, 2017 – ₹ 1,054.05 Crore) which is more than 10% of the Company's segment revenue.

## Notes annexed to and forming part of the Standalone Financial Statements

### (g) Geographical Segment

The Company's operations are mainly confined in India. The Company does not have material earnings from business segment outside India. As such, there are no reportable geographical segments.

### 39. (A) Standby Charges

In the matter of liability of ₹ 515.60 Crore of standby charges with the Tata Power Company Limited (TPC) determined by MERC for the period April 1, 1998 to March 31, 2004, which the Company has fully accounted for, the Appellate Tribunal of Electricity (ATE) determined the total liability at ₹500 Crore and directed TPC to refund ₹ 354 Crore (inclusive of interest of ₹ 15 Crore upto March 31, 2004) to the Company plus interest @ 10% p.a. commencing from April 01, 2004 till the date of payment. Against the said order, TPC filed an appeal with the Supreme Court. The Hon'ble Supreme Court passed an interim order dated February 07, 2007 granting stay of the impugned order of the ATE subject to the condition that, TPC furnish a bank guarantee in the sum of ₹ 227 Crore and, in addition, deposit a sum of ₹ 227 Crore with the Registrar General of the Court which may be withdrawn by the Company subject to the Company giving an undertaking that in the event of the appeal being decided against the Company, wholly or in part, the amount as may be found refundable by the Company shall be refunded to TPC without demur together with interest as may be determined by the Court. The Company accordingly withdrew the amount of ₹ 227 Crore after complying with the conditions specified and has accounted the said amount as Other Liabilities pending final adjustment. Moreover, pending final order of the Hon'ble Supreme Court, the Company has not accounted for the reduction in standby charges liability of ₹ 15.60 Crore as well as interest amount determined by ATE as payable by TPC to the Company.

### (B) Take or Pay and Additional Energy Charges

Pursuant to the order passed by MERC dated December 12, 2007, in case No. 7 of 2002, TPC has claimed an amount of ₹ 323.87 Crore towards the following:

- (a) Difference in the energy charge for energy supplied by TPC at 220 kV interconnection for the period March 2001 to May 2004 along with interest at 24% per annum up to December 31, 2007, and
- (b) Minimum offtake charges for energy for the years 1998-99 to 1999-2000 along with interest at 24% per annum up to December 31, 2007.

In an appeal filed by the Company, ATE held that the amount in the matter (a) above is payable by the Company along with interest at State Bank of India prime lending rate for short term borrowings. The matter (b) was remanded to MERC for redetermination. The Company has filed an appeal against the said order before the Supreme Court, which while admitting the appeal, has restrained TPC from taking any coercive action in respect of the matter stated in (a) above and TPC has also filed an appeal against the said order. The Company has complied with the interim order directions of depositing ₹ 25 Crore with the Registrar of Supreme Court and providing a Bank Guarantee of ₹ 9.98 Crore. The said amount is disclosed under Contingent Liability in Note No. 35 above.

### 40. Investment in Delhi Airport Metro Express Private Limited

Delhi Airport Metro Express Private Limited (DAMEPL), a SPV of the Company, had terminated the Concession Agreement with Delhi Metro Rail Corporation (DMRC) for the Delhi Airport Metro Line and the operations were taken over by DMRC with effect from July 1, 2013. As per the terms of the Concession Agreement, DMRC is liable to pay DAMEPL a Termination Payment. The matter was referred to arbitration tribunal and vide order dated May 11, 2017 DAMEPL was granted arbitration award of ₹ 2,950 Crore along with interest. DMRC preferred an appeal against the Arbitration award before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court vide order dated March 06, 2018 upheld the arbitration award.

The Hon'ble Delhi High Court also passed an order on March 23, 2018 directing DMRC to pay ₹ 306 Crore as an immediate interim relief to DAMEPL. DMRC has preferred an appeal against the order of the single judge before the division bench of the Hon'ble Delhi High Court. On April 09, 2018, the divisional bench of the Hon'ble Delhi High Court has directed DMRC to take over servicing of all debt liabilities of DAMEPL aggregating to ₹ 1,618 Crore pending disposal of the appeal.

### 41. Scheme of Amalgamation of Reliance Infraprojects Limited (RInfl) with the Company:

The Hon'ble High Court of Judicature of Bombay had sanctioned the Scheme of Amalgamation of Reliance Infraprojects Limited (RInfl) with the Company on March 30, 2011 with the appointed date being April 01, 2010. As per the clause 2.3.7 of the Scheme, the Company, as determined by its Board of Directors, is permitted to adjust foreign exchange / hedging / derivative contract losses / gains debited / credited in the Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve.

Pursuant to the option exercised under the above Scheme, net gain on account of derivative instruments / forward contracts of ₹ 5.79 Crore for the year ended March 31, 2018 has been credited to the Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly, foreign exchange loss of ₹ 17.47 Crore (₹ Nil attributable to finance cost) has been debited to Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. The Company has been legally advised that crediting and debiting of the said amount in Statement of Profit and Loss is in accordance with Schedule III to the Act. Had such transfer / withdrawal not been done, the Profit before tax for



**Notes annexed to and forming part of the Standalone Financial Statements**

the year ended March 31, 2018 would have been lower by ₹ 11.68 Crore and General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme override the relevant provisions of Ind AS 1: "Presentation of Financial Statements".

42. In accordance with Ind AS 101-First time adoption of Indian Accounting Standards, the Company has opted to continue the policy as prescribed vide the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs. Accordingly, the Company has exercised the option given in paragraph 46A of the Accounting Standard-11 "The Effects of Changes in Foreign Exchange Rates" in Previous GAAP of capitalising the foreign exchange loss/gain arising on long term foreign currency monetary items relating to acquisition of depreciable capital assets and depreciating the same over the balance life of such assets and in other cases amortising the foreign exchange loss/gain over the balance period of such long term foreign currency monetary items. Accordingly, the Company has carried forward the unamortised portion of net gain of ₹ 77.77 Crore as on March 31, 2018 (March 31, 2017 - ₹ 71.59 Crore) in "Foreign Currency Monetary Item Translation Difference Account" and the same is grouped under 'Other Equity'.

**43. Exceptional Items**

Particulars	(₹ Crore)	
	Year ended March 31, 2018	Year ended March 31, 2017
<b>Exceptional items withdrawn from General Reserve pursuant to Scheme of Amalgamation (Refer Note below)</b>		
Write off of EPC Advances as Bad debts	-	555.58
Loan given to Mumbai Metro One Private Limited written off (Refer Note No. 45)	<b>190.39</b>	-
Investment written off in Reliance Defence Systems Private Limited (Refer Note No. 44)	<b>22.61</b>	-
Loss on transfer of Western Region System Strengthening Scheme (WRSS)-Transmission undertakings (Refer Note No. 15(c) for Discontinued Operations and Note No. 50)	<b>198.50</b>	-
	<b>411.50</b>	555.58
<b>Other exceptional items</b>		
Profit on sale of Investment in Reliance Airport Developers Limited	<b>284.19</b>	-
Loss on sale of Investment in Reliance Cement Company Private Limited	-	(153.33)
	<b>284.19</b>	(153.33)

In terms of the Scheme of amalgamation of Reliance Cement Works Private Limited with Western Region Transmission (Maharashtra) Private Limited (WRTM) wholly owned subsidiary of the Company, which was subsequently amalgamated with the Company w.e.f. April 1, 2013, the Board of Directors of the Company during the year ended March 31, 2018 determined an amount of ₹ 411.50 Crore (March 31, 2017 - ₹ 555.58 Crore) as Exceptional items stated above which was debited to the Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. Had such withdrawal not been done, the Profit before tax for the year ended March 31, 2018 would have been lower by ₹ 411.50 Crore (March 31, 2017 - ₹ 555.58 Crore) and General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme overrides the relevant provisions of Ind AS 1 "Presentation of Financial Statements". Other Exceptional item of ₹ 284.19 Crore, during the year ended March 31, 2018, represents profit on sale of 24,83,923 equity shares representing 34.79% holding in Reliance Airport Developers Limited, wholly owned Subsidiary of the Company.

44. During the year ended March 31, 2018, 63,50,000 equity shares of Reliance Naval and Engineering Limited (RNEL) held by Reliance Defence Systems Private Limited (RDSPL), wholly owned subsidiary of the Company, which were pledged as security for loan obtained by RNEL have been invoked and thereby the holding of RDSPL in RNEL has reduced from 30.70% to 29.84%. In view of this, during the year ended March 31, 2018, the Company has written off an amount of ₹ 22.61 Crore from the investment in RDSPL being the difference between the cost of the invoked shares of RNEL and the market value of those shares at the date on invocation and the same has been shown as an exceptional item.
45. In respect of Mumbai Metro One Private Limited (MMOPL), a subsidiary of the Company, conditions indicate that a material uncertainty exists that may cast significant doubt on MMOPL's ability to continue as a going concern as the net worth has been substantially eroded as at the year-end, current liabilities exceeded its current assets by ₹ 973.61 Crore and loss incurred during the year amounted to ₹ 238.29 Crore. During the year ended March 31, 2018, Company has written off ₹ 190.39 Crore out of the investment in MMOPL in view of the losses incurred and same has been shown as an exceptional item.

## Notes annexed to and forming part of the Standalone Financial Statements

### 46. Disclosure under Ind AS 19 "Employee Benefits"

#### Defined Contribution Plan

- (i) Provident fund
- (ii) Superannuation fund
- (iii) State defined contribution plans
  - Employer's contribution to Employees' state insurance
  - Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the trustees of the Reliance Infrastructure Limited Officer's Superannuation Scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has recognised the following amounts as expense in the financial statements for the year:

	(₹ Crore)	
Particulars	2017-18*	2016-17*
Contribution to Provident Fund	41.03	41.42
Contribution to Employees Superannuation Fund	8.69	8.05
Contribution to Employees Pension Scheme	8.49	8.76
Contribution to Employees State Insurance (₹ 34,987)	-	-

(\* includes ₹ 0.13 Crore (₹ 0.24 Crore) from Discontinued Operations of WRSSS).

#### Defined Benefit Plan

##### Provident Fund (Applicable to certain Employees)

The benefit involving employee established provident funds, which require interest shortfall to be recompensated are to be considered as defined benefit plans. As per the Audited Accounts of Provident Fund Trust maintained by the Company, the shortfall arising in meeting the stipulated interest liability, if any, gets duly provided for.

##### Gratuity

The Company operates a gratuity plan administered by various insurance companies. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

	(₹ Crore)	
Particulars	Gratuity for the year ended March 31, 2018	Gratuity for the year ended March 31, 2017
Starting Period	April 01, 2017	April 01, 2016
Date of Reporting	March 31, 2018	March 31, 2017
<b>Assumptions</b>		
Expected Return On Plan Assets	7.71%	7.01%
Rate of Discounting	7.71%	7.01%
Rate of Salary Increase	9.75%	9.75%
Rate of Employee Turnover	4.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

**Notes annexed to and forming part of the Standalone Financial Statements**
**(₹ Crore)**

<b>Change in the Present Value of Defined Benefit Obligation</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
Present value of Benefit Obligation at the beginning of the year	<b>562.79</b>	477.16
Liability Transferred Out	<b>(1.26)</b>	-
Liability Transferred In	<b>1.23</b>	-
Interest Cost	<b>39.45</b>	37.40
Current Service Cost	<b>40.78</b>	26.98
Benefit Paid Directly by the Employer	<b>(24.89)</b>	(23.61)
Benefit Paid From the Fund	<b>-</b>	-
Actuarial (Gain) / Losses on Obligation- Due to Change in Financial Assumptions	<b>(20.00)</b>	41.18
Actuarial (Gain) / Losses on Obligation- Due to Change in Demographic Assumptions	<b>8.29</b>	0.60
Actuarial (Gain) / Losses on Obligation-Due to Experience	<b>(18.19)</b>	3.08
Present Value of Benefit Obligation at the end of the year	<b>588.20</b>	562.79
<b>Change in the Fair Value of Plan Assets</b>		
Fair Value of Plan Asset at the beginning of the year	<b>422.52</b>	378.75
Asset Transferred In / Out	<b>1.23</b>	0.83
Asset Transferred Out / Divestment	<b>(1.06)</b>	(1.20)
Interest Income	<b>29.62</b>	29.73
Contribution by the Employer	<b>14.57</b>	-
Return on Plan Assets Excluding Interest Income	<b>(0.28)</b>	14.41
<b>Fair Value of Plan Asset at the end of the year</b>	<b>466.60</b>	422.52
<b>Amount Recognised in the Balance Sheet</b>		
Present Value of Benefit Obligation at the end of the year	<b>(588.20)</b>	(562.79)
Fair Value of Plan Assets at the end of the year	<b>466.60</b>	422.52
<b>Funded Status (Deficit)</b>	<b>(121.60)</b>	(140.27)
<b>Net (Liability) Recognized in the Balance Sheet</b>	<b>(121.60)</b>	(140.27)
<b>Provisions</b>		
<b>Current</b>	<b>(34.22)**</b>	(140.27)**
<b>Non-Current</b>	<b>(87.38)</b>	-
<b>Expenses Recognized in the Statement of Profit and Loss</b>		
Current Service Cost	<b>40.78</b>	26.98
Net Interest Cost	<b>9.83</b>	7.67
<b>Expenses Recognised</b>	<b>50.61*</b>	34.65*
<b>Expenses Recognised in Other Comprehensive Income (OCI)</b>		
Actuarial Losses on Obligation for the year	<b>(29.90)</b>	44.86
Return on Plan Assets Excluding Interest Income	<b>0.27</b>	(14.41)
<b>Net Expenses for the year recognised in OCI</b>	<b>(29.63)</b>	30.45
<b>Major Categories of plan asses as a percentage of total Insurance Fund</b>	<b>100%</b>	100%
Prescribed Contribution For Next Year	<b>34.22</b>	33.19
<b>Maturity Analysis of Project Benefit Obligation : From Fund</b>	<b>-</b>	-
Projected Benefit in Future Years from the Date of Reporting	<b>-</b>	-
Within next 12 months	<b>66.98</b>	62.31
Between 2 to 5 years	<b>174.14</b>	170.60
Between 6 to 10 years	<b>283.37</b>	253.39
Beyond 10 years	<b>63.71</b>	76.49
<b>Sensitivity Analysis</b>	<b>-</b>	-
Increase / (Decrease) in Present value of Defined Benefits Obligation at the end of the year	<b>588.20</b>	562.79
<b>Assumptions – Discount Rate</b>		
Sensitivity Level	<b>1%</b>	1%
Impact on defined benefit obligation –in % increase	<b>(6.80%)</b>	(6.77%)
Impact on defined benefit obligation –in % decrease	<b>7.71%</b>	7.68%

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

(₹ Crore)

Change in the Present Value of Defined Benefit Obligation	As at March 31, 2018	As at March 31, 2017
<b>Assumptions – Future Salary Increase</b>		
<b>Sensitivity Level</b>	<b>1%</b>	<b>1%</b>
Impact on defined benefit obligation –in % increase	<b>7.41%</b>	7.40%
Impact on defined benefit obligation –in % decrease	<b>(6.68%)</b>	(6.67%)
<b>Assumptions – Employee Turnover</b>		
<b>Sensitivity Level</b>	<b>1%</b>	<b>1%</b>
Impact on defined benefit obligation –in % increase	<b>(1.01%)</b>	(1.24%)
Impact on defined benefit obligation –in % decrease	<b>1.11%</b>	1.37%

\*Includes ₹ 0.07 Crore (₹ 0.34 Crore) for Discontinued Operations of WRSS.

\*\* Includes ₹ Nil (₹ 0.26 Crore) for Discontinued Operations of WRSS

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### 47. Disclosure of Loans and Advances in the nature of loans to Subsidiaries and Associates (Pursuant to Regulation 34(3) and 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015)

(₹ Crore)

Sr. No.	Name	Clg Bal Amt O/s as at		Max Amt O/s as at	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	<b>Subsidiaries:</b>				
1	Mumbai Metro One Private Limited	<b>283.79</b>	421.18	<b>474.18</b>	421.18
2	DA Toll Road Private Limited #	<b>15.44</b>	15.44	<b>15.44</b>	15.44
3	Delhi Airport Metro Express Private Limited #	<b>56.52</b>	18.00	<b>83.00</b>	18.00
4	PS Toll Road Private Limited #	<b>11.90</b>	2.00	<b>11.90</b>	2.00
5	Reliance Electric Generation and Supply Limited	<b>30.96</b>	0.11	<b>30.96</b>	0.15
6	TK Toll Road Private Limited	-	7.50	<b>7.50</b>	7.50
7	Reliance Defence Systems Private Limited #	-	-	<b>3.50</b>	-
8	Reliance Defence Technologies Private Limited #	<b>0.01</b>	-	<b>0.01</b>	-
9	Reliance Defence Systems and Technologies Private Limited #	<b>2.48</b>	-	<b>2.48</b>	-
10	Reliance Defence and Aerospace Private Limited #	<b>0.05</b>	-	<b>0.05</b>	-
11	Reliance Airport Developers Limited #	-	-	<b>0.71</b>	-
12	Baramati Airport Private Limited #	-	-	<b>0.06</b>	-
13	Latur Airport Private Limited	<b>0.10</b>	-	<b>0.10</b>	-
14	Nanded Airport Private Limited	<b>4.07</b>	-	<b>4.75</b>	-
15	Osmanabad Airport Private Limited	<b>0.07</b>	-	<b>0.07</b>	-
16	Yavatmal Airport Private Limited	<b>0.13</b>	-	<b>0.13</b>	-
17	Reliance Aerostructure Limited #	<b>89.29</b>	-	<b>89.29</b>	-
18	Reliance Defence Limited	-	-	<b>1.00</b>	-
	<b>Associates including Subsidiaries of Associates:</b>				
19	Reliance Power Limited	<b>291.15</b>	507.60	<b>719.12</b>	507.60
20	Sasan Power Limited	-	-	-	57.00
21	Reliance Naval and Engineering Limited (formerly Reliance Defence and Engineering Limited)	<b>1,696.44</b>	933.15	<b>1,696.43</b>	933.15
22	Reliance Engineering and Defence Services Limited	<b>1.50</b>	-	<b>1.50</b>	-
23	E Complex Private Limited	<b>131.47</b>	78.30	<b>147.77</b>	78.30
24	Reliance Marine and Offshore Private Limited	<b>45.10</b>	45.10	<b>45.10</b>	45.10

# Except for these companies, all loans and advances stated above carry interest.

There are no investments by loanees as at March 31, 2018 in the shares of the Company and Subsidiary Companies.

As at the year-end, the Company-

- has no loans and advances in the nature of loans to firms / companies in which directors are interested.
- The above amounts exclude subordinate debts.

**Notes annexed to and forming part of the Standalone Financial Statements**
**48. Disclosure pursuant to Indian Accounting Standard (Ind AS) 11 "Construction Contracts"**
**(₹ Crore)**

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	Amount of Contract Revenue Recognised during the year	<b>847.39</b>	1,532.75
2	Aggregate amount of costs incurred and recognised profits (less recognised losses) upto the reporting date.	<b>37,534.52</b>	39,227.08
3	Amount of customer advances outstanding for contracts in progress	<b>1,382.34</b>	2,129.42
4	Retention amount due from customers for contracts in progress	<b>1,105.61</b>	1,133.62
5	Gross amount due from customers for contract works as an asset	<b>389.55</b>	328.64
6	Gross amount due to customers for contract work as a liability	<b>978.52</b>	1,197.53

**49.** The Board of Directors at its meeting held on March 16, 2016 had approved the Scheme of restructuring envisaging transfer of various operating divisions of the Company, namely Dahanu Thermal Power Station (DTPS), Goa Power Station, Samalkot Power Station, Mumbai Power Transmission Division, Mumbai Power Distribution Division and Windmill Division (together considered as Power Business,) to its resulting wholly owned subsidiary viz. Reliance Electric Generation & Supply Limited with appointed date of April 01, 2016. The scheme received the approval of the Hon'ble Bombay High Court on January 19, 2017. The Hon'ble High Court vide order dated November 20, 2017, sanctioned the effective date of the scheme from April 01, 2016 to April 01, 2018, with liberty to apply. The scheme is effective subject to various approvals and accordingly no effect of the said scheme is given in the books of account and based on the legal advice received, has not been considered as Non Current Assets held for sale as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".

**50.** During the year ended March 31, 2017, the Company signed Term Sheet with Adani Transmission Limited (ATL) for sale of its assets in Western Region Strengthening Scheme (WRSS) projects and entire investment in subsidiary, Parbati Koldam Transmission Company Limited (PKTCL). On December 6, 2016, the Company executed Share Purchase Agreement with ATL for 100% sale of its WRSS Transmission Assets. On October 12, 2017, the Company completed the transfer of its Western Region System Strengthening Scheme (WRSSS) Transmission Undertakings to its two subsidiaries namely Western Transmission Gujarat Limited (WTGL) and Western Transco Power Limited (WTPL) and accordingly the Assets and Liabilities as well as Income and Expenditure of WRSSS have been considered as Non Current Assets held for sale and discontinued operations as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".

On the above transfer, there was a loss of ₹ 198.50 Crore during the year ended March 31, 2018, being loss on fair value of assets and liabilities considered as held for sale. Pursuant to the Scheme of amalgamation of Reliance Cement Works Private Limited with Western Region Transmission (Maharashtra) Private Limited (WRTM) wholly owned subsidiary of the Company, which was subsequently amalgamated with the Company w.e.f. April 01, 2013, the Board of Directors of the Company during the quarter ended September 30, 2017 had determined this amount of ₹ 198.50 Crore as Exceptional item, which was debited to the Statement of Profit and Loss and an equivalent amount had been withdrawn from General Reserve. Had such withdrawal not been done, the Profit before tax for the year ended March 31, 2018 would have been lower by ₹ 198.50 Crore and General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme overrides the relevant provisions of Ind AS 1 "Presentation of Financial Statements".

**51.** During the year ended March 31, 2018, the Company signed a Share Purchase Agreement (SPA) with Adani Transmission Limited (ATL) for sale of its integrated business of generation, transmission and distribution of power for Mumbai City. The Company received an advance of ₹ 2,602 Crore during the year ended March 31, 2018 from ATL which will be adjusted from the consideration towards the SPA. The said transaction is subject to various regulatory and customary approvals and hence has not been considered as Non Current Assets held for sale and discontinued operations as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".

**52. Interest in Jointly Controlled Operations**

The Company along with M/s. Geopetrol International Inc. and Reliance Natural Resources Limited \*(the consortium) was allotted 4 Coal Bed Methane (CBM) blocks from Ministry of Petroleum and Natural Gas (Mo PNG) covering an acreage of 3,266 square kilometers in the States of Madhya Pradesh, Andhra Pradesh and Rajasthan. The consortium had entered into a contract with Government of India for exploration and production of these four CBM blocks. The Company as part of the consortium had acquired proportionate share in each of the four blocks. M/s. Geopetrol International Inc was appointed the operator on behalf of the consortium for all the four CBM blocks.

Also, the Company along with M/s. Geopetrol International Inc, NaftoGaz India Private Limited and Reliance Natural Resources Limited \*(the consortium) was allotted Oil and Gas block from Ministry of Petroleum and Natural Gas (MoPNG), in the State of Mizoram under the New Exploration Licensing Policy (NELP-VI) round, covering an acreage of 3,619 square kilometers and the consortium had signed a production sharing contract with the Government of India for exploration and production of Oil and Gas from block. The Company as part of the consortium has 70% share in the block. M/s. NaftoGaz India Private Limited was the operator on behalf of the consortium for the block.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### Disclosure of the Company's share in Joint Controlled Operations

Name of the Field in the Joint Venture	Location (Onshore Blocks)	Participating Interest (%) March 31, 2018	Participating Interest (%) March 31, 2017
SP-(North) – CBM – 2005 / III	Sohagpur, Madhya Pradesh	55 % **	55 % **
KG(E) – CBM – 2005 / III	Kothagudem, Andhra Pradesh	Stands Relinquished ***	45 % ***
BS(4) – CBM – 2005 / III	Barmer, Rajasthan	Stands Relinquished ****	45 % ****
BS(5) – CBM – 2005 / III	Barmer, Rajasthan	Stands Relinquished ****	45 % ****
MZ-ONN-2004 / 2	Mizoram	70 % *****	70 % *****

\*\*The Board of Directors of the Company has approved the transfer of operatorship from M/s. Geopetrol International Inc to the Company on February 14, 2015. MoPNG approved the same on April 28, 2016 and amendment to Contract has been conveyed on January 29, 2018.

\*\*\* The consortium experienced inordinate delays in Government clearances, non receipt of Petroleum Exploration License (PEL) for more than 5 years and consequently relinquished its rights in respect of the block at Kothagudem, Andhra Pradesh vide letter dated February 06, 2013. The consortium vide letter dated November 21, 2013 communicated to Directorate General of Hydrocarbons (DGH) / MoPNG that the abnormal delays has made it impossible for the consortium to pursue performance under the contract. Under these circumstances, the contract is not effective and became incapable of being executed and that the consortium has no further obligations with respect to the said CBM Block. Govt. of India notified "Policy Framework for Early Monetization of Coal Bed Methane" on April 11, 2017. Policy allows exit option if delay in grant of PEL exceeds two (2) years from the State Government.

Consortium has submitted request on June 07, 2017 for approval of exit option due to inordinate (more than 5 years) delays in receiving grant of PEL. DGH on October 31, 2017 conveyed relinquishment of the block. Liability, if any, which may arise on this relinquishment, is presently not ascertainable.

\*\*\*\* The consortium had experienced inordinate delays in receipt of clearances/permissions from State Government of Rajasthan. Timely grant of requisite approvals was beyond the control of the Consortium and the abnormal delay in the grant of requisite approvals/clearances and also abnormal delay in response on request of grant of extension of Phase-I by DGH, made the Consortium incapable of performance. In view of the difficulties faced, the Consortium relinquished all rights with respect to both the CBM blocks vide letter dated November 21, 2013 to the Government of India and it stated that the consortium has no further obligations with respect to the CBM Blocks. Govt. of India notified "Policy Framework for Early Monetization of Coal Bed Methane" on April 11, 2017. Policy allows exit option without paying Cost of Unfinished Work Program in case of inordinate delays in granting clearances i.e. beyond two (2) years. Consortium had submitted request on June 07, 2017 for approval of exit option due to inordinate delays in receiving various clearances. DGH on October 31, 2017 conveyed relinquishment of both blocks. Liability, if any, which may arise on this relinquishment, is presently not ascertainable.

\*\*\*\*\* MoPNG, Government of India in October 2012, after six years of the award of block, observed that NaftoGaz India Limited had falsely represented itself as the subsidiary of NaftoGaz of Ukraine at the time of bidding and served notice of termination to all consortium members referring relevant clause of NELP-VI notice inviting offer (NIO) and Article 30.3(a) of the Production Sharing Contract (PSC) and demanded to pay penalty towards unfinished minimum work program. The Company has received letter dated April 16, 2015 from DGH to deposit USD 9,467,079 as cost of unfinished Minimum Work Program (MWP) to MoPNG. The claim has been contested by the Company vide letter dated June 21, 2014, May 25, 2015 and March 05, 2016. The said amount is disclosed under Contingent Liability in Note No. 35 above.

The above joint ventures are unincorporated joint ventures carrying out jointly controlled operations. Based on the audited statement of accounts of the consortium forwarded by the Operator, except for Mizo Block, the Company's share in respect of assets and liabilities and expenditure for the year have been accounted as under.

	(₹ Crore)	
Particulars	2017-18	2016-17
Expenses	1.34	0.70
Other Assets	3.77	4.47
Current Liabilities	0.01	0.02

(\* Share of RNRL has since been demerged to 4 Subsidiary Companies of Reliance Power Limited).

Notes annexed to and forming part of the Standalone Financial Statements

53. (1) Disclosure as required under Ind AS – 17 "Leases" is given below:

- (a) The Company has entered into cancellable / non-cancellable leasing agreement for office, residential and warehouse premises renewable by mutual consent on mutually agreeable terms.
- (b) Future minimum lease payments under non-cancellable operating lease are as under:

(₹ Crore)

Particulars	Lease Rental Debited to Statement of Profit and Loss (Cancellable and Non cancellable)	Future Minimum Lease Rentals			Period of Lease*
		Less Than 1 Year	Between 1 to 5 Years	More than 5 Years	
Office Premises and Warehouses	33.65	2.48	1.78	-	Various

\*The Lease terms are renewable on a mutual consent of Lessor and Lessee. The lease rentals have been included under the head "Rent" under Note No. 30 of Notes to Standalone Financial Statements.

(2) Assets taken on Finance Lease

The finance lease obligation relate to the 25-year power purchase agreement under which Vidarbha Industries Power Limited, a subsidiary of Reliance Power Limited, sells all of its electricity output of its power plant at Butibori village in Nagpur, Maharashtra (In two units of 300 MW each (thermal power project) to the Company as the sole offtaker.

The effective interest rate implicit in the finance lease is 10.88%.

- (a) Following table summarises the reconciliation of lease liabilities in the arrangement:

(₹ Crore)

	Gross Value of Finance Lease Liabilities		Present value of Finance Lease Liabilities	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
- Not later than one year	509.47	509.47	58.68	52.66
- Later than one year and not later than five years	2,037.87	2,037.87	310.00	278.17
- Later than five years	7,854.30	8,358.92	3,800.92	3,886.58
Total	10,401.64	10,906.26	4,169.60	4,217.41
Less: future interest	6,232.04	6,688.85		
Present Value of Minimum Lease Liabilities	4,169.60	4,217.41		

The lease arrangement is for a non-cancellable period of twenty-five years without the option to purchase the leased plant after that period. The Company makes payment to the lessor variable costs which are in the nature of contingent rental that are recognised in the Statement of Profit and Loss amounting to ₹ 966.66 Crore (March 31, 2017- ₹ 1,210.41 Crore).

The fair value is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturities adjusted for credit spread. The fair value of lease liabilities falls into level 3 of the fair value hierarchy. Refer Note No.54 for fair value disclosure of lease liabilities.



# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### 54. Fair Value Measurement and Financial Risk Management

#### (A) Fair Value Measurements

##### (a) Financial instruments by category

(₹ Crore)

	As at March 31, 2018			As at March 31, 2017		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments	3.73	-	-	3.73	-	-
- Subordinate debt	-	-	142.85	-	-	133.83
- Preference shares	1,430.13	-	-	1,302.81	-	-
- Debentures	1,010.11	-	-	886.06	-	-
- Mutual funds	266.64	-	-	245.40	-	-
- Government securities	-	-	120.80	-	-	127.28
Trade receivables	-	-	4,801.33	-	-	5,059.37
Concession Financial receivables	-	-	-	-	-	75.54
Inter Corporate Deposits	-	-	13,551.22	-	-	11,537.99
Security deposits	-	-	128.53	-	-	132.06
Loan to Employees	-	-	45.69	-	-	46.78
Derivative financial asset	-	-	-	0.02	-	-
Other receivables	-	-	784.81	-	-	930.78
Advance to Employees	-	-	12.25	-	-	12.31
Interest receivable	-	-	1,238.90	-	-	419.98
Cash and cash equivalents	-	-	86.22	-	-	153.72
Bank deposits with original maturity of more than 3 months but less than 12 months	-	-	499.47	-	-	91.78
Bank deposits with more than 12 months original maturity	-	-	0.88	-	-	-
<b>Total financial assets</b>	<b>2,710.61</b>	<b>-</b>	<b>21,412.95</b>	<b>2,438.03</b>	<b>-</b>	<b>18,721.42</b>
<b>Financial liabilities</b>						
Borrowings (including finance lease obligations and interest accrued thereon)	-	-	17,170.95	-	-	20,264.56
Trade payables	-	-	5,304.77	-	-	5,567.01
Others	-	-	808.13	-	-	-
Deposits from consumers	-	-	434.19	-	-	409.86
Derivative financial liability	-	-	-	5.79	-	-
Financial guarantee obligation	9.24	-	-	13.89	-	-
Unpaid dividends	-	-	15.46	-	-	14.33
Creditors for capital expenditure	-	-	-	-	-	5.05
<b>Total financial liabilities</b>	<b>9.24</b>	<b>-</b>	<b>23,733.50</b>	<b>19.68</b>	<b>-</b>	<b>26,260.81</b>

**Notes annexed to and forming part of the Standalone Financial Statements**
**(b) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**(₹ Crore)**

<b>Assets and liabilities measured at fair value – recurring fair value measurements as at March 31, 2018</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial instruments at FVTPL</b>				
Unquoted equity instruments	-	-	3.73	3.73
Preference shares	-	-	1,430.13	1,430.13
Debentures	-	-	1,010.11	1,010.11
Mutual funds	266.64	-	-	266.64
Financial Guarantee Obligations	-	-	9.24	9.24
<b>Derivatives not designated as hedges</b>				
Derivative financial liabilities	-	-	-	-
Derivative financial assets	-	-	-	-
<b>Assets and liabilities for which fair values are disclosed as at March 31, 2018</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Non-financial assets</b>				
Investment property	-	-	531.00	531.00
Assets classified as Non-Current Assets held for Sale	-	-	667.77	667.77
<b>Investments in equity instruments of associates</b>				
Reliance Power Limited	4,375.31	-	-	4,375.31
<b>Financial assets</b>				
Government securities	120.71	-	-	120.71
<b>Financial liabilities</b>				
Borrowings (including finance lease obligations and interest accrued thereon)	-	-	17,492.18	17,492.18
<b>Assets and liabilities measured at fair value – recurring fair value measurements as at March 31, 2017</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial instruments at FVTPL</b>				
Unquoted equity instruments	-	-	3.73	3.73
Preference shares	-	-	1,302.81	1,302.81
Debentures	-	-	886.06	886.06
Mutual funds	245.40	-	-	245.40
Financial Guarantee Obligations	-	-	13.89	13.89
<b>Derivatives not designated as hedges</b>				
Derivative financial liabilities	-	5.79	-	5.79
Derivative financial assets	-	0.02	-	0.02
<b>Assets and liabilities for which fair values are disclosed as at March 31, 2017</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Non-financial assets</b>				
Investment property	-	-	558.42	558.42
Assets classified as Non-Current Assets held for Sale	-	-	1,860.65	1,860.65
<b>Investments in equity instruments of associates</b>				
Reliance Power Limited	5,829.71	-	-	5,829.71
<b>Financial assets</b>				
Government securities	128.10	-	-	128.10
Service concession receivables	-	-	75.79	75.79
<b>Financial liabilities</b>				
Borrowings (including finance lease obligations and interest accrued thereon)	-	-	20,332.43	20,332.43

## Notes annexed to and forming part of the Standalone Financial Statements

There were no transfers between any levels during the year.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3.

### (c) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis / Earnings / EBITDA multiple method.

All of the resulting fair value estimates are included in level 1 and 2 except for unlisted equity securities, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### (d) Fair value measurements using significant unobservable inputs (level 3)

(₹ Crore)

Particulars	Level 3 financial assets
As at March 31, 2017	2,206.49
Other fair value gains(losses) recognised in Statement of Profit and Loss (unrealised)	246.72
Realised gain on disposal recognised in Statement of profit and loss	-
Sale	-
<b>As at March 31, 2018</b>	<b>2,453.21</b>

### (e) Valuation processes

The finance department of the Company obtains assistance of independent and competent third party valuers to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. These experts report to the financial risk management team, chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management group.
- For unlisted equity securities, their fair values are estimated based on the book values of the companies.
- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the financial risk management team, CFO, AC and the valuation experts. As part of this discussion the team presents a report that explains the reason for the fair value movements.

**Notes annexed to and forming part of the Standalone Financial Statements**
**(f) Fair value of financial assets and liabilities measured at amortised cost**
**(₹ Crore)**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Government securities	120.80	120.71	127.28	128.10
Service concession receivables	-	-	75.54	75.79
<b>Financial liabilities</b>				
Borrowings (including finance lease obligations and interest accrued thereon)	17,170.95	17,492.18	20,264.56	20,332.43

The carrying amounts of trade receivables, trade payables, advances to employees including interest thereon (secured/unsecured), intercorporate deposits, security deposits, deposits from customers, other loans and advances, loans to employees, interest receivables, subordinate debt, unpaid dividends, bank deposits with original maturity of more than 3 months but less than 12 months, bank deposits with more than 12 months maturity, capital creditors, loans to employee and cash and cash equivalents are considered to have their fair values approximately equal to their carrying values. The fair values for other assets and liabilities were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy if there is inclusion of unobservable inputs including counterparty credit risk. The fair values of non-current borrowings and finance lease obligations are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

**(g) Valuation inputs and relationships to fair value**

Relationship to observable inputs to fair value:

**(₹ Crore)**

Particulars	Fair value as at		Valuation technique	Significant unobservable inputs and range
	March 31, 2018	March 31, 2017		
Equity instruments	3.73	3.73	Earnings/EBITDA multiple method	Earnings growth factor 7% to 9%
Preference shares	1,430.13	1,302.81	Discounted cash flow	Discount rate: 12% to 16%
Debentures	1,010.11	886.06		

Rate increase by 100 basis points would result in reduction in fair value and decrease the profit and investment for March 31, 2018 by ₹ 191.76 Crore (March 31, 2017- ₹ 186.41 Crore). A rate decrease would have led to an increase in fair value, profit and investment for March 31, 2018 by ₹ 212.40 Crore (March 31, 2017- ₹ 211.53 Crore).

100 basis points change in the unobservable input for unquoted equity instruments does not have a significant impact in its value.

**(B) Financial Risk Management**

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Committee of the Company is supported by the Finance team and experts of respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department provides funding and foreign exchange management services for the Company's operations. In addition to guidelines and exposure limits, a system of authorities and extensive independent reporting covers all major areas of treasury's activity.

## Notes annexed to and forming part of the Standalone Financial Statements

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Highly probable forecast transactions, firm commitments, recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts, Principal only swaps, Cross currency swaps
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk – security prices	Investments in equity securities and mutual funds	Sensitivity analysis	Portfolio diversification

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors.

Treasury team identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### (a) Credit risk

The Company is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents, investments carried at amortised cost or fair value through profit & loss and deposits with banks and financial institutions, as well as credit exposures to trade/non-trade customers including outstanding receivables.

### (i) Credit risk management

Credit risk is managed at segment level and corporate level depending on the policy surrounding credit risk management. For banks and financial institutions, only high rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at segment and corporate level except for those surrounding accounts receivable balances. Each segment is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. For other financial assets, the Company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a Company basis for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

Rating 1: High-quality assets, negligible credit risk

Rating 2: Quality assets, low credit risk

Rating 3: Medium to low quality assets, Moderate to high credit risk

Rating 4: Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- Internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations
- actual or expected significant changes in the operating results of the customer

**Notes annexed to and forming part of the Standalone Financial Statements**

- significant increase in credit risk on other obligations of the same customer
- significant changes in the value of the collateral supporting the obligation
- Significant changes in the expected performance and behaviour of the customer, including changes in the operating results of the customer.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. In respect of the Distribution Business of the Company the Company decides the amount of the Provision for Expected Loss (Provision for Doubtful Debts) based on the connection status of the consumers. Any dues for more than six months in respect of disconnected consumers and for more than 2 years in respect of connected consumers are provided for. In respect of the EPC Business of the Company, the Company decides the amount of the Provision for Expected Loss (Provision for Doubtful Debts) after a period of 3 years from the date the amount receivable becomes due. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

**(ii) Provision for expected credit losses**

The Company provides for expected credit loss based on the following:

Category	Description of category	Internal rating	Basis for recognition of expected credit losses Investments and loans, Security deposits, other deposits and receivables
High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Rating 1	12-month expected credit losses
Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	Rating 2	12-month expected credit losses
Medium to low quality assets, Moderate to high credit risk	Assets where there is a moderate to high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as medium to low quality assets. Also includes assets where the credit risk of counter-party has increased significantly since initial recognition though payments may not be more than 60 days past due	Rating 3	12-month expected credit losses for financial assets for which credit risk has not increased significantly since initial recognition. For others Lifetime expected credit losses
Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the Statement of Profit and Loss.	Rating 4	Asset is written off

**Trade receivables, retentions on contract and amounts due from customers for contract work**

In case of transmission and generation business, regulator approved tariff is receivable from long-term transmission customers (LTTCS) and Discoms that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very low in respect of construction contracts, the Company has receivables from subsidiary and associate companies where the management perceives the risk of recovery to be remote. The Company considers for impairment its receivables from customers in its Mumbai distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collaterals. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. However, the Company has assessed that the concentrations of risk in these balance is not material considering the high collection efficiency.

**Investments other than equity instruments**

The Company has investments in Central Government securities which enjoy sovereign credit rating which is negligible. Management does not believe there is a risk of non-recoverability in such investments.

## Notes annexed to and forming part of the Standalone Financial Statements

Investments in financial assets other than equity instruments are exposed to the risk of loss that may occur in future from the failure of counterparties or issuers to make payments according to the terms of the contract. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented in the balance sheet.

### Year ended March 31, 2018:

Expected credit loss for financial assets where general model is applied

(₹ Crore)

Particulars	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of provision
Financial assets for which credit risk has / has not increased significantly since initial recognition	Government securities	Rating 1	120.80	0%	-	120.80
		Rating 2	146.23	12%	17.70	128.53
	Other receivables	Rating 1	2,166.74	7%	143.03	2,023.71
		Rating 2 / 3	16,105.36	16%	2,554.14	13,551.22

### Year ended March 31, 2017:

(₹ Crore)

Expected credit loss for financial assets where general model is applied

Particulars	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of provision
Financial assets for which credit risk has/ has not increased significantly since initial recognition	Government securities	Rating 1	127.28	0%	-	127.28
		Rating 2	149.84	12%	17.78	132.06
	Service concession receivables	Rating 1	75.54	0%	-	75.54
		Rating 1	1,426.42	5%	75.64	1,350.78
	Other receivables	Rating 1	1,426.42	5%	75.64	1,350.78
		Rating 2 / 3	14,081.92	18%	2,543.93	11,537.99

### (iii) Reconciliation of loss allowance provision – Trade receivables, retentions on contract under simplified approach

(₹ Crore)

Reconciliation of loss allowance	Lifetime expected credit losses measured using simplified approach
Loss allowance as at March 31, 2017	78.39
Changes in loss allowance	13.18
<b>Loss allowance as at March 31, 2018</b>	<b>91.57</b>

### (iv) Reconciliation of loss allowance provision – Other than trade receivables, retentions on contract under general model approach

(₹ Crore)

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses
Loss allowance as at March 31, 2017	2,637.35
Add / (Less): Changes in loss allowances due to assets originated or purchased (Net)	77.52
<b>Loss allowance as at March 31, 2018</b>	<b>2,714.87</b>



**Notes annexed to and forming part of the Standalone Financial Statements**
**(b) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**(i) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturities based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The following are contractual maturity of financial liability at the reporting date. The amounts are gross and undiscounted and includes contractual interest payment.

**(₹ Crore)**

<b>Contractual maturities of financial liabilities</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
<b>March 31, 2018</b>			
<b>Non-Derivatives</b>			
Borrowings *	<b>8,407.39</b>	<b>6,120.15</b>	<b>14,527.54</b>
Finance lease obligations	<b>509.47</b>	<b>9,892.17</b>	<b>10,401.64</b>
Trade payables	<b>5,295.98</b>	<b>8.79</b>	<b>5,304.77</b>
Security and other deposits	<b>57.61</b>	<b>376.58</b>	<b>434.19</b>
Financial guarantee obligation	<b>-</b>	<b>9.24</b>	<b>9.24</b>
Other finance liabilities	<b>823.59</b>	<b>-</b>	<b>823.59</b>
<b>Total Non-Derivative liabilities</b>	<b>15,094.04</b>	<b>16,406.93</b>	<b>31,500.97</b>
<b>Contractual maturities of financial liabilities</b>			
<b>March 31, 2017</b>			
<b>Non-derivatives</b>			
Borrowings *	9,897.32	8,206.92	18,104.24
Finance lease obligations	509.47	10,396.79	10,906.26
Trade payables	5,562.03	4.98	5,567.01
Security and other deposits	55.47	354.39	409.86
Financial guarantee obligation	-	13.89	13.89
Creditors for capital expenditure	5.05	-	5.05
Other finance liabilities	14.35	-	14.35
<b>Total non-derivative liabilities</b>	<b>16,043.68</b>	<b>18,976.97</b>	<b>35,020.64</b>
<b>Derivatives (net settled)</b>			
Forward Contracts	5.79	-	5.79
<b>Total derivative liabilities</b>	<b>5.79</b>	<b>-</b>	<b>5.79</b>

\*Includes contractual interest payments based on the interest rate prevailing at the reporting date.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

### (c) Market risk

#### (i) Foreign currency risk

The Company operates in a business that exposes it to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the Company is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

- (a) As per the risk management policy, foreign exchange forward contracts are taken to manage such risk. The Company also imports certain assets of capital nature which exposes it to foreign currency risk. To minimise the risk of imports, the Company enters into foreign exchange forward contracts.

(Amount in Crore)

	As at March 31, 2018		As at March 31, 2017	
	USD	EUR	USD	EUR
<b>Financial assets</b>				
Investment in preference shares	9.81	-	9.81	-
Trade Receivable	27.14	1.33	27.20	0.72
Bank balance in EEFC accounts	0.07	-	3.84	0.02
<b>Exposure to foreign currency risk (assets)</b>	<b>37.02</b>	<b>1.33</b>	<b>40.85</b>	<b>0.74</b>
<b>Financial liabilities</b>				
Bank loan	-	-	3.12	-
Trade payables	10.52	2.45	8.75	2.51
<b>Derivative liabilities</b>				
Forward contracts	-	-	(2.06)	-
<b>Exposure to foreign currency risk (liabilities)</b>	<b>10.52</b>	<b>2.45</b>	<b>9.81</b>	<b>2.51</b>

#### (b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts.

(₹ Crore)

Particulars	Impact on profit before tax	
	March 31, 2018	March 31, 2017
INR/USD - Increase by 6%*	98.20	121.44
INR/USD - Decrease by 6%*	(98.20)	(121.44)

\*Holding all other variables constant

The outstanding Euro denominated balance being insignificant has not been considered for the purpose of sensitivity disclosures.

#### (ii) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During March 31, 2018 and March 31, 2017, the Company's borrowings at variable rate were mainly denominated in INR and USD.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, the Company agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Generally, the Company raises long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the Company borrowed at fixed rates directly.

Notes annexed to and forming part of the Standalone Financial Statements

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at	
	March 31, 2018	March 31, 2017
Variable rate borrowings	7,085.90	9,603.39
Fixed rate borrowings	5,316.95	6,123.38
<b>Total borrowings</b>	<b>12,402.85</b>	<b>15,726.77</b>

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	March 31, 2018			March 31, 2017		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank overdrafts, bank loans	10.62%	7,085.90	57%	11.23%	9,603.39	61%

An analysis by maturities is provided above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit before tax	
	As at March 31, 2018	As at March 31, 2017
Interest rates – increase by 100 basis points*	70.86	96.03
Interest rates – decrease by 20 basis points*	(14.17)	(19.21)

\*Holding all other variables constant

(iii) Price risk

(a) Exposure

The Company's exposure to equity securities price risk arises from unquoted equity investments and quoted mutual funds held by the Company and classified in the balance sheet as fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company invests only in accordance with the limits set by the Company.

(b) Sensitivity

Particulars	Impact on other components of equity	
	As at March 31, 2018	As at March 31, 2017
Price increase by 10%	27.04	24.391
Price decrease by 10%	(27.04)	(24.91)

55. Capital Management

(a) The Company considers the following components of its Balance Sheet to be managed capital:

1. Total equity – retained profit, general reserves and other reserves, share capital, share premium
2. Working capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Standalone Financial Statements

The Company's aim to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor, and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the group. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

### (b) Dividends

Particulars	(₹ Crore)	
	Year ended March 31, 2018	Year ended March 31, 2017
<b>Equity Shares</b>		
Final dividend for the year ended March 31, 2017 of ₹ 9.00 per fully paid share which was paid in the year 2017-18 (including dividend tax and net of set-off of write back of excess provision)	<b>283.43</b>	251.39
<b>Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year end, the directors have recommended the payment of a final dividend of ₹ 9.50 per fully paid equity share (March 31, 2017 – ₹ 9.00) (including dividend tax). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	<b>301.20</b>	284.87

56. The Company has constituted a Corporate Social Responsibility Committee (CSR Committee) in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee consists of Ms. Ryna Karani as Chairperson and Shri. S S Kohli, Shri K Ravikumar and Dr. V K Chaturvedi as members. The CSR Committee has formulated a Corporate Social Responsibility Policy (CSR policy) indicating the CSR activities to be undertaken by the Company. Expenditure during the year related to Corporate Social Responsibility as per Section 135 of the Act, read with Schedule VII thereof is ₹18.83 Crore.

- a) Gross amount required to be spent by the Company as required under the Act, during the financial year 2017-18 is ₹ 18.07 Crore
- b) Amount spent during the year on CSR was ₹ 18.83 Crore, as mentioned below:

Particulars	(₹ Crore)		
	In Cash	Yet to be paid in Cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	18.83	-	18.83

57. Pursuant to first proviso to sub-section (3) of section 129 of the Act, read with rule 5 of Companies (Accounts) Rules, 2014, the Company has attached salient features of the financial statement of its subsidiaries, associates and joint-ventures in form AOC-1 with its Consolidated Financial Statements.

As per our attached Report of even date

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

Date : April 23, 2018  
Place : Mumbai

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

**Vishal D. Shah**  
Partner  
Membership No. 119303

Date : April 23, 2018  
Place : Mumbai

For and on behalf of the Board

**Anil D Ambani** DIN - 00004878  
**S Seth** DIN - 00004631  
**S S Kohli** DIN - 00169907  
**K Ravikumar** DIN - 00119753  
**V R Galkar** DIN - 00009177  
**Shiv Prabhat** DIN - 07319520

Chairman  
Vice Chairman

} Directors

**Lalit Jalan**  
**Sridhar Narasimhan**  
**Aashay Khandwala**  
Date : April 23, 2018  
Place : Mumbai

Chief Executive Officer  
Chief Financial Officer  
Company Secretary

## Independent Auditors' Report on the Consolidated Ind AS Financial Statements

To the Members of Reliance Infrastructure Limited

### Report on the Consolidated Ind AS Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Reliance Infrastructure Limited (herein referred to as "the Parent Company"), and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), its associates and joint venture, which comprise of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Parent Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs, consolidated profit (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Parent Company, as aforesaid.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraphs 13 and 14 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, associates and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint venture as at March 31, 2018, and their consolidated profit including other comprehensive income, its consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

### Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated Ind AS financial statements:

8. We draw attention to Note No. 28 of the consolidated Ind AS financial statements regarding the Scheme of Amalgamation ('the Scheme') between Reliance Infraprojects Limited (wholly owned subsidiary of the Parent Company) and the Parent Company sanctioned by the Hon'ble High Court of Judicature at Bombay vide its order dated March 30, 2011, wherein the Parent Company, as determined by the Board of Directors, is permitted to adjust foreign exchange / derivative / hedging losses / gains debited/credited to the consolidated Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve which overrides the relevant provisions of Ind AS-1 "Presentation of financial statements". The net gain on account of derivative instruments / forward contracts of ₹ 5.79 Crore for the year ended March

- 31, 2018 has been credited to consolidated Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly foreign exchange loss of ₹ 17.47 Crore for the year ended March 31, 2018 has been debited to consolidated Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve in terms of the Scheme. Had such transfer / withdrawal not been done, profit before tax for the year ended March 31, 2018 would have been lower by ₹ 11.68 Crore and General Reserve would have been higher by an equivalent amount.
9. We draw attention to Note No. 35(a) of the consolidated Ind AS financial Statements, wherein pursuant to the Scheme of amalgamation of Reliance Cement Works Private Limited with Western Region Transmission (Maharashtra) Private Limited (WRTM), wholly owned subsidiary of the Parent Company, which was subsequently amalgamated with the Parent Company w.e.f. April 1, 2013, WRTM or its successors is permitted to offset any extra ordinary / exceptional items, as determined by the Board of Directors, debited to the Statement of Profit and Loss by a corresponding withdrawal from General Reserve, which overrides the relevant provisions of Ind AS-1 "Presentation of financial statements". The Board of Directors of the Parent Company in terms of the aforesaid scheme, determined an amount of ₹ 198.50 Crore for the year ended March 31, 2018 as exceptional item being loss on fair valuation of assets and liabilities considered as held for sale, which has been debited in the consolidated Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. Had such withdrawal not been made, profit before tax for the year ended March 31, 2018 would have been lower by ₹ 198.50 Crore and General Reserve would have been higher by an equivalent amount.
  10. We draw attention to Note No. 27 of the consolidated Ind AS financial statements detailing the accounting treatment prescribed under the Scheme of amalgamation between Reliance Bhavnagar Power Private Limited, Reliance Infrastructure Engineers Private Limited and Reliance Jamnagar Power Private Limited (wholly owned subsidiaries of the Parent Company) and the Parent Company, sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated February 22, 2013, wherein as per the Scheme, the Parent Company is permitted to account for its Engineering, Procurement, Construction (EPC) and Contract activity without making any distinction whether the Principal [for whom the Parent Company is the contractor] is an associate, subsidiary of associate or any third party. Accordingly, the Parent Company has not eliminated any part of unrealised gain for the year ended March 31, 2018 of ₹ 17.93 Crore on its EPC contracts with its associates and subsidiaries of associates in its consolidated Ind AS financial statements as permitted by the Scheme which overrides the relevant provisions of Ind AS 28 - 'Investments in Associates and Joint Ventures'. Had the Scheme not prescribed the above treatment, profit before tax and carrying cost of investment in associates for the year ended March 31, 2018 would have been lower by ₹ 17.93 Crore.
  11. We draw attention to the following matters to which the statutory auditors of three subsidiaries of the Parent Company viz. BSES Rajdhani Power Limited (BRPL), BSES Yamuna Power Limited (BYPL) and Mumbai Metro One Private Limited (MMOPL) and associate companies viz. Reliance Power Limited (RPower) and Reliance Naval and Engineering Limited (RNEL) have drawn an Emphasis of Matter in their audit reports:
    - i) We draw attention to Note No. 40 (c) of the consolidated Ind AS financial statements regarding dues payable to NTPC and other Generator by BRPL and BYPL for which matter is pending before Hon'ble Supreme Court.
    - ii) We draw attention to Note No. 40 (d) of the consolidated Ind AS financial statements relating to status of audit of BRPL and BYPL conducted by the Comptroller and Auditor General of India.
    - iii) We draw attention to Note No. 40 (f) of the consolidated Ind AS financial statements with regard to DERC Tariff Order received by BRPL and BYPL wherein revenue gap up to March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 has been trued up with certain disallowances. BRPL and BYPL have preferred an appeal / are in the process of filing an appeal before Appellate Tribunal (APTEL) on the above disallowances and based on legal opinion, no impact of such disallowances, which is subject matter of appeal, has been considered.
    - iv) We draw attention to Note No. 33 of the consolidated Ind AS financial statements which details the events and conditions indicating existence of a material uncertainty that may cast a significant doubt on the ability of MMOPL to continue as a going concern. The ability of MMOPL to continue operations in the foreseeable future is dependent upon availability of continuing support from its Parent Company.
    - v) We draw attention to Note No. 41 (b) of the consolidated Ind AS financial statements with respect to wholly owned subsidiary of Reliance Power Limited viz. Samalkot Power Limited (SMPL). SMPL is confident of arriving at a positive resolution to the situation arising from the unavailability of natural gas in the country, and concluding sale of its 745 MW plant. Having regard to the foregoing and the continued financial support from RPower, the management believes that SMPL would be able to meet its financial obligations in the foreseeable future. Accordingly, the financial statements of SMPL have been prepared on a going concern basis.
    - vi) We draw attention to Note No. 35(b) of the consolidated Ind AS financial statements regarding the method of depreciation adopted by the RPower Group for the purpose of consolidated financial statements being different from the depreciation method adopted by subsidiaries of RPower for the reasons stated therein.

**Independent Auditors' Report on the Consolidated Ind AS Financial Statements**

- vii) We draw attention to Note No. 32 of the consolidated Ind AS financial statements which details the events and conditions indicating existence of the material uncertainty that may cast a significant doubt on the ability of RNEL to continue as a going concern.

Our opinion is not modified in respect of above matters.

**Other Matters**

12. The comparative financial information of the Group, its associates and joint ventures for the year ended March 31, 2017 included in these consolidated Ind AS financial statements had been jointly audited by Haribhakti & Co. LLP, Chartered Accountants and Pathak H. D. & Associates, Chartered Accountants, whose report dated April 15, 2017 expressed an unmodified opinion on the audited consolidated Ind AS financial statements for the year ended March 31, 2017.
13. The consolidated Ind AS financial statements include amounts in respect of 32 subsidiaries whose financial statements reflect total assets of ₹ 3,303.99 Crore and net assets of ₹ 2,068.47 Crore as at March 31, 2018, total revenues ₹ 187.85 Crore and net cash inflows amounting to ₹ 37.26 Crore for the year ended on that date. The consolidated Ind AS financial statements also include 1 associate company which constitutes net loss of ₹ 311.13 Crore for the year ended March 31, 2018. These financial statements / financial information have been audited by Pathak H. D. & Associates, Chartered Accountants one of the joint auditor of the Parent Company whose reports have been furnished to us by the management and reliance has been placed by the other joint auditor of the Parent Company for the purpose of this report. The above total assets, net assets and revenues are before giving effect to any consolidation adjustments.
14. The consolidated Ind AS financial statements include amounts in respect of 29 subsidiaries, whose financial statements reflect total assets of ₹ 45,714.29 Crore and net assets of ₹ 6,765.04 Crore as at March 31, 2018, total revenues of ₹ 16,782.64 Crore and net cash outflows amounting to ₹ 24.71 Crore for the year ended on that date and 5 associate companies and 1 Joint Venture Company included in these consolidated Ind AS financial statements which constitute Group's Share of net profit of ₹ 4.82 Crore for the year ended March 31, 2018. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors. The above total assets, net assets and revenues are before giving effect to any consolidation adjustments.

Our opinion on the consolidated Ind AS financial statements, and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

15. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of subsidiaries, associates and joint venture, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
  - In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act; read with paragraphs 10, 11 and 12 above, the Parent Company has exercised the option available as per Court Orders which overrides the relevant provisions of Ind AS-1 "Presentation of financial statements" and Ind AS 28 - 'Investments in Associates and Joint Ventures'.
  - On the basis of the written representations received from the directors of the Parent Company as on March 31, 2018 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture incorporated in India, none of the directors of the Group companies, its associate companies and joint venture incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the Parent Company, its subsidiary companies, its associate companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries, associates and joint venture, as noted in the 'Other matter' paragraph:



## Independent Auditors' Report on the Consolidated Ind AS Financial Statements

- |  |  |
|--|--|
| <p>i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint venture. Refer Note No. 22 to the consolidated Ind AS financial statements;</p> <p>ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or Ind AS, for material foreseeable losses on long-term contracts including derivative contracts – Refer Note 44 (B) to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates and joint venture;</p> <p>iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company, its subsidiary companies, associate companies and joint venture incorporated in India during the year ended March 31, 2018 and</p> | <p>iv. The disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.</p> |
|--|--|

### For B S R & Co. LLP

Chartered Accountants  
Firm Regn. No: 101248W/  
W-100022

### Bhavesh Dhupelia

Partner  
Membership No: 042070

Date : April 23, 2018

Place : Mumbai

### For Pathak H. D. & Associates

Chartered Accountants  
Firm Regn. No. 107783W

### Vishal D. Shah

Partner  
Membership No. 119303

Date : April 23, 2018

Place : Mumbai

Annexure – A to Auditors' report

**Annexure to the Independent Auditors' Report on consolidated Ind AS financial statements referred to in paragraph "15 (f)" under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the consolidated Ind AS financial statements of Reliance Infrastructure Limited for year ended March 31, 2018.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Reliance Infrastructure Limited ("the Parent Company") and its subsidiaries ("together referred to as "the Group"), its associates and joint venture which are companies incorporated in India as of March 31, 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Parent Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent Company, its subsidiaries, its associates and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Parent Company, its subsidiaries, its associates and joint venture internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiaries, associates and joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding

the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated Ind AS financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Parent Company, its subsidiary, its associate and joint venture, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by Parent Company, its subsidiaries, its associate and joint venture, which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Other Matter**

- Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 29 subsidiary companies, 5 associates and 1 joint venture incorporated in India is based on the corresponding reports of the other auditors of such companies incorporated in India.
- In respect of 32 subsidiary companies and 1 associate incorporated in India, which have been audited by Pathak H. D. & Associates, Chartered Accountants, one of the joint auditors of the Parent Company, reliance has been placed by the other joint auditor on the report on internal financial controls over financial reporting issued by Pathak H. D. & Associates, Chartered Accountants, for the purpose of this report.

**For B S R & Co. LLP**

Chartered Accountants  
Firm Regn. No: 101248W/  
W-100022

**Bhavesh Dhupelia**

Partner  
Membership No: 042070

Date : April 23, 2018

Place : Mumbai

**For Pathak H. D. & Associates**

Chartered Accountants  
Firm Regn. No. 107783W

**Vishal D. Shah**

Partner  
Membership No. 119303

Date : April 23, 2018

Place : Mumbai

# Reliance Infrastructure Limited

## Consolidated Balance Sheet as at March 31, 2018

	Notes	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3(a)	23,904.22	24,038.53
Capital work-in-progress	3(h)	1,359.50	1,304.81
Investment property	4	528.70	558.42
Goodwill on Consolidation	5	-	1.75
Concession intangible assets	5	10,431.71	10,838.52
Other intangible assets	5	1,134.43	1,130.21
Intangible assets under development	5	1,657.21	1,055.16
Financial Assets:			
Investments	7(a)	13,252.03	12,895.18
Loans	7(g)	39.89	41.46
Other financial assets	7(h)	198.57	128.48
Deferred tax assets (net)	13(f)	130.89	67.01
Other non-current assets	7(i)	512.40	505.71
<b>Total non-current assets</b>		<b>53,149.55</b>	<b>52,565.24</b>
<b>Current assets</b>			
Inventories	6	394.49	411.93
Financial Assets:			
Investments	7(b)	362.84	247.36
Trade receivables	7(c)	5,423.39	5,642.86
Cash and cash equivalents	7(e)	512.01	562.81
Bank balances other than cash and cash equivalents	7(f)	548.17	113.92
Loans	7(g)	13,112.49	11,143.42
Service concession receivable	7(d)	-	75.54
Other financial assets	7(h)	4,035.12	3,319.46
Current Tax Assets (Net)		73.63	42.69
Other current assets	7(i)	1,116.76	1,129.81
<b>Total current assets</b>		<b>25,578.90</b>	<b>22,689.90</b>
Assets classified as non-current assets held for sale	8(d)	3,774.22	5,124.50
Regulatory deferral account debit balances and related deferred tax balances	9	18,219.62	17,969.56
<b>Total Assets</b>		<b>1,00,722.29</b>	<b>98,349.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	10(a)	263.03	263.03
Other equity	10(b)	23,955.95	23,084.49
<b>Equity attributable to owners</b>		<b>24,218.98</b>	<b>23,347.52</b>
Non-controlling interests		1,576.47	1,596.95
<b>Total Equity</b>		<b>25,795.45</b>	<b>24,944.47</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities:			
Borrowings	11(a)	14,719.22	14,964.63
Finance lease obligations	38(i)	4,110.92	4,164.75
Trade payables	11(c)	8.80	4.98
Other financial liabilities	11(d)	3,181.06	3,103.90
Provisions	12	578.49	533.59
Deferred tax liabilities (net)	13(f)	3,063.82	3,187.09
Other non-current liabilities	11(e)	3,408.80	3,421.08
<b>Total non-current liabilities</b>		<b>29,071.11</b>	<b>29,380.02</b>
<b>Current liabilities</b>			
Financial Liabilities:			
Borrowings	11(b)	3,613.77	5,710.22
Finance lease obligations	38(i)	58.68	52.66
Trade payables	11(c)	22,147.44	21,062.09
Other financial liabilities	11(d)	8,931.64	8,145.66
Other current liabilities	11(e)	7,710.44	4,418.95
Provisions	12	324.10	409.86
Current tax liabilities (net)		343.29	506.59
<b>Total current liabilities</b>		<b>43,129.36</b>	<b>40,306.03</b>
Liabilities relating to non-current assets held for sale	8(d)	2,726.37	3,712.14
Regulatory deferral account credit balances and related deferred tax balances	9	-	6.54
<b>Total Equity and Liabilities</b>		<b>1,00,722.29</b>	<b>98,349.20</b>

The accompanying notes form an integral part of the Consolidated Financial Statements (1 - 45)

As per our attached Report of even date

For and on behalf of the Board

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No: 042070

**For Pathak H. D. & Associates**

Chartered Accountants

Firm Registration No. 107783W

**Vishal D. Shah**

Partner

Membership No. 119303

**Anil D Ambani**

**S Seth**

**S S Kohli**

**K Ravikumar**

**V R Galkar**

**Shiv Prabhat**

DIN - 00004878

DIN - 00004631

DIN - 00169907

DIN - 00119753

DIN - 00009177

DIN - 07319520

Chairman

Vice Chairman

Directors

**Lalit Jalan**

**Sridhar Narasimhan**

**Aashay Khandwala**

Chief Executive Officer

Chief Financial Officer

Company Secretary

Date : April 23, 2018

Place : Mumbai

Date : April 23, 2018

Place : Mumbai

Date : April 23, 2018

Place : Mumbai

## Consolidated Statement of Profit and Loss for the year ended March 31, 2018

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
<b>Continuing Operations:</b>			
Revenue from Operations	14	25,398.26	24,483.47
Other Income	15	2,176.17	2,261.24
Less: Transfer to General Reserve	28	5.79	27.34
		<u>2,170.38</u>	<u>2,233.90</u>
<b>Total Income</b>		<b>27,568.64</b>	<b>26,717.37</b>
Expenses			
Cost of Power Purchased		13,203.06	12,976.89
Cost of Fuel Consumed		1,159.55	1,051.61
Construction Material Consumed and Sub-Contracting Charges		884.03	1,974.80
Employee Benefits Expenses	16	1,953.89	1,698.66
Finance Costs	17	6,340.86	5,581.00
Depreciation and Amortization Expense	3,4,5	1,934.63	1,688.21
Other Expenses	18	2,176.25	2,342.89
Less: Transfer from General Reserve	28	17.47	272.36
		<u>2,158.78</u>	<u>2,070.53</u>
<b>Total Expenses</b>		<b>27,634.80</b>	<b>27,041.70</b>
<b>(Loss) before Exceptional Items, Rate Regulated Activities and Tax</b>		<b>(66.16)</b>	<b>(324.33)</b>
Exceptional Items:	35(a)		
Income		295.39	85.58
Expenses		(221.11)	(555.58)
Less : Transfer from General Reserve		221.11	555.58
		<u>295.39</u>	<u>85.58</u>
<b>Profit / (Loss) before Rate Regulated Activities and Tax</b>		<b>229.23</b>	<b>(238.75)</b>
Add : Regulatory Income (Net of Deferred Tax)	9	860.17	1,185.55
<b>Profit before Tax</b>		<b>1,089.40</b>	<b>946.80</b>
Tax Expenses:	13(a)		
Current Tax		55.92	95.66
Deferred Tax Charges / (Credit) (net)		(197.66)	(221.43)
Income Tax for earlier years (net)		15.19	(16.41)
		<u>(126.55)</u>	<u>(142.18)</u>
<b>Profit from Continuing Operations after Tax</b>		<b>1,215.95</b>	<b>1,088.98</b>
<b>Discontinued Operations:</b>			
(Loss) from Discontinued Operations before Tax		(83.19)	(35.53)
Tax Expenses of Discontinued Operations:	13(a)		
Current Tax		-	3.43
Deferred Tax Charges / (Credit) (net)		(24.92)	(35.27)
Income Tax for earlier years (net)		-	(0.09)
		<u>(24.92)</u>	<u>(31.93)</u>
<b>(Loss) from Discontinued Operations</b>		<b>(58.27)</b>	<b>(3.60)</b>
<b>Profit for the year before Share of net profit of Associates and Joint Venture</b>		<b>1,157.68</b>	<b>1,085.38</b>
Share of net profit of Associates and Joint Ventures accounted for using the equity method		140.78	309.05
<b>Profit for the year</b>		<b>1,298.46</b>	<b>1,394.43</b>
Non Controlling Interest		(41.04)	(30.75)
<b>Net Profit for the year attributable to the owners of the Parent Company</b>		<b>1,339.50</b>	<b>1,425.18</b>
<b>Other Comprehensive Income (OCI):</b>			
Items that will not be reclassified to Profit and Loss			
Remeasurements of net defined benefit plans : Gain / (Loss)	39	21.50	(32.83)
Net movement in Regulatory Deferral Account balances related to OCI	9	8.84	2.41
Income Tax relating to the above	13(a)	(10.30)	6.01
Other Comprehensive Income, net of taxes (including share of associates ₹ 2.85 Crore (₹ 0.01 Crore))		<u>20.04</u>	<u>(24.41)</u>
<b>Total Comprehensive income for the year</b>		<b>1,318.50</b>	<b>1,370.02</b>
<b>Profit / (Loss) attributable to :</b>			
(a) Owners of the Parent Company		1,339.50	1,425.18
(b) Non Controlling Interest		(41.04)	(30.75)
		<u>1,298.46</u>	<u>1,394.43</u>
<b>Other Comprehensive Income attributable to :</b>			
(a) Owners of the Parent Company		19.82	(24.14)
(b) Non Controlling Interest		0.22	(0.27)
		<u>20.04</u>	<u>(24.41)</u>
<b>Total Comprehensive Income attributable to :</b>			
(a) Owners of the Parent Company		1,359.32	1,401.04
(b) Non Controlling Interest		(40.82)	(31.02)
		<u>1,318.50</u>	<u>1,370.02</u>
<b>Earnings Per Equity Share (face value of ₹ 10 each)</b>	19		
<b>Continuing Operations:</b> Basic and Diluted		₹ 53.14	₹ 54.32
<b>Discontinued Operations :</b> Basic and Diluted		(2.21)	(0.14)
<b>Continuing and Discontinued Operations :</b> Basic and Diluted		50.93	54.18
<b>Before Rate Regulatory Activities:</b> Basic and Diluted		18.22	9.11

The accompanying notes form an integral part of the Consolidated Financial Statements (1 – 45)

As per our attached Report of even date

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

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

**Vishal D. Shah**  
Partner  
Membership No. 119303

For and on behalf of the Board

<b>Anil D Ambani</b>	DIN - 00004878	} Directors
<b>S Seth</b>	DIN - 00004631	
<b>S S Kohli</b>	DIN - 00169907	
<b>K Ravikumar</b>	DIN - 00119753	
<b>V R Galkar</b>	DIN - 00009177	
<b>Shiv Prabhat</b>	DIN - 07319520	

<b>Lalit Jalan</b>	} Chief Executive Officer Chief Financial Officer Company Secretary
<b>Sridhar Narasimhan</b>	
<b>Aashay Khandwala</b>	

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

# Consolidated Statement of Changes in Equity

## A. Equity Share Capital (Refer Note No. 10(a))

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
As at March 31, 2017	263.03	-	263.03
As at March 31, 2018	263.03	-	263.03

## B. Other Equity (Refer Note No. 10(b))

Particulars	Note	Reserves and Surplus							Other Reserves				Total	
		Retained Earnings	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium Account	Debt Redemption Reserve	General Reserve	Contingency Reserve	Statutory Reserves @	Foreign Currency Monetary Item Translation Difference Account	Self Insurance Reserve		Treasury Shares
Balance as at April 01, 2016		(2,513.30)	3,777.02	3,974.76	130.03	8,825.09	600.98	6,263.83	95.00	263.99	6.97	1.78	(36.85)	21,389.30
Profit for the year		1,394.43	-	-	-	-	-	-	-	-	-	-	-	1,394.43
Other comprehensive income for the year		(24.41)	-	-	-	-	-	-	-	-	-	-	-	(24.41)
Remeasurements gains / (loss) on defined benefit plans (Net of Tax) and movement in Regulatory Deferral account balance.														
Total comprehensive income for the year		1,370.02	-	-	-	-	-	-	-	-	-	-	-	1,370.02
Adjustment of Carrying Cost		15.96	-	-	-	-	-	(245.02)	-	-	-	-	-	15.96
Transfer to Consolidated Statement of Profit and Loss (net)		-	-	-	-	-	-	-	-	-	-	-	-	(245.02)
Transfer to General reserve		(0.94)	-	-	-	-	-	95.00	(95.00)	-	-	0.94	-	-
Transfer from Retained Earning		-	-	-	-	-	-	(555.58)	-	-	-	-	-	(555.58)
Transfer to Consolidated Statement of Profit and Loss	35	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment on dilution of Control		(132.24)	-	-	-	-	-	-	-	-	-	-	-	132.24
Adjustment on Scheme of arrangement		-	1,402.95	-	-	-	-	-	-	-	-	-	-	1,402.95
Non Controlling Interest		31.02	-	-	-	-	-	-	-	-	-	-	-	31.02
Transfer to Debenture Redemption Reserve		(200.39)	-	-	-	-	200.39	-	-	-	-	-	-	-
Transfer to General reserve		-	-	-	-	-	(175.00)	175.00	-	-	-	-	-	-
Provision for diminution in value of equity shares		-	-	-	-	-	-	-	-	-	-	-	11.27	11.27
Addition to Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	-	-	(4.40)	-	-	(4.40)
Amortisation during the year from Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	-	-	(69.02)	-	-	69.02
Transaction with owners in their Capacity as owners:														
Dividend Paid (Including Tax on Dividend)		(267.80)	-	-	-	-	-	-	-	-	-	-	-	(267.80)
Balance as at March 31, 2017		(554.39)	1,402.95	3,974.76	130.03	8,825.09	25.39	(530.60)	(95.00)	-	64.62	0.94	11.27	325.18
		(1,697.68)	5,179.97	3,974.76	130.03	8,825.09	626.37	5,733.23	-	263.99	71.59	2.72	(25.58)	23,084.49

## Consolidated Statement of Changes in Equity

Particulars	Note	Reserves and Surplus							Total				
		Retained Earnings	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium Account	Debenture Redemption Reserve	General Reserve		Other Reserves			
										Statutory Reserves @	Foreign Currency Monetary Item Translation Difference Account	Self Insurance Reserve	Treasury Shares
<b>Balance as at April 01, 2017</b> Profit / (Loss) for the year <b>Other comprehensive income for the year</b> Remeasurements gains / (loss) on defined benefit plans (Net of Tax) and movement in Regulatory Deferral account balance. <b>Total comprehensive income for the year</b> Adjustment of Carrying Cost Transfer to Consolidated Statement of Profit and Loss (net) Transfer to General reserve Transfer from Retained Earning Transfer to Consolidated Statement of Profit and Loss Non Controlling Interest Transfer to Debenture Redemption Reserve Transfer to General reserve Provision for diminution in value of equity shares Addition to Foreign Currency Monetary Item Translation Difference Account Amortisation during the year from Foreign Currency Monetary Item Translation Difference Account <b>Transaction with owners in their Capacity as owners:</b> Dividend Paid (Including Tax on Dividend)		(1,697.68) 1,298.46  20.04  <b>1,318.50</b> 29.64 - (1,000.00) (1.07) 40.82 (150.03) -<											

The accompanying notes form an integral part of the Consolidated Financial Statements (1 - 45)

Consolidated Statement of Changes in Equity

₹ Crore

@ Statutory Reserves includes :	As at	
	March 31, 2018	As at March 31, 2017
1. Development Reserve Account No.1	1.69	1.69
2. Development Reserve Account No.2	18.97	18.97
3. Debt Redemption Reserve	2.30	2.30
4. Rural Electrification Scheme Reserve	0.11	0.11
5. Reserve to Augment Production Facilities	0.04	0.04
6. Reserve for Power Project	100.00	100.00
7. Development Reserve Account No.3	140.88	140.88
<b>Total</b>	<b>263.99</b>	<b>263.99</b>

As per our attached Report of even date

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

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

**Vishal D. Shah**  
Partner  
Membership No. 119303

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

For and on behalf of the Board

**Anil D Ambani** DIN - 00004878 Chairman  
**S Seth** DIN - 00004631 Vice Chairman  
**S S Kohli** DIN - 00169907  
**K Ravikumar** DIN - 00119753 Directors  
**V R Galkar** DIN - 00009177  
**Shiv Prabhat** DIN - 07319520

**Lalit Jalan** Chief Executive Officer  
**Sridhar Narasimhan** Chief Financial Officer  
**Aashay Khandwala** Company Secretary

Date : April 23, 2018  
Place : Mumbai



**Consolidated Statement of Cash Flows for the year ended March 31, 2018**

	Year ended March 31, 2018	₹ Crore Year ended March 31, 2017
<b>Cash Flow from Operating Activities:</b>		
<b>Profit before tax</b>	<b>1,089.40</b>	946.80
Adjustments for:		
Depreciation and amortisation expenses	<b>1,934.63</b>	1,688.21
Net (Income) / Expenses relating to Investment Property	<b>(34.85)</b>	(35.21)
Interest Income (Including fair valuation gain on financial instruments)	<b>(1,986.67)</b>	(1,892.62)
Dividend Income	<b>(0.11)</b>	(6.17)
Gain on sale / redemption of investments (net)	<b>(316.16)</b>	(181.35)
Interest and Finance Costs (net of transfer from reserves)	<b>6,340.86</b>	5,581.00
Provision for doubtful debts / advances / deposits/Expected Credit Loss	<b>183.67</b>	133.91
Amortisation of Consumer Contribution	<b>(64.32)</b>	(39.28)
Provision for Retirement of Inventory and Property, Plant and Equipments	<b>11.64</b>	1.01
Loan written off	<b>-</b>	12.00
Excess Provisions Written Back	<b>(487.98)</b>	(58.80)
Loss on Sale / Discarding of Assets	<b>136.13</b>	66.94
Loss on write off of Capital Work in Progress	<b>-</b>	19.75
Provision for Contingency Reserve Fund	<b>17.78</b>	16.77
Provision for / (write back of) diminution in value of investments	<b>7.31</b>	(3.78)
Provision for Leave Encashment and Gratuity	<b>77.03</b>	37.83
Income from Financial Guarantee Obligation (net)	<b>2.84</b>	(7.71)
Reversal of Provision for Impairment of Assets	<b>(31.05)</b>	(39.64)
Net foreign exchange / derivative (gain)/loss	<b>0.90</b>	(4.60)
Provision for major maintenance and overhaul expenses	<b>25.15</b>	13.26
<b>Cash Generated from Operations before working capital changes</b>	<b>6,906.20</b>	6,248.32
Adjustments for:		
Increase / (Decrease) in Financial Assets and Other Assets	<b>118.77</b>	172.51
Increase / (Decrease) in Inventories	<b>9.20</b>	141.87
Increase / (Decrease) in Financial Liabilities and Other Liabilities	<b>968.26</b>	1,722.91
<b>Cash generated from operations</b>	<b>8,002.43</b>	8,285.61
Income Taxes paid (net of refunds)	<b>(206.17)</b>	(140.13)
<b>Net cash generated from operating activities – Continuing Operations</b>	<b>7,796.26</b>	8,145.48
<b>Net cash generated from operating activities – Discontinued Operations</b>	<b>362.47</b>	532.72
<b>Net cash generated from operating activities – Continuing and Discontinued Operations [A]</b>	<b>8,158.73</b>	8,678.20
<b>Cash Flow from Investing Activities:</b>		
Purchase of intangible assets (including intangible assets under development)	<b>(673.35)</b>	(1,211.01)
Purchase of Property, Plant and Equipment (including capital work in progress, capital advance and capital creditors)	<b>(1,475.28)</b>	(1,129.32)
Purchase of Investment Property	<b>(1.45)</b>	(64.55)
Proceeds from Disposal of Property, Plant and Equipment	<b>22.48</b>	21.73
Net Income / (Expenses) relating to Investment Property	<b>27.63</b>	25.59
Investment / (Redemption) in fixed deposits	<b>(517.76)</b>	3.93
Investment in Associates	<b>-</b>	(40.02)
Investment in others	<b>(103.94)</b>	(957.68)
Sale of Investment in Subsidiaries (Refer Note No. 8 (d) and 35(a))	<b>905.92</b>	2,010.00
Sale / Redemption of Investment in others	<b>5.02</b>	1,097.03
Advance/Loan against proposed sale of Mumbai Power Business	<b>2,602.00</b>	-
Inter Corporate Deposits given (net)	<b>(2,210.69)</b>	(1,059.01)
Dividend received	<b>0.11</b>	4.32
Interest Income	<b>925.77</b>	1,138.64
<b>Net cash (used in) / generated from investing activities – Continuing Operations</b>	<b>(493.54)</b>	(160.35)
<b>Net cash (used in) / generated from investing activities – Discontinued Operations</b>	<b>(264.66)</b>	100.73
<b>Net cash (used in) / generated from investing activities – Continuing and Discontinued Operations [B]</b>	<b>(758.20)</b>	(59.62)

# Reliance Infrastructure Limited

## Consolidated Statement of Cash Flows for the year ended March 31, 2018

	Year ended March 31, 2018	₹ Crore Year ended March 31, 2017
<b>Cash Flow from Financing Activities:</b>		
Proceeds from Non Controlling Interest	6.74	-
Proceeds from long term borrowings	6,688.55	4,316.85
Repayment of long term borrowings	(7,171.77)	(6,734.36)
Proceeds / (Repayment) of Short Term Borrowings (Net)	(2,103.58)	(1,151.11)
Principal payment of Financial Lease Obligation	(47.81)	(47.26)
Payment of Interest and Finance charges	(3,518.91)	(3,540.79)
Interest payment on Finance Lease Obligation	(456.81)	(462.21)
Realised Gain / (Loss) on derivative instruments (net)	0.02	0.77
Dividends Paid to Shareholders Including Tax	(296.21)	(253.56)
<b>Net cash used in financing activities - Continuing Operations</b>	<b>(6,899.78)</b>	<b>(7,871.67)</b>
<b>Net cash used in financing activities - Discontinued Operations</b>	<b>(563.23)</b>	<b>(579.96)</b>
<b>Net cash used in financing activities - Continuing and Discontinued Operations [C]</b>	<b>(7,463.01)</b>	<b>(8,451.63)</b>
<b>Effect of exchange difference on translation of foreign currency cash and cash equivalent [D]</b>	<b>(0.01)</b>	<b>(2.14)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents - [A+B+C+D]</b>	<b>(62.49)</b>	164.81
Add: Adjustment on Disposal of Subsidiaries	(18.56)	(12.86)
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>605.93</b>	453.98
<b>Cash and Cash Equivalents at the end of the year</b>	<b>524.88</b>	605.93
Cash and Cash Equivalents - Continuing Operations (For Component Refer Note No.7 (e))	512.01	562.81
Cash and Cash Equivalents - Discontinued Operations	12.87	43.12
	<b>524.88</b>	<b>605.93</b>

Note: Figures in brackets indicate cash outflows.

\*Including balance in unpaid dividend account ₹ 15.46 Crore (₹ 14.33 Crore) and balance in current account with banks of ₹ 11.88 Crore (₹ 7.45 Crore) lying in escrow account with bank held as a Security against the borrowings and fixed deposits of ₹ 43.87 Crore (₹ 50.73 Crore) held as security with banks / authorities. Refer below the disclosure pursuant to para 44 A to 44 E of Ind AS 7- Statement of Cash flows.

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

The above statement of cash flows should be read in conjunction with the accompanying notes (1 – 45).

As per our attached Report of even date

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

**Bhavesdh Dhupelia**  
Partner  
Membership No: 042070

Date : April 23, 2018  
Place : Mumbai

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

**Vishal D. Shah**  
Partner  
Membership No. 119303

Date : April 23, 2018  
Place : Mumbai

For and on behalf of the Board

**Anil D Ambani** DIN - 00004878  
**S Seth** DIN - 00004631  
**S S Kohli** DIN - 00169907  
**K Ravikumar** DIN - 00119753  
**V R Galkar** DIN - 00009177  
**Shiv Prabhat** DIN - 07319520

**Lalit Jalan**  
**Sridhar Narasimhan**  
**Aashay Khandwala**

Date : April 23, 2018  
Place : Mumbai

Chairman  
Vice Chairman

} Directors

Chief Executive Officer  
Chief Financial Officer  
Company Secretary

Consolidated Statement of Cash Flows for the year ended March 31, 2018

Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Consolidated Statement of cash flows

Particulars	₹ Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
<b>Long term Borrowings</b>		
Opening Balance (Including Current Maturities)	24,321.05	27,211.58
Availed during the year	6,688.55	4,316.85
<b>Impact of non-cash items</b>		
- Impact of Effective Rate of Interest	(93.94)	(14.80)
- Foreign Exchange Movement	3.70	(5.53)
- Adjustment on Disposal of Subsidiaries	-	(405.42)
Repaid During the year	(7,219.58)	(6,781.63)
<b>Closing Balance</b>	<b>23,699.78</b>	<b>24,321.05</b>
<b>Short term Borrowings</b>		
Opening Balance	5,710.22	6,752.74
Availed during the year	10,506.82	15,870.09
<b>Impact of non-cash items</b>		
- Foreign Exchange Movement	7.14	108.59
Repaid during the year	(12,610.41)	(17,021.20)
<b>Closing Balance</b>	<b>3,613.77</b>	<b>5,710.22</b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### Corporate information

Reliance Infrastructure Limited (RInfra) is one of the largest infrastructure companies, developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors within the infrastructure space such as Power, Roads, Metro Rail and Defence. RInfra is also a leading utility having presence across the value chain of power business i.e. Generation, Transmission, Distribution and Power Trading. RInfra also provides Engineering, Procurement and Construction (EPC) services for various infrastructure projects. Information on the Group's structure is provided in Note No. 42. Information on other related party relationships of the Group is provided in Note No. 25.

The Consolidated Financial Statements comprise financial statements of Reliance Infrastructure Limited ('RInfra' or the 'Parent Company') and its Subsidiaries, Associates, Joint Ventures and controlled trust (collectively, the Group) for the year ended March 31, 2018. These Consolidated Financial Statements of RInfra for the year ended March 31, 2018 were authorised for issue by the Board of Directors on April 23, 2018. Pursuant to the provisions of section 130 of the Act, the Central Government, Income tax authorities, Securities and Exchange Board of India, other statutory regulatory body and under section 131 of the Act, the Board of Directors of the Company have powers to amend / re-open the financial statements approved by the board / adopted by the members of the Company.

RInfra is a Public Limited Company which is listed on two recognised stock exchanges in India. The RInfra's Global Depository Receipts, representing Equity Shares, is also listed on London Stock Exchange. RInfra is incorporated and domiciled in India under the provisions of the Companies Act, 1956. The registered office of RInfra is located at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710.

### 1. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation, measurement and significant accounting policies:

##### (i) Compliance with Indian Accounting Standards (Ind AS)

The Consolidated Financial Statements of the Group comply in all material aspects with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with relevant rules and other accounting principles. The policies set out below have been consistently applied during the years presented.

##### (ii) Basis of Preparation

These Consolidated Financial Statements are presented in 'Indian Rupees', which is also the Group's functional and presentation currency and all amounts, are rounded to the nearest Crore with two decimals, unless otherwise stated.

The Consolidated Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III to the Act, applicable Ind AS, other applicable pronouncements and regulations.

##### (iii) Basis of Measurement

The Consolidated Financial Statements have been prepared on a historical cost convention on accrual basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- defined benefit plans – plan assets measured at fair value; and
- assets held for sale – measured at fair value less cost to sell or carrying value, whichever is lower.

##### (iv) New Standards and Interpretations not yet effective

Amendments to Ind AS 115, 'Revenue from Contracts with Customers':

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after April 01, 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from April 01, 2018.

Notes annexed to and forming part of the Consolidated Financial Statements

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch – up approach).

The Group is evaluating the amendment and the impact on the financial statements.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 01, 2018. The Company is evaluating the requirement of the amendment and the impact on the Financial Statements. The effect on adoption of Ind AS 21 is expected to be insignificant."

The Group is evaluating the amendment and the impact on the Consolidated Financial Statements.

- (v) Consolidated Financial Statements have been prepared on a going concern basis in accordance with the applicable accounting standards prescribed in the Companies (Indian Accounting Standards), Rules, 2015 issued by the Central Government.

**(b) Principles of consolidation and equity accounting**

**(i) Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, consolidated statement of changes in equity and balance sheet respectively.

**(ii) Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

**(iii) Joint arrangements**

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Parent Company has both joint operations and joint ventures.

**Joint operations**

Parent Company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Consolidated Financial Statements under the appropriate headings. Details of the joint operation are set out in Note No. 42(e).

**Joint ventures**

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

### (iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in Note No. i(c) below.

### (v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity (Refer Note No. 42(c)).

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(vi) The excess of cost to the Parent Company of its investment in the subsidiary / joint venture over the Parent Company's portion of equity of the subsidiary / joint venture is recognised in the Consolidated Financial Statements as Goodwill. This Goodwill is tested for impairment at the end of the financial year. The excess of Parent Company's portion of equity over the cost of investment as at the date of its investment is treated as Capital Reserve.

(vii) The financial statements of the subsidiaries / joint ventures / associates used in consolidation are drawn upto the same reporting date as that of the Parent Company.

### (c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The board of directors of Parent Company has appointed the chief executive officer ('CEO') to assess the financial performance and position of the Group, and makes strategic decisions. The CEO has been identified as being the chief operating decision maker for corporate planning. Refer Note No. 26 for segment information presented.

### (d) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- Held primarily for the purpose of trading

All other assets are classified as non-current.

**Notes annexed to and forming part of the Consolidated Financial Statements**

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- Held primarily for the purpose of trading

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Regulatory Assets / Liabilities are presented as separate line item distinguished from assets and liabilities as per Ind AS 114 "Regulatory Deferral Accounts".

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

**(e) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are, wherever applicable, net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Further specific criteria for revenue recognition are followed for different businesses as under:

**i. Power Business**

Revenue from sale of power is accounted on the basis of billing to consumers based on billing cycles followed by the Group which is inclusive of fuel adjustment charges (FAC) and unbilled revenue for the year. Generally all consumers are billed on the basis of recording of consumption of electricity by installed meters. Where meters have stopped or are faulty, the billing is done based on the past consumption for such period.

The Parent Company, PKTCL, BRPL and BYPL determine revenue gaps (i.e. surplus / shortfall in actual returns over returns entitled) in respect of their regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant tariff regulations / tariff orders notified by the respective state electricity regulators and the actual or expected actions of the regulators under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the revenue of the respective years for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments / accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit / credit balances (Regulatory assets / Regulatory liabilities) as the case may be in the Consolidated Financial Statements and are classified Separately in the Consolidated Financial Statements, which would be recovered / refunded through future billing based on future tariff determination by the regulators in accordance with the respective electricity regulations.

In case of BKPL, revenue from sale of power is accounted for on the basis of billing to bulk customer as provided in the Power Purchase Agreement (PPA).

In case of RETL, revenue from sale of power and margin on power banking transactions is accounted for based on rates agreed with the customers on delivery of power. Compensation for deviation of committed/contracted power is accounted as sales and purchase of power, as the case may be, on its occurrence. The margin earned on sale or purchase of power through energy exchange is recognised on the date of transaction with the exchange.

In case of Transmission business not assessed as service concession arrangement, revenue is accounted on the basis of periodic billing to consumers / state transmission utility. The surcharge on late/non-payment of dues by sundry debtors for sale of energy is recognised as revenue on receipt basis. The Transmission system Incentive/ disincentive is accounted for based on the certification of availability by the respective regional power committee and in accordance with the norms notified / approved by the CERC.



### ii. EPC and Contracts Business

In respect of construction contracts, the Group uses the 'percentage-of-completion method' to determine the appropriate amount of revenue to be recognised in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with the future activity on a contract are excluded from contract costs in determining the stage of completion.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion.

Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

### iii. Infrastructure Business

In respect of Toll Roads, toll revenue from operations of the facility is accounted on receipt basis.

In respect of Airports, revenue is recognised on accrual basis when services are rendered and is net of taxes.

In respect of Metro Rail Transit System, revenue from fare collection is recognized on the basis of use of tokens, money value of actual usage in case of smart cards and other direct fare collection.

### iv. Service Concession Arrangements

The Group manages concession arrangements which include the construction of roads, rails, transmission lines and power plants followed by a period in which the Group maintains and services the infrastructure. This may also include, in a secondary period, asset replacement or refurbishment. These concession arrangements set out rights and obligations relative to the infrastructure and the service to be provided.

Under Appendix A to Ind AS 11 – "Service Concession Arrangements", these arrangements are accounted for based on the nature of the consideration. The financial model/intangible asset model are used when the Group has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

For fulfilling those obligations, the Group is entitled to receive either cash from the grantor or a contractual right to charge the users of the service. The consideration received or receivable is allocated by reference to the relative fair values of the services provided; typically:

- A construction component
- A service element for operating and maintenance services performed

As given below, the right to consideration give rises to an intangible asset, or financial asset:

- Revenue from the concession arrangements earned under the financial asset model consists of the (i) fair value of the amount due from the grantor; and (ii) interest income related to the capital investment in the project.
- Income from the concession arrangements earned under the intangible asset model consists of the fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset and payments actually received from the users.

### v. Others

Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

Income from advertisements, rentals and others is recognized in accordance with terms of the contracts with customers based on the period for which the Group's facilities have been used.

Amounts received from consumers as Service Line Contribution (SLC) towards Property, Plant and Equipment (PPE) are accounted as Liability under Non-Current Liabilities. An amount equivalent to depreciation on such PPE is recognised as income in the Consolidated Statement of Profit and Loss over the life of the assets.

Notes annexed to and forming part of the Consolidated Financial Statements

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses

Dividends are recognised in Consolidated Statement of Profit and Loss only when the right to receive payment is established.

**(f) Accounting of assets under Service Concession Arrangement**

The Group has Toll Road Concession rights/ Metro Rail / transmission lines and Power Plants Concession Right where it Designs, Builds, Finances, Operates and Transfers (DBFOT) or Builds Operates and Transfer (BOT) as the case may be, infrastructure used to provide public service for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

These arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that it receives a right (a license) to charge users of the public service. The financial asset model is used when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If more than one service (i.e., construction or upgrade services and operation services) is under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

**(i) Intangible assets model**

Intangible assets arising out of service concession arrangements are accounted for as intangible assets where it has a contractual right to charge users of service when the projects are completed. Apart from above as per the service concession agreement the Group is obligated to pay the amount of premium to National Highways Authority of India (NHAI). This premium obligation has been treated as Intangible asset given it is paid towards getting the right to earn revenue by constructing and operating the roads during the concession period.

Hence, the total premium payable to the Grantor as per the Service Concession Agreement is also recognized as an 'Intangible Assets' and the corresponding obligation for committed premium is recognized as premium obligation.

**(ii) Financial assets model**

The financial asset model applies when the operator has an unconditional right to receive cash or another financial asset from the grantor in remuneration for concession services. In the case of concession services, the operator has such an unconditional right if the grantor contractually guarantees the payment of amount specified or determined in the contract or the shortfall, if any, between amounts received from users of public service and amounts specified or determined in the contract.

Any asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

**(g) Foreign currency translation**

**(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (₹), which is Group's functional and presentation currency and all amounts, are rounded to the nearest Crore with two decimals, unless otherwise stated.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Consolidated Statement of Profit and Loss except in case of certain long term foreign currency monetary items where the treatment as under:

The Group has availed an option of continuing the policy adopted for exchange differences arising from translation of long term foreign currency monetary items outstanding as on March 31, 2016 in accordance with Para 46A of AS-11 "The Effects of changes in Foreign Exchange Rates" of Previous GAAP. Accordingly, foreign exchange gain/losses on long term foreign currency monetary items relating to the acquisition of depreciable assets are added to or deducted from the cost of such assets and in other cases, such gains or losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the remaining life of the concerned monetary item.

## Notes annexed to and forming part of the Consolidated Financial Statements

Non monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the dates of the transaction.

Foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis.

### (h) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Consolidated Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Consolidated Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### (i) Financial Instruments

The Group recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values on initial recognition, except for trade receivables which are initially measured at transaction price.

#### (A) Financial Assets

##### a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Consolidated Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value or through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

##### b) Initial Recognition and Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Subsequent Measurement

##### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in Consolidated Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Notes annexed to and forming part of the Consolidated Financial Statements

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Consolidated Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL) :** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in Consolidated Statement of Profit and Loss and presented net in the Consolidated Statement of Profit and Loss. Interest income from these financial assets is included in other income.

**Equity instruments**

The Group subsequently measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Consolidated Statement of Profit and Loss. Dividends from such investments are recognised in Consolidated Statement of Profit and Loss as Other Income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Consolidated Statement of Profit and Loss.

**c) Impairment of financial assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note No.44 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables of the Group (except BRPL/BYPL) measures the expected credit loss associated with its trade receivables based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables in respect of BRPL/BYPL, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

**d) Derecognition of financial assets**

A financial asset is derecognised only when:

- The right to receive cash flows from the financial assets have expired
- The Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows in full without material delay to third party under a "pass through arrangement".
- Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.
- Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(B) Financial Liabilities**

**Initial Recognition and Measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

### Subsequent measurement

Financial liabilities at amortized cost: After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Consolidated Statement of Profit and Loss.

#### (a) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

#### (b) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

#### (c) Financial Guarantee Obligations

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries, joint ventures or associates are provided for no compensation, the fair values as on the date of transition are accounted for as contributions and recognised as part of the cost of the equity investment.

### Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the Consolidated Statement of Profit and Loss.

#### (j) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Notes annexed to and forming part of the Consolidated Financial Statements**

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Disclosures for valuation methods, significant estimates and assumptions of Financial instruments (including those carried at amortised cost) (Refer Note No.2) and Quantitative disclosures of fair value measurement hierarchy (Refer Note No.44).

**(k) (i) Derivatives**

Derivatives (including forward contracts) are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Group does not designate their derivatives as hedges and such contracts are accounted for at fair value through profit or loss and are included in Consolidated Statement of Profit and Loss.

In respect of derivative transactions, gains / losses are recognised in the Consolidated Statement of Profit and Loss on settlement. On a reporting date, open derivative contracts are revalued at fair values and resulting gains / losses are recognised in the Consolidated Statement of Profit and Loss.

**(ii) Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a nonfinancial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 "Financial Instruments" are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

**(l) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

**(m) Property, Plant and Equipment**

Property, Plant and Equipment assets are carried at cost net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

## Notes annexed to and forming part of the Consolidated Financial Statements

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

Capital Work in Progress (CWIP) includes cost of property, plant and equipment under installation / under development, as at balance sheet date.

All project related expenditure viz. civil works, machinery under erection, construction and erection materials, preoperative expenditure incidental / attributable to the construction of projects, borrowing cost incurred prior to the date of commercial operations and trial run expenditure are shown under CWIP. These expenses are net of recoveries and income (net of tax) from surplus funds arising out of project specific borrowings.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Property, Plant and Equipment are eliminated from the Consolidated Financial Statements, either on disposal or when retired from active use.

Gains and losses on disposals or retirement of assets are determined by comparing proceeds with carrying amount. These are recognized in the Consolidated Statement of Profit and Loss.

### Depreciation methods, estimated useful lives and residual value

#### Power Business

Property, Plant and Equipment relating to license business (except delhi discoms) and other power business (including amount of fair valuation considered as deemed cost) are depreciated under the straight line method as per the rates and useful life prescribed as per the Electricity Regulations as referred in Part "B" of Schedule II to the Act.

The individual asset once depreciated to seventy percent of cost, the remaining depreciable value spreads over the balance useful life of the asset, as provided in the Electricity Regulations. The residual values of assets are not more than 10 % of the cost of the assets.

In case of Delhi Discoms, Property, Plant and Equipment relating to license business and other power business (including amount of fair valuation considered as deemed cost) are depreciated under the straight line method as per the rates and useful life prescribed as per the Electricity Regulations as referred in Part "B" of Schedule II to the Act or as per the independent valuer's certificate whichever is lower. Depreciation on refurbished/revamped assets which are capitalized separately is provided for over the reassessed useful life. The useful life of the following assets are assessed by the independent valuer lesser than referred in Part "B" of Schedule II to the Act

Description of Assets	Useful Life of Asset (In Years)
Energy Meters	10
Communication Equipments	10

#### EPC and Contracts Business

Property, Plant and Equipment are depreciated under the reducing balance method as per the useful life and in the manner prescribed in Part "C" Schedule II to the Act.

#### Other Activities

Property, Plant and Equipment of other activities have been depreciated under the straight line method as per the useful life and in the manner prescribed in Part "C" Schedule II to the Act.

#### (n) Investment Property

Investment property comprise portion of office building that are held for long term yield and / or capital appreciation. Investment property is initially recognised at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in Consolidated Statement of Profit and Loss as incurred.

Depreciation on Investment Property is depreciated under the straight line method as per the rates and the useful life prescribed in part "C" of Schedule II to the Act.



**Notes annexed to and forming part of the Consolidated Financial Statements**

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on periodical basis performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Consolidated Statement of Profit and Loss.

**(o) Intangible assets**

Intangible assets are stated at cost of acquisition net of tax/duty credits availed, if any, less accumulated amortisation / depletion. Cost includes expenditure directly attributable to the acquisition of asset.

Amortisation Method:

- (i) Softwares pertaining to the power business are amortized as per the rate and in the manner prescribed in the Electricity Regulations. Other softwares are amortised over a period of 3 years.
- (ii) Toll Collection Rights received up to March 31, 2016 are amortised over the concession period on the basis of projected toll revenue which reflects the pattern in which the assets' economic benefits are consumed. Toll Collection Rights received after March 31, 2016 are amortised over the concession period on pro-rata basis on straightline method.
- (iii) In case of Airports, amounts in the nature of upfront fee and other costs paid to various regulatory authorities, are amortised on a straight line method over the period of the license.
- (iv) Metro Rail Concessionaire Rights are amortised over straightline basis over the operation of concession period.

**Goodwill on Consolidation**

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

**(p) Inventories**

Inventories are stated at lower of cost and net realisable value. In case of fuel, stores and spares "cost" means weighted average cost. Unserviceable / damaged stores and spares are identified and written down based on technical evaluation.

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

**(q) Allocation of Expenses**

- (i) Power Business:  
The allocation to capital and revenue is done consistently on the basis of a technical evaluation.
- (ii) EPC and Contracts Business:  
Common overheads are absorbed by various jobs in proportion to the prime cost of each job.

**(r) Employee benefits**

**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as Short term employee benefit obligations in the balance sheet.

### (ii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund, superannuation fund etc.

#### Define Benefit Plans

- (a) Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Consolidated Statement of Profit and Loss as past service cost. The Group contributes to a trust set up by the Group which further contributes to policies taken from Insurance Regulatory and Development Authority (IRDA) approved insurance companies.

- (b) Provident Fund

The benefit involving employee established provident funds, which require interest shortfall to be recompensated are to be considered as defined benefit plans. As per the Audited Accounts of Provident Fund Trust maintained by the Group, the shortfall arising in meeting the stipulated interest liability, if any, gets duly provided for.

#### Defined Contribution Plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. Superannuation plan, a defined contribution scheme is administered by IRDA approved Insurance Companies. The Group makes annual contributions based on a specified percentage of each eligible employee's salary.

### (iii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

In case of employees of erstwhile Delhi Vidyut Board (DVB) (presently employees of BRPL and BYPL) in accordance with the stipulation made by the Government of National Capital Territory of Delhi (GoNCTD), in its notification dated January 16, 2001 the contributions on account of the general provident fund, pension, gratuity and earned leave as per the Financial Rules and Service Rules applicable in respect of the employees of the erstwhile DVB, is accounted for on due basis and are paid to the Delhi Vidyut Board – Employees Terminal Benefit Fund 2002 (DVB ETBF 2002). Further the retirement benefits are guaranteed by GoNCTD. All such payments made to the DVB ETBF 2002 are charged off to the Consolidated Statement of Profit and Loss.

Notes annexed to and forming part of the Consolidated Financial Statements

**(s) Treasury Share**

The Parent Company has created a Reliance Infrastructure ESOS Trust (ESOS Trust) for providing share-based payment to its employees. The parent Company uses ESOS Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOS Trust buys shares of the Parent company from the market, for giving shares to employees. The Parent Company treats ESOS Trust as its extension and shares held by ESOS Trust are treated as treasury shares.

Reliance Infrastructure ESOS Trust has in substance acted as an agent and the Parent Company as a sponsor retains the majority of the risks rewards relating to funding arrangement. Accordingly, the Parent Company has recognised issue of shares to the Trust as the issue of treasury shares and deducted from equity by consolidating Trust into financial statements of the Parent Company.

**(t) Borrowing Cost**

Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

**(u) Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Parent Company and its subsidiaries generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other comprehensive income' or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

**(v) Provisions**

Provisions for legal claims and returns are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

## Notes annexed to and forming part of the Consolidated Financial Statements

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

### **(w) Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the notes to Consolidated Financial Statements. A Contingent asset is not recognized in Consolidated Financial Statements, however, the same is disclosed where an inflow of economic benefit is probable.

### **(x) Impairment of non-financial assets**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or Groups of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Consolidated Statement of Profit and Loss.

The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss recognised for goodwill is not reversed in subsequent periods.

### **(y) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **(z) Cash flow Statement:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

### **(aa) Oil and Gas Activity**

Oil and natural gas exploration and evaluation expenditures are accounted for using the 'successful efforts' method of accounting. Costs are accumulated on a field-by-field basis. Geological and geophysical costs are expensed as incurred. Costs directly associated with an exploration well, and exploration and property leasehold acquisition costs, are capitalised until the determination of reserves is evaluated. If it is determined that commercial discovery has not been achieved, these costs are charged to expense.

### **(bb) Contributed Equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **(cc) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Notes annexed to and forming part of the Consolidated Financial Statements

**(dd) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Both Basic earnings per share and Diluted earnings per share have been calculated with and without considering Income from Rate Regulated Activities in the Net Profit attributable to Equity Shareholders.

**(ee) Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially rests with the lessor are recognised as operating lease. Lease rentals under operating lease are recognised in the Consolidated Statement of Profit and Loss on a straight line basis.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**As a lessee**

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Consolidated Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Consolidated Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**As a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**(ff) Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

## Notes annexed to and forming part of the Consolidated Financial Statements

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Consolidated Statement of Profit and Loss.

### **(gg) Maintenance obligations**

Contractual obligations to maintain, replace or restore the infrastructure (principally resurfacing costs and major repairs and unscheduled maintenance which are required to maintain the Infrastructure asset in operational condition except for any enhancement element) are recognized and measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date for which next resurfacing would be required as per the concession arrangement. The provision is discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### **(hh) Self insurance**

In case of PKTCL, Self Insurance reserve is created @ 0.1% p.a. on Gross Block of Property, Plant and Equipment (except assets covered under any other insurance policy) as at the end of the year, subject to maximum of ₹ 5.50 Crore, by appropriating current year profit towards future losses which may arise from un-insured risks. The same is shown as "Self Insurance Reserve" under 'Reserves and Surplus'.

### **(ii) Rounding off of amounts**

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest Crore with two decimals as per the requirement of Schedule III, unless otherwise stated.

## **2. Critical estimates and judgements**

The presentation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Estimation of deferred tax assets recoverable**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has ₹ 285.06 Crore (₹ 225.39 Crore) of MAT credit entitlement assets. According to management's estimate, these balances will expire and may not be used to offset taxable income. The Company neither has any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these MAT credit entitlement as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets on these balances.

Similarly, the Group has unused capital gain tax losses of ₹ 747.71 Crore (₹ 1,011.12 Crore), which according to the management will expire and may not be used to offset taxable gain, if any, incurred by the Group. Refer Note No. 13 for amounts of such temporary differences on which deferred tax assets are not recognised.

- **Estimated fair value of unlisted securities**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Refer Note No.44 on fair value measurements where the assumptions and methods to perform the same are stated.

Notes annexed to and forming part of the Consolidated Financial Statements

- **Estimation of defined benefit obligation**

The cost of the defined benefit gratuity plan and other post-employment employee benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation.

Refer Note No. 39 for key actuarial assumptions.

- **Impairment of trade receivables, loans and other financial assets**

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Refer Note No. 44 on financial risk management where credit risk and related impairment disclosures are made.

- **Revenue recognition**

The Group uses the 'percentage-of-completion method' to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

- **Regulatory deferral assets and liabilities**

**Parent Company**

From April 01, 2012 till March 31, 2016 (2nd Multi Year Tariff (MYT) control period) and from April 01, 2016 till March 31, 2020 (3rd Multi Year Tariff (MYT) control period), determination of Retail Supply Tariff (RST) / Transmission charges chargeable by the Company to its consumers is governed by MERC (MYT) Regulations 2011 and MERC (MYT Regulations) 2015, whereby MERC is required to determine the RST and Transmission charges in a manner that the Company recovers its power purchase costs as well as other prudently incurred expenses and earns assured return of 15.5% p.a. on MERC approved equity in Distribution Wires Business and Transmission Business and 17.5% p.a. on MERC approved equity in Retail Supply Business, subject to achievement of Plant Load Factor of 85% , transmission availability of 98% and Aggregate Technical and Commercial (AT&C) loss reduction targets respectively. The rate review or "truing up" process during the MYT period is being conducted as per the principles stated in MYT Regulations 2011 and 2015.

During the truing up process, revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) are determined by the regulator and are permitted to be carried forward as regulatory assets/ regulatory liabilities, which would be recovered / refunded through future billing based on future tariff determination by the regulator. At the end of each accounting period, Company also determines regulatory assets/regulatory liabilities in respect of each accounting period on self true up basis on principles specified in accounting policy Note No.1 (e)(i) wherever regulator is yet to take up formal truing up process.

**Delhi Discoms (BRPL/BYPL)**

From April 01, 2012 till March 31, 2015 (MYT period), determination of Retail Supply Tariff (RST) chargeable by the Delhi Discoms to its consumers is governed by DERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations 2011 (MYT Regulations, 2011), whereby DERC shall determine the RST in a manner that the Company recovers its power purchase costs as well as other prudently incurred expenses and earns assured return of 16% p.a. on DERC approved equity subject to achievement of Aggregate Technical and Commercial (AT&C) loss reduction targets. The truing up process during the MYT period is being conducted as per the principle stated in Section 4.21 of the MYT Regulations, 2011. The earlier MYT Regulations dated May 30, 2007 were applicable for the extended period upto March 31, 2012.



## Notes annexed to and forming part of the Consolidated Financial Statements

During the truing up process, revenue gaps (i.e. shortfall in actual returns over assured returns) are determined by the regulator and are permitted to be carried forward as regulatory assets/ regulatory liabilities which would be recovered /refunded through future billing based on future tariff determination by the regulator. At the end of each accounting period, Delhi Discoms determines revenue gap based on the principles laid down under the MYT Regulations and Tariff Orders issued by DERC (except for the current Tariff Order referred in Note No. 9). In respect of such revenue gaps, appropriate adjustments, have been made for the respective years in term of the Guidance Note on Rate Regulated Activities issued by ICAI on a conservative basis.

Refer Note No.9 for tariff orders received during the reporting periods that allowed the Companies to recover regulatory gap determined by the regulator.

- **Consolidation decisions and classification of joint arrangements**

The management has concluded that the Group controls certain entities where it holds less than half of the voting rights of its subsidiaries as per the guidance of Ind AS 110. This is because the Group directs the relevant activities (procurement, production and marketing) and has the ability to use the powers to unilaterally control the returns it derives from these entities.

Refer Note No.42 for disclosure of ownership interests in subsidiaries controlled by the Group.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

- **Useful life of Property, Plant and Equipment**

The estimated useful life of Property, Plant and Equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Group reviews, periodically, the useful life of Property, Plant and Equipment and changes, if any, are adjusted prospectively.

- **Provision for Resurfacing and Future Cost of Replacement / Overhaul obligation (major maintenance expenditures):**

**Resurfacing obligation (major maintenance expenditure) (for Toll Roads)**

The Group records the resurfacing obligation for its present obligation as per the concession arrangement to maintain the toll roads at every five years during the concession period. The provision is included in the financial statements at the present value of the expected future payments. The calculations to discount these amounts to their present value are based on the estimated timing of expenditure occurring on the roads.

The discount rate used to value the resurfacing provision at its present value is determined through reference to the nature of provision and risk associated with the expenditure.

**Future cost of replacement / overhaul of assets (for Metros)**

The Group is required to operate and maintain the project assets in a serviceable condition which requires periodical replacement and overhaul of certain component of project assets. The Company has accordingly recognized a provision in respect of this obligation. The measurement of this provision consider the future cost of replacement / overhaul of assets and the timing of replacement/ overhaul. These amount are being discounted to present value since time value of money is material.

Notes annexed to and forming part of the Consolidated Financial Statements

3.a) Property, Plant and Equipment- Continuing Operations

													₹ Crore
Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Machinery	Distribution Systems	Railway Siding	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Electrical Installations	Total	Capital work in progress
Gross carrying amount													
As at April 1, 2016	2,686.63	55.83	2,060.02	12,442.84	8,202.98	8.20	51.73	30.59	80.23	68.72	23.02	25,710.79	1,191.26
Additions	-	2.48	38.45	506.23	520.59	-	1.76	13.25	9.72	21.71	0.94	1,115.13	1,061.22
Disposals	-	-	-	51.15	0.54	-	0.04	1.79	0.42	0.16	0.04	54.14	947.67
Gross carrying amount as on March 31, 2017	2,686.63	58.31	2,098.47	12,897.92	8,723.03	8.20	53.45	42.05	89.53	90.27	23.92	26,771.78	1,304.81
Accumulated depreciation and impairment													
As at April 1, 2016	-	1.99	99.72	875.65	371.08	0.88	3.86	3.85	6.55	16.45	2.40	1,382.43	
Depreciation charge during the year	-	1.98	92.83	831.05	391.57	0.88	4.26	4.38	6.96	17.55	2.23	1,353.69	
Disposals	-	-	-	2.33	0.04	-	0.01	0.41	0.03	0.03	0.02	2.87	
Accumulated depreciation and impairment as on March 31, 2017	-	3.97	192.55	1,704.37	762.61	1.76	8.11	7.82	13.48	33.97	4.61	2,733.25	
Net carrying amount as on March 31, 2017	2,686.63	54.34	1,905.92	11,193.55	7,960.42	6.44	45.34	34.23	76.05	56.30	19.31	24,038.53	1,304.81
Gross carrying amount													
As at April 1, 2017	2,686.63	58.31	2,098.47	12,897.92	8,723.03	8.20	53.45	42.05	89.53	90.27	23.92	26,771.78	1,304.81
Additions	-	63.81	52.07	692.77	628.18	-	4.44	5.95	21.80	20.47	2.82	1,492.31	1,419.54
Disposals	-	-	3.16	208.86	1.20	-	0.14	6.63	0.71	0.15	0.12	220.97	1,364.85
Gross carrying amount as on March 31, 2018	2,686.63	122.12	2,147.38	13,381.83	9,350.01	8.20	57.75	41.37	110.62	110.59	26.62	28,043.12	1,359.50
Accumulated depreciation and impairment													
As at April 1, 2017	-	3.97	192.55	1,704.37	762.61	1.76	8.11	7.82	13.48	33.97	4.61	2,733.25	
Depreciation charge during the year	-	2.38	76.60	881.57	491.42	0.36	4.76	4.76	10.48	12.53	2.20	1,487.06	
Impairment loss / (reversal)	-	-	-	( 31.04)	-	-	-	-	-	-	-	(31.04)	
Disposals	-	-	0.88	47.16	0.14	-	0.04	1.92	0.12	0.04	0.07	50.37	
Accumulated depreciation and impairment as on March 31, 2018	-	6.35	268.27	2,507.74	1,253.89	2.12	12.83	10.66	23.84	46.46	6.74	4,138.90	
Net carrying amount as on March 31, 2018	2,686.63	115.77	1,879.11	10,874.09	8,096.12	6.08	44.92	30.71	86.78	64.13	19.88	23,904.22	1,359.50

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### b) Property, Plant and Equipment- Discontinued Operation

Particulars	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Electrical Installations	₹ Crore Total
<b>Gross Carrying amount</b>						
As at April 1, 2016	0.12	0.03	0.19	0.10	0.02	0.46
Additions	-	-	-	0.06	-	0.06
Disposals	-	0.01	0.01	-	0.01	0.03
<b>Gross Carrying amount as on March 31, 2017</b>	<b>0.12</b>	<b>0.02</b>	<b>0.18</b>	<b>0.16</b>	<b>0.01</b>	<b>0.49</b>
<b>Accumulated depreciation and impairment</b>						
As at April 1, 2016	-	0.01	0.01	0.01	-	0.03
Depreciation charge during the year	-	-	0.01	0.01	-	0.02
Disposals	-	-	0.01	-	-	0.01
<b>Accumulated depreciation and impairment as on March 31, 2017</b>	<b>-</b>	<b>0.01</b>	<b>0.01</b>	<b>0.02</b>	<b>-</b>	<b>0.04</b>
<b>Net carrying amount as on March 31, 2017</b>	<b>0.12</b>	<b>0.01</b>	<b>0.17</b>	<b>0.14</b>	<b>0.01</b>	<b>0.45</b>
<b>Gross Carrying amount</b>						
As at April 1, 2017	0.12	0.02	0.18	0.16	0.01	0.49
Additions	-	-	-	-	-	-
Disposals	0.12	0.02	0.18	0.16	0.01	0.49
<b>Gross Carrying amount as on March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accumulated depreciation and impairment</b>						
As at April 1, 2017	-	0.01	0.01	0.02	-	0.04
Depreciation charge during the year	-	0.01	0.01	0.01	-	0.03
Disposals	-	0.02	0.02	0.03	-	0.07
<b>Accumulated depreciation and impairment as on March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount as on March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Note (for Continuing Operations):

- Capital Work in Progress includes borrowing cost of ₹ 9.84 Crore (₹ 10.15 Crore) and Foreign exchange fluctuation loss of ₹ 1.48 Crore (₹ Nil).
- Additions to Building, Plant and Machinery and Other tangible assets includes borrowing cost of ₹ 0.04 Crore (₹ Nil), ₹ 26.69 Crore (₹ 18.45 Crore) and ₹ 1.83 Crore (₹ Nil) respectively. Borrowing cost is capitalized @13.56%.
- Pursuant to certain events of default by Delhi Metro Rail Corporation (DMRC), Delhi Airport Metro Express Private Limited (DAMEPL) has terminated the concession agreement with effect from July 1, 2013 and entire asset (including project assets) have been handed over to DMRC and DAMEPL ceases to provide depreciation / amortisation. However, due to pending settlement of cases through arbitration, acceptance of termination by DMRC and based on legal opinion, the assets including project assets, have been continued to be shown in the books of account of DAMEPL.

#### d. Leased Assets

Terms of leasehold land taken

- Period of lease : 25 years
- Renewal option : No renewal option given in the Power Purchase agreement

Terms of power purchase agreement with Vidarbha Industries Power Limited (VIPL) assessed as finance lease has resulted in the certain asset classes being disclosed as assets of the Group. The details are as follows:

**Notes annexed to and forming part of the Consolidated Financial Statements**
**₹ Crore**

Particulars	As at April 01, 2016	As at March 31, 2017		As at March 31, 2018	
	Net carrying amount	Depreciation 2016-17	Net carrying amount	Depreciation 2017-18	Net carrying amount
Leasehold land	25.94	1.16	24.78	<b>1.16</b>	<b>23.62</b>
Buildings	421.80	18.85	402.95	<b>18.85</b>	<b>384.10</b>
Plant and machinery	3,328.68	204.03	3,124.65	<b>204.03</b>	<b>2,920.62</b>
Furniture and fixtures	1.26	0.10	1.16	<b>0.10</b>	<b>1.06</b>
Motor vehicles	1.22	0.15	1.07	<b>0.15</b>	<b>0.92</b>
Office equipments	0.90	0.07	0.83	<b>0.07</b>	<b>0.76</b>
Computers	1.02	0.25	0.77	<b>0.25</b>	<b>0.52</b>
<b>Total</b>	<b>3,780.82</b>	<b>224.61</b>	<b>3,556.21</b>	<b>224.61</b>	<b>3,331.60</b>

The Group has an exclusive right to obtain the entire contracted capacity of a specified facility at all times and in turn the power so purchased is used as a distribution licensee. The price at which purchase is made is regulated at a price which is neither contractually fixed nor reflects the current market price.

**e. Lease Hold Land**

The lease period for lease hold land varies from 35 Years to 99 years. The Parent Company considers lease hold land as financial lease as the Company has an ongoing and unhindered right to use as a distribution license holder, i.e. a legal right of having precedence over others in line with Electricity Act, 2003 and relevant rules. The Regulator has to make available a replacement parcel of land in case of non-renewal of lease. In the eighty eight years history of the Parent Company there have been extremely rare instances of alternation of such right to use of land due to perennial nature of business and consumer demand for electricity.

The Plant and Building of BKPL have been erected on 20 acre parcel of land taken on lease from Lessor (TCCL) by virtue of an agreement dated November 06, 2014.

The Lease period for lease hold land of Reliance Aerostructure Limited is 99 years with option for renewal and is considered as finance lease.

**f. Property, Plant and Equipment pledged as security**
**₹ Crore**

Description	As at March 31, 2018	As at March 31, 2017
<b>First charge and subservient charge:</b>		
Freehold Land	<b>871.29</b>	1,058.96
Leasehold Land	<b>0.58</b>	0.58
Buildings	<b>683.96</b>	956.61
Property, Plant and Equipment	<b>9,829.64</b>	10,985.72
Distribution Systems	<b>2,949.28</b>	3,615.34
Railway Siding	<b>6.25</b>	6.44
Furniture and Fixtures	<b>25.89</b>	30.92
Vehicles	<b>12.75</b>	14.49
Office Equipment	<b>77.88</b>	70.24
Computers	<b>36.67</b>	32.98
Electrical Installations	<b>8.09</b>	8.98
<b>Total</b>	<b>14,502.28</b>	16,781.26

Further, subservient charge have been created on balance movable Property, Plant and Equipment.

Refer Note No.11(a) and 11(b) for information on Property, Plant and Equipment pledged as security by the Group.

**g. Impairment loss**

The impairment loss amounting to ₹ 31.04 Crore relates to property, plant and equipment located at Goa Power Station has been reversed during the year and adjusted towards loss on sale of Property, Plant and Equipment.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### h. Capital work-in-progress

₹ Crore					
Particulars	Year	Opening	Addition	Capitalisation	Closing*
CWIP Movement	2017-18	1,304.81	1,419.54	1,364.85	1,359.50
CWIP Movement	2016-17	1,191.26	1,061.22	947.67	1,304.81

\*(net off of Provision for Non moving Capital Inventories of ₹ 14.10 Crore (₹ 10.54 Crore))

### 4. Investment Property

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
<b>Gross carrying amount</b>		
Opening Gross Carrying value	594.60	594.51
Additions	1.45	0.09
<b>Closing gross carrying value</b>	<b>596.05</b>	594.60
<b>Accumulated depreciation:</b>		
Opening accumulated depreciation	36.18	5.09
Depreciation during the year	31.17	31.09
<b>Closing accumulated depreciation</b>	<b>67.35</b>	36.18
<b>Net carrying value</b>	<b>528.70</b>	<b>558.42</b>

#### (i) Amounts recognised in Consolidated Statement of Profit and Loss for Investment Property

₹ Crore		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Rental income	62.89	68.35
Direct operating expense from property that generated rental income	28.04	33.14
<b>Profit from investment properties before depreciation</b>	<b>34.85</b>	35.21
Depreciation	31.17	31.09
<b>Profit from investment properties</b>	<b>3.68</b>	4.12

#### (ii) Contractual obligations

The Group has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Group.

#### (iii) Fair value

The fair valuation of investment property as at March 31, 2018 carried out by the independent valuer is ₹ 531 Crore.

#### (iv) Pledged details

₹ 528.70 Crore (₹ 558.42 Crore) pledged with Lenders of the Parent Company (Refer Note No. 11(a)).

#### (v) Estimation of fair value

The Group obtains independent valuations for its investment property periodically. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the group consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;
- discounted cash flow projections based on reliable estimates of future cash flows; and
- capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment property is determined by reputed third party / independent valuers. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment property are included in level 3.

Notes annexed to and forming part of the Consolidated Financial Statements

5. a) Intangible assets – Continuing Operations

							₹ Crore
Particulars	Computer Software	Other Intangible Assets	Airport Concessionaire Rights	Metro Concessional Intangible Assets	Toll Concessional Intangible Assets	Total	Goodwill on Consolidation
<b>Gross carrying amount</b>							
As at April 01, 2016	36.77	1,454.26	60.61	3,342.55	4,449.40	9,343.59	33.42
Additions*	4.60	-	-	2.11	3,759.63	3,766.34	
Effect of foreign currency exchange difference	-	-	-	(9.13)	6.19	(2.94)	
Disposals	-	-	-	-	16.27	16.27	
<b>Gross carrying amount as at March 31, 2017</b>	<b>41.37</b>	<b>1,454.26</b>	<b>60.61</b>	<b>3,335.53</b>	<b>8,198.95</b>	<b>13,090.72</b>	<b>33.42</b>
<b>Accumulated amortisation and impairment</b>							
As at April 01, 2016	6.25	410.78	0.69	201.32	199.53	818.57	
Amortisation charge for the year	7.62	-	0.69	111.18	183.93	303.42	
Impairment charge – Reversal	-	-	-	-	-	-	31.67
Disposals	-	-	-	-	-	-	-
<b>Accumulated amortisation and impairment as at March 31, 2017</b>	<b>13.87</b>	<b>410.78</b>	<b>1.38</b>	<b>312.50</b>	<b>383.46</b>	<b>1,121.99</b>	<b>31.67</b>
<b>Net carrying amount as at March 31, 2017</b>	<b>27.50</b>	<b>1,043.48</b>	<b>59.23</b>	<b>3,023.03</b>	<b>7,815.49</b>	<b>11,968.73</b>	<b>1.75</b>
<b>Gross carrying amount</b>							
As at April 01, 2017	41.37	1,454.26	60.61	3,335.53	8,198.95	13,090.72	33.42
Additions*	12.62	-	-	-	-	12.62	
Effect of foreign currency exchange difference	-	-	-	1.20	-	1.20	
Disposals	-	-	-	-	-	-	
<b>Gross carrying amount as at March 31, 2018</b>	<b>53.99</b>	<b>1,454.26</b>	<b>60.61</b>	<b>3,336.73</b>	<b>8,198.95</b>	<b>13,104.54</b>	<b>33.42</b>
<b>Accumulated amortisation and impairment</b>							
As at April 01, 2017	13.87	410.78	1.38	312.50	383.46	1,121.99	31.67
Amortisation charge for the year	7.71	-	0.69	111.25	296.76	416.41	1.75
Disposals	-	-	-	-	-	-	-
<b>Accumulated amortisation and impairment as at March 31, 2018</b>	<b>21.58</b>	<b>410.78</b>	<b>2.07</b>	<b>423.75</b>	<b>680.22</b>	<b>1,538.40</b>	<b>33.42</b>
<b>Net carrying amount as at March 31, 2018</b>	<b>32.41</b>	<b>1,043.48</b>	<b>58.54</b>	<b>2,912.98</b>	<b>7,518.73</b>	<b>11,566.14</b>	<b>-</b>

\*Additions to Concessional Intangible Assets includes borrowing cost capitalized of ₹ Nil (₹183.02 Crore).

Overall Movement of Intangible assets under development

Financial Year	Opening	Additions*	Capitalisation	₹ Crore Closing
<b>2017-18</b>	<b>1,055.16</b>	<b>602.05</b>	<b>-</b>	<b>1,657.21</b>
2016-17	3,779.97	1,041.01	3,765.82	1,055.16

\*Additions includes Borrowing cost incurred during the year of ₹ 91.09 Crore (₹ 112.27 Crore) and Foreign exchange fluctuation-Loss of ₹ 2.56 Crore ((gain) of ₹(10.91) Crore).

Note:

- (1) The above Intangible Assets are other than internally generated.
- (2) Remaining amortisation period of computer software is between 1 to 2 years.
- (3) Computer Software, Other Intangible Assets and Airport Concessionaire Rights are at deemed cost.
- (4) Concessional Intangible Assets are accounted in accordance with Appendix A of Ind AS 11"Service Concession Arrangement".  
Concession Intangible Assets relate to Service Concession Arrangements as explained in Note No.7(d). Borrowing cost is capitalized @ 13.50%.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

(5) Details of Intangible assets pledged are as under:

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
<b>First charge &amp; subservient charge</b>		
Intangible assets	23.97	4.09
Intangible assets (Concessional Rights)	10,431.71	10,838.52
Intangible Assets Under Development	1,657.21	1,055.16
<b>Total Intangible Assets pledged as security</b>	<b>12,112.89</b>	<b>11,897.77</b>

### b) Intangible assets – Discontinued Operation

₹ Crore				
Particulars	Computer Software	Mining Rights	Toll Concessional Intangible Assets	Total
<b>Gross carrying amount</b>				
As at April 01, 2016	2.52	7.16	3,896.24	3,905.92
Additions	-	-	-	-
Disposals	2.31	7.16	1.30	10.77
<b>Closing gross carrying amount as on March 31, 2017</b>	<b>0.21</b>	<b>-</b>	<b>3,894.94</b>	<b>3,895.15</b>
<b>Accumulated amortisation and impairment</b>				
As at April 01, 2016	0.77	0.37	265.17	266.31
Amortisation charge for the year	0.05	-	91.68	91.73
Disposals	0.67	0.37	-	1.04
<b>Accumulated depreciation and impairment as on March 31, 2017</b>	<b>0.15</b>	<b>-</b>	<b>356.85</b>	<b>357.00</b>
<b>Net carrying amount at at March 31, 2017</b>	<b>0.06</b>	<b>-</b>	<b>3,538.09</b>	<b>3,538.15</b>
<b>Gross carrying amount</b>				
As at April 01, 2017	0.21	-	3,894.94	3,895.15
Additions	-	-	0.91	0.91
Disposals	0.21	-	0.12	0.33
<b>Closing gross carrying amount as on March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>3,895.73</b>	<b>3,895.73</b>
<b>Accumulated amortisation and impairment</b>				
As at April 01, 2017	0.15	-	356.85	357.00
Amortisation charge for the year	0.02	-	109.46	109.48
Disposals	0.17	-	-	0.17
<b>Accumulated depreciation and impairment as on March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>466.31</b>	<b>466.31</b>
<b>Net carrying amount at at March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>3,429.42</b>	<b>3,429.42</b>

### Overall Movement of Intangible assets under development – Discontinued Operation

₹ Crore				
Financial Year	Opening	Additions	Capitalisation	Closing
<b>2017-18</b>	<b>0.91</b>	<b>-</b>	<b>0.91</b>	<b>-</b>
2016-17	1.21	0.30	0.60	0.91

## 6. Inventories

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Coal and Fuel*	219.20	215.41
Stores and Spares *(net off of Provision for Non moving inventories of ₹ 8.53 Crore (₹ 4.68 Crore))	175.29	196.52
<b>Total</b>	<b>394.49</b>	<b>411.93</b>
* including in transit and with third party	52.72	14.24

Inventories are stated at lower of Cost and Net realisable value.

These Inventories are pledged as security with the lenders (Refer Note No. 11(a) and 11(b))



## Notes annexed to and forming part of the Consolidated Financial Statements

## 7. Financial assets

## 7(a) Non-current investments

Particulars	Face value in ₹ unless otherwise stated	As at March 31, 2018		As at March 31, 2017	
		Number of Shares / Units	₹ Crore	Number of Shares / Units	₹ Crore
<b>Investment in equity instruments (fully paid-up unless otherwise stated):</b>					
<b>In associate companies - valued as per equity method</b>					
<b>Quoted</b>					
Reliance Power Limited *#	10	121,19,98,193	9,716.62	121,19,98,193	9,239.35
Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited) *#	10	22,01,03,025	967.04	22,64,53,025	1,318.34
<b>Unquoted</b>					
Metro One Operation Private Limited	10	3,000	1.14	3,000	0.81
Reliance Geo Thermal Power Private Limited @ ₹ 25,000	10	2,500	-	2,500	@
RPL Sun Technique Private Limited	10	5,000	-	5,000	0.01
RPL Photon Private Limited	10	5,000	-	5,000	0.01
RPL Sun Power Private Limited	10	5,000	-	5,000	0.01
			10,684.80		10,558.53
<b>In joint venture companies - valued as per equity method</b>					
<b>Unquoted</b>					
Utility Powertech Limited	10	7,92,000	19.95	7,92,000	16.77
			19.95		16.77
<b>In Others - At FVTPL</b>					
<b>Unquoted</b>					
Crest Logistics and Engineers Private Limited	10	4,09,795	0.41	4,09,795	0.41
Urthing Sobla Hydro Power Private Limited	10	2,000	-	2,000	-
Western Electricity Supply Company of Odisha Limited (WESCO) @ ₹ 1000	10	100	@	100	@
North Eastern Electricity Supply Company of Odisha Limited (NESCO) @ ₹ 1000	10	100	@	100	@
Southern Electricity Supply Company of Odisha Limited (SOUTHCO) @ ₹ 1000	10	100	@	100	@
Rampia Coal Mine and Energy Private Limited	1	2,72,29,539	2.72	2,72,29,539	2.72
Reliance Infra Projects International Limited	USD 1	10,000	0.04	10,000	0.04
Larimar Holdings Limited @ ₹ 4,909	USD 1	111	@	111	@
Indian Highways Management Company Limited	10	5,55,370	0.56	5,55,370	0.56
Jayamkondam Power Limited @ Re. 1.	10	4,09,795	@	4,09,795	@
Nationwide Communication Private Limited @ ₹ 4000	10	400	@	400	@
			3.73		3.73
<b>Total</b>			10,708.48		10,579.03
<b>Investment in preference shares (fully paid-up)</b>					
<b>In Others - At FVTPL</b>					
<b>Unquoted</b>					
Non-Convertible Redeemable Preference Shares in Reliance Infra Projects International Limited	USD 1	3,60,000	639.56	3,60,000	636.37
10% Non-Cumulative Non-Convertible Redeemable Preference Shares in Crest Logistics and Engineers Private Limited	1	1,09,50,000	368.25	1,09,50,000	317.45
6% Non-Cumulative Non-Convertible Redeemable Preference Shares in Crest Logistics and Engineers Private Limited @ ₹ 20,000	10	2,000	@	2,000	@
10% Non-Convertible Non-Cumulative Redeemable Preference Shares in Jayamkondam Power Limited @ Re 1.	1	1,09,50,000	@	1,09,50,000	@
10% Non-convertible Non-cumulative Redeemable Preference Share (Series D) Crest Logistics and Engineers Private Limited	10	30,00,000	404.83	30,00,000	348.99
<b>Total</b>			1,412.64		1,302.81

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

Particulars	Face value in ₹ unless otherwise stated	As at March 31, 2018		As at March 31, 2017	
		Number of Shares / Units	₹ Crore	Number of Shares / Units	₹ Crore
<b>Investment in Government or Trust Securities</b>					
<b>At amortised cost</b>					
<b>Quoted</b>					
<b>Contingencies Reserve Investments</b>					
7.46% Central Government of India	100	-	-	5,00,000	4.98
8.12% Central Government of India	100	75,00,000	76.53	75,00,000	77.99
8.27% Central Government of India	100	15,00,000	15.33	15,00,000	15.40
7.68% Central Government of India	100	15,00,000	15.23	15,00,000	15.22
7.68% Central Government of India	100	13,00,000	13.71	13,00,000	13.69
<b>Total</b>			<b>120.80</b>		127.28
<b>Investment in Debentures (fully paid-up)</b>					
<b>At FVTPL</b>					
<b>Unquoted</b>					
10.50% Unsecured Redeemable Non-Convertible Debentures in Crest Logistics and Engineers Private Limited	100	10,00,00,000	472.75	10,00,00,000	414.69
10.50% Unsecured Redeemable Non-Convertible Debentures in Crest Logistics and Engineers Private Limited	100	12,00,00,000	537.36	12,00,00,000	471.37
			<b>1,010.11</b>		886.06
<b>Total</b>			<b>13,252.03</b>		12,895.18
<b>Less : Provision for diminution in value of Investments @ ₹ 3,000</b>			@		@
<b>Total</b>			<b>13,252.03</b>		12,895.18
		<b>Market Value</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>
Aggregate amount of quoted investments		5,099.11	10,804.46	7,479.58	10,684.97
Aggregate amount of unquoted investments			2,447.57		2,210.21
Aggregate amount of impairment in the value of investments @ ₹ 3,000			@		@

\*10,19,00,000(11,20,00,000 ) shares of Reliance Power Limited are pledged with the lenders of Investee Company. 63,50,0000 shares of Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited) which were pledged with the lenders of Investee Company have been invoked by the lenders during the year.(Refer Note No.32)

# 71,06,20,433 (62,75,20,433) shares of Reliance Power Limited and 22,01,03,025 (22,01,03,025) shares of Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited) are pledged with the lenders of the Parent Company.

### 7(b) Current Investments

Particulars	Face value in ₹ unless otherwise stated	As at March 31, 2018		As at March 31, 2017	
		Number of Units	₹ Crore	Number of Units	₹ Crore
<b>Investment in Mutual Funds Units</b>					
<b>At FVTPL</b>					
<b>Quoted</b>					
Reliance Liquid Fund-Treasury Plan-Daily Dividend Option Plan @ ₹ 1,698 (₹ 1,694)	10	1	@	1	@
Reliance Liquidity Fund- Daily Dividend Plan @ ₹ 36,511 (₹ 34,986)	1,000	36	@	35	@
Reliance Liquidity Fund- Direct Plan Daily Dividend Plan @ ₹ 27,378 (₹ 26,235)	10	27	@	26	@
Reliance Money Manager Fund- Growth Plan Growth Option @ ₹ 3,247 (₹ 3,040)	10	1	@	1	@
Reliance Floating Short Term Fund-Growth option	10	2,12,463	0.57	2,12,463	0.57
Reliance Money Manager Fund - Daily Dividend Plan	10	3,002	0.20	3,713	0.27

**Notes annexed to and forming part of the Consolidated Financial Statements**

Particulars	Face value in ₹ unless otherwise stated	As at March 31, 2018		As at March 31, 2017	
		Number of Units	₹ Crore	Number of Units	₹ Crore
SBI Premiere Liquid Fund – Direct – Growth	1,000	1,39,585	38.03	48,318	12.33
Reliance Liquid Fund – Treasury Plan – Direct – Growth Option	1,000	3,01,316	127.76	1,56,252	61.00
Taurus Liquid Mutual Fund – Direct Plan – Growth	1,000	281	0.05	281	0.05
JM Liquidity Fund – Growth Option – Direct	10	-	-	1,81,27,896	80.69
Indiabull Liquid Fund – Direct plan – Growth	10	-	-	5,81,841	92.45
SBI Ultra Short Term Debt Fund – Growth Plan	10	4,23,692	95.41	-	-
Indiabull Ultra Short Term Fund-Direct Plan- Growth	10	4,50,389	77.84	-	-
<b>Contingencies Reserve Investments</b>					
Reliance Liquid Fund – Direct Plan- Growth Option	1,000	81,854	22.98	-	-
<b>Total</b>			<b>362.84</b>		<b>247.36</b>
Aggregate amount of quoted investments			<b>362.84</b>		<b>247.36</b>
Aggregate amount of unquoted investments			-		-
Aggregate amount of impairment in the value of investments			-		-

**7(c) Trade Receivables**

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Secured, considered good	1,660.01	1,545.52
Unsecured, considered good	3,763.38	4,097.34
Doubtful	467.75	448.99
<b>Total</b>	<b>5,891.14</b>	<b>6,091.85</b>
Less: Allowance for doubtful debts	467.75	448.99
<b>Trade Receivables (net)</b>	<b>5,423.39</b>	<b>5,642.86</b>
Current portion	5,423.39	5,642.86
Non-current portion	-	-
	<b>5,423.39</b>	<b>5,642.86</b>

These trade receivables are given as security to the lenders – Refer Note No.11(b)

**7(d) Service Concession Receivable**

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
<b>Opening balance</b>	<b>188.98</b>	<b>1,448.72</b>
Accrued interest	96.08	158.86
Scheduled Repayments	232.40	202.03
Unrecovered Financial Assets	83.76	114.50
Addition during the year	26.05	38.54
Transfer to Assets classified as held for sale/discontinued operation	(39.96)	1,140.61
<b>Closing balance</b>	<b>34.91</b>	<b>188.98</b>
<b>Service Concession Receivable as per Balance Sheet</b>		
Non-current	-	-
Current	-	75.54
<b>Total (A)</b>	<b>-</b>	<b>75.54</b>
<b>Grant Receivable from NHAI*</b>		
Non-current	-	-
Current	34.91	113.44
<b>Total (B)</b>	<b>34.91</b>	<b>113.44</b>
<b>Total (A + B)</b>	<b>34.91</b>	<b>188.98</b>

Finance receivables comprise of amounts receivable with respect to concession agreements, where the demand risk falls on the grantor or amounts that are guaranteed to the Group contractually under the concession agreements.

\* Grant receivable from NHAI for DA Toll Road Private Limited amounting to ₹ 34.91 Crore (₹ 113.44 Crore) grouped under financial assets.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### Service Concession Arrangements – Main Features

₹ Crore

Name of entity	Description of the arrangement	Significant terms of the arrangement	Intangible Assets		Financial Asset
			Gross book value	Net book value	
DA Toll Road Private Limited	Financing, design, building and operation of 180 kilometre long six lane toll road between Delhi and Agra on National Highway 2	Period of concession: 2012 – 2038  Remuneration : Toll Investment grant from concession grantor : Yes Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : Yearly Basis upon which re-pricing or re-negotiation is determined : Inflation Premium payable to grantor : Nil	<b>March 31, 2018</b> <b>1,793.03</b> March 31, 2017 1,793.03	<b>March 31, 2018</b> <b>1,675.21</b> March 31, 2017 1,753.84	<b>March 31, 2018</b> <b>34.91</b> March 31, 2017 113.44
HK Toll Road Private Limited	Financing, design, building and operation of 60 kilometre long six lane toll road between Hosur and Krishnagiri on National Highway 7	Period of concession: 2011 – 2035  Remuneration : Toll Investment grant from concession grantor : Nil Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : Yearly Basis upon which re-pricing or re-negotiation is determined : Inflation Premium payable to grantor : Yes	<b>March 31, 2018</b> <b>1,969.37</b> March 31, 2017 1,969.37	<b>March 31, 2018</b> <b>1,850.77</b> March 31, 2017 1,882.87	<b>March 31, 2018</b> - March 31, 2017 -
KM Toll Road Private Limited	Financing, design, building and operation of 71 kilometre long four lane toll road between Kandla and Mundra on National Highway 8A	Period of concession: 2011 – 2036  Remuneration : Toll Investment grant from concession grantor : Nil Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : Yearly Basis upon which re-pricing or re-negotiation is determined : Inflation Premium payable to grantor : Yes	<b>March 31, 2018</b> <b>1,362.51</b> March 31, 2017 1,362.51	<b>March 31, 2018</b> <b>1,308.88</b> March 31, 2017 1,331.78	<b>March 31, 2018</b> - March 31, 2017 -
PS Toll Road Private Limited	Financing, design, building and operation of 137 kilometre long six lane toll road between Pune and Satara on National Highway 4	Period of concession: 2010 – 2034  Remuneration : Toll Investment grant from concession grantor : Nil Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : Yearly Basis upon which re-pricing or re-negotiation is determined : Inflation Premium payable to grantor : Yes	<b>March 31, 2018</b> <b>3,074.04</b> March 31, 2017 3,074.04	<b>March 31, 2018</b> <b>2,683.86</b> March 31, 2017 2,847.00	<b>March 31, 2018</b> - March 31, 2017 -

Notes annexed to and forming part of the Consolidated Financial Statements

₹ Crore

Name of entity	Description of the arrangement	Significant terms of the arrangement	Intangible Assets		Financial Asset
			Gross book value	Net book value	
Mumbai Metro One Private Limited	Mumbai Metro Line-1 project of the Versova-Andheri-Ghatkopar corridor for a period of 35 years including the construction period.	Period of concession: 2007-2042 (including 5 years for construction) Remuneration: Passenger fare and revenue from advertisement and rentals Investment grant from concession grantor : Yes Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : Yearly Basis upon which re-pricing or re-negotiation is determined : Inflation Premium payable to grantor : Nil	<b>March 31, 2018</b> <b>3,336.73</b>  March 31, 2017 3,335.53	<b>March 31, 2018</b> <b>2,912.99</b>  March 31, 2017 3,023.03	<b>March 31, 2018</b> <b>-</b>  March 31, 2017 <b>-</b>
Samalkot Power Station Division	Samalkot Power Station operates the 220 MW combined cycle power plant at Samalkot in the State of Telangana. The 220 MW plant uses natural gas, as the primary fuel and naphtha/high speed diesel as the secondary fuel and sells the power to AP Transco.	Period of concession: 2008 - 2017  Remuneration: Annual fixed charges payment and variable charges Investment grant from concession grantor : Yes Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : Yearly Basis upon which re-pricing or re-negotiation is determined : Inflation Premium payable to grantor : Nil	<b>March 31, 2018</b> <b>-</b>  March 31, 2017 <b>-</b>	<b>March 31, 2018</b> <b>-</b>  March 31, 2017 <b>-</b>	<b>March 31, 2018</b> <b>-</b>  March 31, 2017 75.54
		<b>Total March 31, 2018</b>	<b>11,535.68</b>	<b>10,431.71</b>	<b>34.91</b>
		Total March 31, 2017	11,534.48	10,838.52	188.98

7(e) Cash and cash equivalents

₹ Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with banks in -		
Current Account	<b>385.16</b>	333.84
Bank Deposit with original maturity of less than 3 months	<b>24.57</b>	134.23
Unpaid Dividend Account	<b>15.46</b>	14.33
Cheques and drafts on hand	<b>77.55</b>	69.84
Cash on hand	<b>9.27</b>	10.57
<b>Total</b>	<b><u>512.01</u></b>	<b><u>562.81</u></b>

7(f) Bank Balances other than cash and cash equivalents

₹ Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Bank Deposits with Original Maturity of more than 3 months but less than 12 months	<b>548.17</b>	113.92
<b>Total</b>	<b><u>548.17</u></b>	<b><u>113.92</u></b>

**Restricted Cash and Bank Balances:**

The Group is required to keep restricted cash for

- issuing Bank Guarantee for Sales-tax department
- Payment of Dividend
- Escrow accounts

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

Details of which are given below:

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Bank Deposits	43.87	50.73
Unpaid dividend	15.46	14.33
Escrow account	11.88	7.45
<b>Total</b>	<b>71.21</b>	<b>72.51</b>

### 7(g) Loans

Particulars	₹ Crore			
	As at March 31, 2018		As at March 31, 2017	
	Current	Non-Current	Current	Non-Current
<b>(Unsecured, considered good unless otherwise stated)</b>				
Loans to related parties* (Refer Note No.25)	2,403.73	-	1,666.07	-
Loans to Others - considered good	10,698.90	-	9,468.52	-
- considered doubtful	2,554.14	-	2,543.93	-
	15,656.77	-	13,678.52	-
Less : Provision for Expected Credit Loss	2,554.14	-	2,543.93	-
	13,102.63	-	11,134.59	-
Loans to Employees	9.86	39.89	8.93	41.46
<b>Total</b>	<b>13,112.49</b>	<b>39.89</b>	<b>11,143.52</b>	<b>41.46</b>
*Secured	1,886.45	-	-	-

### 7(h) Other financial assets

Particulars	₹ Crore			
	As at March 31, 2018		As at March 31, 2017	
	Current	Non-Current	Current	Non-Current
<b>(Unsecured, considered good unless otherwise stated)</b>				
Security deposits				
Considered good	100.13	37.16	87.83	52.32
Considered doubtful	-	17.70	-	17.78
Derivative financial instrument (net)	-	-	0.02	-
Receivable from DMRC	1,173.20	-	966.20	-
Claim receivable from NHAI	48.96	-	24.41	-
Grant receivable from NHAI	34.91	-	113.44	-
Interest Accrued / receivables*				
Considered good	1,159.74	12.77	414.65	12.65
Considered doubtful	143.03	-	75.64	-
Fixed Deposit with bank with maturity of more than 12 months	-	7.14	-	10.29
Margin money with Banks	-	126.36	-	39.71
Unbilled Revenue	470.02	-	510.31	-
Other Receivables (Refer Note No. 9(a))	1,048.16	15.14	1,202.60	13.51
	4,178.15	216.27	3,395.10	146.26
Less: Provision for diminution in value of deposits / Expected Credit Loss	143.03	17.70	75.64	17.78
<b>Total</b>	<b>4,035.12</b>	<b>198.57</b>	<b>3,319.46</b>	<b>128.48</b>
*Secured	252.02	-	13.53	-

**Notes annexed to and forming part of the Consolidated Financial Statements**
**7(i) Other assets**

Particulars	₹ Crore			
	As at		As at	
	March 31, 2018		March 31, 2017	
	Current	Non-Current	Current	Non-Current
(Unsecured, considered good unless otherwise stated)				
Capital advances	-	52.27	-	102.29
Advance to vendors	396.64	393.09	509.22	324.91
Duties and Taxes Recoverable	15.20	60.03	73.48	55.93
Advances recoverable in kind or for value to be received	314.51	2.62	216.39	3.08
Gratuity Advance (Refer Note No.39)	0.06	0.15	1.18	0.14
Finance Guarantee receivable	-	-	-	15.27
Amounts due from customers for contract work	389.55	-	328.64	-
Other receivables	0.80	4.24	0.90	4.09
<b>Total</b>	<b>1,116.76</b>	<b>512.40</b>	<b>1,129.81</b>	<b>505.71</b>

**8. Assets classified as held for sale and Discontinued operations**
**(a) Description**
**(i) Western Region System Strengthening Scheme (WRSSS) Transmission Undertakings**

On October 12, 2017, the Parent Company completed the transfer of its Western Region System Strengthening Scheme (WRSSS) Transmission Undertakings to its two subsidiaries namely Western Transmission Gujarat Limited (WTGL) and Western Transco Power Limited (WTPL). Subsequently on October 31, 2017 shares of WTGL and WTPL transferred to Adani Transmission Limited (ATL) and accordingly the Assets and Liabilities as well as Income and Expenditure of WRSSS have been considered as Assets classified as held for sale and discontinued operations as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".

**(ii) Toll roads**

During the year ended March 31, 2017, Reliance Infrastructure Invit Fund (fund) has been formed as trust to invest in infrastructure assets primarily being the toll road assets. Reliance Infrastructure Limited (Parent) is a Sponsor / Project manager to the fund. Pursuant to this the Reliance Infrastructure Limited (Parent) (Sponsor / project manager) has proposed to transfer the controlling interest in seven Toll Road Companies viz, DS Toll Road Limited, GF Toll Road Private Limited, NK Toll Road Limited, JR Toll Road Private Limited, SU Toll Road Private Limited, TK Toll Road Private Limited and TD Toll Road Private Limited and accordingly the assets and liabilities of these subsidiaries were considered as Assets classified as held for sale as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".

**(b) The Combined financial performance and cash flow information of WRSSS Transmission Companies and Toll Road Companies presented as under:**

Particulars	₹ Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
Revenue	480.77	1,232.30
Expenses	563.96	1,267.83
<b>Profit / (Loss) before income tax</b>	<b>(83.19)</b>	<b>(35.53)</b>
Income tax expense	(24.92)	(31.93)
<b>Profit after income tax</b>	<b>(58.27)</b>	<b>(3.59)</b>
<b>Other comprehensive income</b>	<b>(0.25)</b>	<b>(0.12)</b>
Net cash inflow/(outflow) from operating activities	362.47	532.72
Net cash inflow/(outflow) from investing activities	(264.66)	100.73
Net cash inflow/(outflow) from financing activities	(563.23)	(579.96)
<b>Net increase in cash generated from discontinued operation</b>	<b>(465.42)</b>	<b>53.49</b>

Note: The above amount is attributable to equity holders of the Parent Company



# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

(c) Details of the sale of WRSSS Transmission Companies of the Group

	₹ Crore
Particulars	Year ended March 31, 2018
Total Consideration	336.80
Carrying amount of net assets sold	535.30
Loss on sale of WRSSS Transmission Undertakings	<u>(198.50)</u>

The carrying amounts of assets and liabilities as at the date of sale i.e. October 31, 2017 were as follows:

	₹ Crore
Particulars	As at October 31, 2017
Property, Plant and Equipment and intangible assets	0.87
Service Concession Receivable	1,100.65
Trade receivables	42.86
Other current and non-current assets	56.05
<b>Total Assets</b>	<b>1,200.43</b>
Borrowings	659.60
Other current and non-current liabilities	5.53
<b>Total Liabilities</b>	<b>665.13</b>
<b>Net assets</b>	<b><u>535.30</u></b>

(d) Assets and liabilities of disposal group classified as held for sale

	₹ Crore	
Particulars	As at March 31, 2018	As at March 31, 2017
Property, Plant and Equipment	-	0.45
Concession intangible assets	3,429.42	3,538.09
Intangible assets	-	0.06
Intangible assets under development	-	0.91
Service Concession Receivable	-	1,140.60
Trade receivables	-	40.67
Other Current / Non-current assets	344.80	403.72
<b>Total assets of disposal group held for sale</b>	<b><u>3,774.22</u></b>	<b><u>5,124.50</u></b>
Liabilities directly associated with assets classified as held for sale		
Trade payables	47.68	39.45
Borrowings	2,297.00	3,230.78
Other Financial Liabilities	58.72	144.81
Other Liabilities	322.97	297.10
<b>Total liabilities of disposal group held for sale</b>	<b><u>2,726.37</u></b>	<b><u>3,712.14</u></b>

**Notes annexed to and forming part of the Consolidated Financial Statements**
**9. Regulatory Deferral Account Balances**

In accordance with accounting policy (Refer Note No. 1 (e) (i)) and in accordance with the Guidance Note on Rate Regulated Activities issued by ICAI, the reconciliation of the Regulatory Assets / (Liabilities) of Parent Company, Delhi Discoms (subsidiaries) and PKTCL as on March 31, 2018 is as under:

		₹ Crore	
Sr. No.	Particulars	2017-2018	2016-2017
I	Regulatory Assets / (Liability)		
A	Opening Balance	17,963.02	18,107.83
B	Add : Income recoverable/(reversible) from future tariff / Revenue GAP for the year		
1	For Current Year	1,873.31	693.61
2	For Earlier Year	-	467.76
3	Regulatory assets recoverable on account of Deferred Tax on Depreciation difference	49.14	26.59
	Total (1+2+3)	1,922.45	1,187.96
C	Recovered during the year	1,665.85	1,332.77*
D	Net Movement during the year (B-C)	256.60	(144.81)
E	<b>Closing Balance (A+D)</b>	<b>18,219.62</b>	<b>17,963.02</b>
II	Deferred Tax (Assets) / Liability associated with Regulatory Assets / (Liability)		
	Opening Balance	4,676.57	4,431.06
	Add: Deferred Tax (Assets) / Liabilities during the year	392.61	245.51
	Total deferred Tax (Assets) / Liability associated with Regulatory Assets / (Liability)	5,069.18	4,676.57
	Less: Recoverable from future Tariff	5,069.18	4,676.57
	<b>Closing Balance</b>	<b>-</b>	<b>-</b>
III	<b>Balance as at the end of the year</b>		
	Regulatory Assets	18,219.62	17,969.56
	Regulatory Liability	-	6.54
		<b>18,219.62</b>	<b>17,963.02</b>

Regulatory Assets of ₹ 17,315.71 Crore (₹ 17,114.31 Crore ) have been given as Security to the Lenders.

Regulatory Assets of Parent Company:

- a. \* includes ₹ 739.61 Crore recoverable from Vidarbha Industries Power Limited (VIPL) as per MERC Order dated June 20, 2016 in the matter of petition of VIPL for truing up for FY 2014-15 and provisional truing up for FY 2015-16 and also MERC Order dated October 21, 2016 in the matter of petition of the Company for True-up for the year 2014-15 and provisional Truing up for the year 2015-16. Out of this amount, VIPL has paid ₹ 213.50 Crore during the year ended March 31, 2017 and the balance amount of ₹ 526.11 Crore recoverable from VIPL is included in Other Current financial assets as Other Receivables.
- b. From April 01, 2016 till March 31, 2020 (3rd MYT control period), determination of Retail Supply Tariff (RST) / Transmission charges chargeable by the Company to its consumers is governed by MERC (MYT Regulations) 2015, whereby MERC is required to determine the RST and Transmission charges in a manner that the Company recovers its power purchase costs as well as other prudently incurred expenses and earns assured return of 15.50% p.a. on MERC approved equity in Distribution Wires Business and Transmission Business and 17.5% p.a. on MERC approved equity in Retail Supply Business, subject to achievement of Plant Load Factor of 85% , transmission availability of 98% and Aggregate Technical and Commercial (AT&C) loss reduction targets respectively. The rate review or "truing up" process during the MYT period is being conducted as per the principles stated in MYT Regulations 2015.

## Notes annexed to and forming part of the Consolidated Financial Statements

- c. During the truing up process, revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) are determined by the regulator and are permitted to be carried forward as regulatory assets/ regulatory liabilities which would be recovered / refunded through future billing based on future tariff determination by the regulator. At the end of each accounting period, Company also determines regulatory assets/regulatory liabilities in respect of each accounting period on self true up basis on principles specified in accounting policy Note No. 1 (e)(i) wherever regulator is yet to take up formal truing up process.
- d. During the year ended March 31, 2014, the Company had received tariff order from MERC allowing it to recover the regulatory gap determined by the regulator for the period upto March 31, 2012, aggregating to ₹ 2,463.18 Crore along with carrying cost of ₹ 1,403.65 Crore on smoothened recovery basis over a period of 6 years till FY 2018-19. The Company has apportioned an amount of ₹ 474.09 Crore towards carrying cost out of the total recovery during the year ended March 31, 2018 of ₹ 852.53 Crore under the said order.
- e. In accordance with the MERC tariff regulation for determination of tariff, the income-tax paid is considered for tariff determination (truing up). Accordingly, the Company has considered ₹ 49.14 Crore (₹ 26.59 Crore) of deferred tax liability for the year arising out of differences in rates of depreciation between MERC and income-tax as "Regulatory assets recoverable on account of Deferred Tax on Depreciation difference". Similarly, the deferred tax asset of ₹ 130.83 Crore (₹ 213.77 Crore) on account of timing difference on taxability of regulatory income is treated as reduction from "Net tax recoverable from future tariff determination".

### Regulatory Assets of Delhi Discoms (BRPL / BYPL)

From April 01, 2012 till March 31, 2015 (MYT period), and as per new Regulations-139 (DERC Tariff Regulations, 2017 notified by DERC on January 31, 2017), the previous MYT Regulations 2011 which was already over has been extended upto March 31, 2017, determination of Retail Supply Tariff (RST) chargeable by the Delhi Discoms to its consumers is governed by DERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations 2011 (MYT Regulations, 2011). In terms of MYT Regulations 2017, DERC on September 01, 2017 issued the DERC (Business Plan) Regulations, 2017 (Business Plan Regulations) which is in force for a period of three years upto FY 2019-20. In terms of these regulations, DERC shall determine the RST in a manner that the Company recovers its power purchase costs as well as other prudently incurred expenses and earns assured return of 16% p.a. on DERC approved equity subject to achievement of Aggregate Technical and Commercial (AT&C) loss reduction targets. The truing up process during the MYT periods are being conducted as per the principle stated in the respective MYT Regulations.

During the truing up process, revenue gaps (i.e. shortfall in actual returns over assured returns) are determined by the regulator and are permitted to be carried forward as regulatory assets/ regulatory liabilities which would be recovered / refunded through future billing based on future tariff determination by the regulator at the end of each accounting period.

Delhi Discoms determined revenue gap (FY 2013-14 to FY 2016-17) based on the principles laid down under the MYT Regulations and Tariff Orders issued by DERC (except for the current Tariff Order referred below). In respect of such revenue gaps, appropriate adjustments, have been made for the respective years in terms of Ind AS 114 read with the Guidance Note on Regulatory Assets issued by the ICAI. Further for the current year self truing up has been conducted as per the principles laid down in the Business Plan Regulations.

DERC has trued up revenue gap for period upto March 31, 2014 vide its Tariff Order dated September 29, 2015 and for FY 2014-15, 2015-16 and FY 2016-17 in the subsequent Tariff Orders dated August 31, 2017 and March 28, 2018 with certain dis-allowances. The Delhi Discoms have preferred an appeal before APTEL against the disallowance in the DERC Tariff Orders and based on the legal opinion taken by Delhi Discoms the impact of such disallowances, which are subject matter of appeal, has not been included in the computation of Regulatory Asset.

### Regulatory Liability of PKTCL

In respect of PKTCL, during the year ended March 31, 2018, as per CERC Regulations, has passed on the benefit of Refinancing to the beneficiaries and accordingly all the benefits accrued upto December 31, 2017 amounting to ₹ 17.24 Crore has been paid to the beneficiaries. In addition to this, ₹ 0.27 Crore is added to the approved TSC due to change in the effective tax rate (increase in rate of surcharge on tax from 10% to 12%) resulting in change in the rate of return on equity and the same is shown under Regulatory deferral account debit balances.

**Notes annexed to and forming part of the Consolidated Financial Statements**
**10. Share Capital and other equity**
**10(a) Share Capital**

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
<b>Authorised</b>		
45,00,60,000 (45,00,60,000) Equity Shares of ₹ 10 each	<b>450.06</b>	450.06
80,00,000 (80,00,000) Equity Shares of ₹ 10 each with differential rights	<b>8.00</b>	8.00
155,00,00,000 (155,00,00,000) Redeemable Preference Shares of ₹ 10 each	<b>1,550.00</b>	1,550.00
4,20,00,000 (4,20,00,000) Unclassified Shares of ₹ 10 each	<b>42.00</b>	42.00
	<b>2,050.06</b>	2,050.06
<b>Issued</b>		
26,53,92,065 (26,53,92,065) Equity Shares of ₹ 10 each	<b>265.40</b>	265.40
	<b>265.40</b>	265.40
<b>Subscribed and fully paid-up</b>		
26,29,90,000 (26,29,90,000) Equity Shares of ₹ 10 each fully paid up	<b>262.99</b>	262.99
Add: 3,54,479 (3,54,479) Forfeited Shares- Amounts originally paid up	<b>0.04</b>	0.04
	<b>263.03</b>	263.03

**(a) Shares Pledged Details:**

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	No. of Shares Pledged by Promoter Group Companies	<b>8,78,13,612</b>	8,33,64,675

**(b) Reconciliation of the Shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2018		As at March 31, 2017	
Equity Shares -	No. of shares	₹ Crore	No. of shares	₹ Crore
At the beginning of the year	<b>26,29,90,000</b>	<b>262.99</b>	26,29,90,000	262.99
Outstanding at the end of the year	<b>26,29,90,000</b>	<b>262.99</b>	26,29,90,000	262.99

**Terms and rights attached to equity shares**
**i. Voting:**

The Parent Company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

**ii. Dividends:**

Respective companies declare and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors of the Parent Company in their meeting dated April 23, 2018 have approved a final dividend of ₹ 9.50 per equity share for the financial year ended March 31, 2018. The proposal is subject to the approval of shareholders at the ensuing annual general meeting and if approved would result in a cash outflow of approximately ₹ 301.20 Crore including corporate dividend tax of ₹ 51.36 Crore.

**iii. Liquidation:**

In the event of liquidation, the holders of equity shares will be entitled to receive all of the remaining assets after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**iv. Details of shareholders holding more than 5% shares in the Parent Company**

Name of the Shareholders	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	% held	No. of Shares	% held
Reliance Project Ventures and Management Private Limited	<b>10,61,48,937</b>	<b>40.36</b>	10,61,48,937	40.36
Life Insurance Corporation of India	<b>1,66,37,769</b>	<b>6.33</b>	2,58,44,788	9.83
Reliance Big Private Limited	<b>1,95,00,000</b>	<b>7.41</b>	1,95,00,000	7.41

**v. Buy-back of Equity Shares:**

Aggregate number of shares bought back during the period of five years immediately preceding the reporting date - Nil (44,30,262)

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### 10(b) Other Equity – Reserves and surplus

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Capital Reserve	5,179.97	5,179.97
Capital Reserve on Consolidation	3,974.76	3,974.76
Sale proceeds of fractional Equity Shares Certificates and dividends thereon (@ ₹ 37,953 (₹ 37,953))	@	@
Capital Redemption Reserve	130.03	130.03
Securities Premium Account	8,825.09	8,825.09
Debenture Redemption Reserve	528.23	626.37
Statutory Reserves:		
Development Reserve Account No.1	1.69	1.69
Development Reserve Account No.2	18.97	18.97
Debt Redemption Reserve	2.30	2.30
Rural Electrification Scheme Reserve	0.11	0.11
Reserve to augment production facilities	0.04	0.04
Reserve for Power Project	100.00	100.00
Development Reserve Account No. 3	140.88	140.88
Self Insurance	3.79	2.72
General Reserve	6,748.61	5,733.23
Foreign Currency Monetary Item Translation Difference Account	77.77	71.59
Retained Earnings	(1,757.16)	(1,697.68)
Treasury Shares	(19.13)	(25.58)
<b>Total Reserves and Surplus</b>	<b>23,955.95</b>	<b>23,084.49</b>

#### (i) Capital Reserve

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	5,179.97	3,777.02
Add : As per Scheme of Arrangement	-	1,402.95
<b>Closing balance</b>	<b>5,179.97</b>	<b>5,179.97</b>

#### (ii) Capital Reserve on Consolidation

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	3,974.76	3,974.76
<b>Closing balance</b>	<b>3,974.76</b>	<b>3,974.76</b>

#### (iii) Sale proceeds of fractional Equity Share Certificates and dividends thereon

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet (@ ₹ 37,953 (₹ 37,953))	@	@
<b>Closing balance</b>	<b>@</b>	<b>@</b>

Notes annexed to and forming part of the Consolidated Financial Statements

(iv) Capital Redemption Reserve

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	130.03	130.03
<b>Closing balance</b>	<b>130.03</b>	<b>130.03</b>

(v) Securities Premium Account

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	8,825.09	8,825.09
<b>Closing balance</b>	<b>8,825.09</b>	<b>8,825.09</b>

(vi) Debenture Redemption Reserve

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	626.37	600.98
Add: Transfer from Retained Earnings	150.03	200.39
Less: Transfer to General Reserve	248.17	175.00
<b>Closing balance</b>	<b>528.23</b>	<b>626.37</b>

(vii) Contingencies Reserve Fund

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	-	95.00
Add: Transfer to General Reserve	-	95.00
<b>Closing balance</b>	<b>-</b>	<b>-</b>

(viii) Development Reserve Account No.1

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	1.69	1.69
<b>Closing balance</b>	<b>1.69</b>	<b>1.69</b>

(ix) Development Reserve Account No.2

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	18.97	18.97
<b>Closing balance</b>	<b>18.97</b>	<b>18.97</b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### (x) Debt Redemption Reserve

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	2.30	2.30
<b>Closing balance</b>	<b>2.30</b>	<b>2.30</b>

### (xi) Rural Electrification Scheme Reserve

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	0.11	0.11
<b>Closing balance</b>	<b>0.11</b>	<b>0.11</b>

### (xii) Reserve to augment production facilities

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	0.04	0.04
<b>Closing balance</b>	<b>0.04</b>	<b>0.04</b>

### (xiii) Reserve for Power Project

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	100.00	100.00
<b>Closing balance</b>	<b>100.00</b>	<b>100.00</b>

### (xiv) Development Reserve Account No. 3

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	140.88	140.88
<b>Closing balance</b>	<b>140.88</b>	<b>140.88</b>

### (xv) Self Insurance Reserve

₹ Crore		
Particulars	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	2.72	1.78
Add: Transfer from Retained Earnings	1.07	0.94
<b>Closing balance</b>	<b>3.79</b>	<b>2.72</b>



Notes annexed to and forming part of the Consolidated Financial Statements

(xvi) General Reserve

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	5,733.23	6,263.83
Less: Transfer to Statement of Consolidated Statement of Profit and Loss (net) (Refer Note No.28)	11.68	245.02
Less: Transfer to Statement of Consolidated Statement of Profit and Loss (Refer Note No.35)	221.11	555.58
Add: Transfer from Contingencies Reserve Fund	-	95.00
Add: Transfer from Retained Earnings	1,000.00	-
Add: Transfer from Debenture Redemption Reserve	248.17	175.00
<b>Closing balance</b>	<b>6,748.61</b>	<b>5,733.23</b>

(xvii) Foreign Currency Monetary Item Translation Difference Account (Refer Note No.34)

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	71.59	6.97
Add: Addition during the year - Gain / (Loss)	3.19	(4.40)
Less: Amortisation during the year	(2.99)	(69.02)
<b>Closing balance</b>	<b>77.77</b>	<b>71.59</b>

(xviii) Retained Earnings

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	(1,697.68)	(2,513.30)
Add: Net Profit for the year	1,339.50	1,425.18
Add :Items of other Comprehensive Income recognised directly in retained earnings		
- Remeasurements gains / (loss) on defined benefit plans (Net of Tax) and movement in Regulatory Deferral account balance	19.82	(24.14)
Add: Transfer on dilution of / change in control	-	(132.24)
Add: Adjustment to Carrying Cost	29.64	15.96
Less: Transfer to General Reserve	1,000.00	-
Less: Dividend paid	244.49	226.70
Less: Tax on dividend	52.85	41.10
Less: Transfer to Debenture Redemption Reserve	150.03	200.39
Less: Transfer to Self Insurance Reserve	1.07	0.94
<b>Closing balance</b>	<b>(1,757.16)</b>	<b>(1,697.68)</b>

(xix) Treasury Shares

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Balance as per last Balance Sheet	(25.58)	(36.85)
Less : Provision for diminution in value of equity shares	6.45	11.27
<b>Closing balance</b>	<b>(19.13)</b>	<b>(25.58)</b>

### Nature and purpose of other reserves

#### (a) Capital Reserve

The Reserve is created based on statutory requirement under the Companies Act, 2013, on account of forfeiture of equity shares warrants, mergers and acquisitions pursuant to the Order of Hon'ble High Court of Bombay. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

#### (b) Securities Premium Account

Securities premium account is used to record the premium on issue of shares. The same is utilized in accordance with the provisions of the Act.

#### (c) Debenture Redemption Reserve

As per the Companies (Share Capital and Debentures) Rules, 2014 (amended), the Company is required to create debenture redemption reserve out of profits, which is available for payment of dividend, equal to 25% of the amount of debentures issued. Accordingly the Group has appropriated 25% of the debentures issued which would be utilized for redemption of debentures during its maturity.

#### (d) Capital Redemption Reserve

The Capital Redemption Reserve is required to be created on buy-back of equity shares. The Group may issue fully paid up bonus shares to its members out of the capital redemption reserve account.

#### (e) Statutory Reserves

##### (i) Development Reserve Account No. 1, 2 and 3:

It represents Development Rebate Reserve required under the Income-tax Act, 1961.

##### (ii) Debt Redemption Reserve, Rural Electrification Scheme Reserve, Reserve to augment production facilities and Reserve for Power Project

These reserves were created under the repealed Electricity (Supply) Act, 1948 and Tariff Regulations. These are Statutory Reserves.

#### (f) Foreign Currency Monetary Item Translation Difference Account

The Group has availed an option of continuing the policy adopted for exchange differences arising from translation of long term foreign currency monetary items as per Previous GAAP. Foreign Currency Monetary Item Translation Difference is on account of foreign exchange gain/(loss) on a non-depreciable long term foreign currency monetary item. The Group has opted to continue the accounting policy of Previous GAAP for such long term foreign currency monetary item as per D13AA of Ind AS 101. Accordingly, such gain/(loss) is carried to reserves under this head and amortised over the life of such non-depreciable long term foreign currency monetary item asset.

#### (g) Treasury Shares

Reliance Infrastructure ESOS Trust has in substance acted as an agent and the Parent Company as a sponsor retains the majority of the risks and rewards relating to funding arrangement. Accordingly, the Parent Company has recognised issue of shares to the Trust as the issue of treasury shares by consolidating Trust into financial statements of the Parent Company.

#### (h) Self Insurance Reserve

In Parbati Koldam Transmission Company Limited (PKTCL), Self Insurance reserve is created @ 0.1% p.a. on Gross Block of Fixed Assets (except assets covered under any other insurance policy) as at the end of the year, subject to maximum of ₹ 5.50 Crore by appropriating current year profit towards future losses which may arise from un-insured risks.

## Notes annexed to and forming part of the Consolidated Financial Statements

## 11. Financial liabilities

## 11 (a) : Non-current borrowings

₹ Crore								
Sr. No.	Particulars	Maturity date	Terms of Repayment	Effective Interest Rate	As at March 31, 2018		As at March 31, 2017	
					Non-Current	Current	Non-Current	Current
	<b>Secured</b>							
1	<b>Non convertible debentures (Redeemable at par)</b>							
	Series-3	2018-19	Bullet	6.70%	-	124.91	124.91	-
	Other Series	2018-19 to 2023-24	Monthly / Yearly / Bullet	9.80% to 11.75%	1,358.56	1,266.39	2,831.52	724.00
2	<b>Convertible Debentures</b>		Refer Foot Note No. B		159.05	-	159.05	-
3	<b>Rupee Term Loan:</b>							
	from Banks	2018-19 to 2029-30	Monthly / Quaterly / Yearly / Bullet	8.70% to 14.00%	9,558.29	3,087.25	9,525.90	3,862.95
	from Financial Institutions	2018-19 to 2030-31	Monthly / Quaterly	8.70% to 13.50%	1,018.94	243.43	1,124.57	201.83
	from Others	2018-19 to 2026-27	Quaterly / Yearly	12.00% to 13.50%	1,534.80	4.21	31.30	7.07
4	<b>Foreign Currency Loan:</b>							
	External Commercial Borrowings							
		October 1, 2027	Quarterly	6 months LIBOR + margin (340 to 485 basis points)	346.85	30.73	376.23	187.49
		June 15, 2024	Quarterly	3 months USD LIBOR + margin (430 basis point)	115.23	9.55	123.59	5.44
		June 30, 2024	Quarterly	3 months LIBOR rate + 4.40%/4.62%	300.44	9.78	322.63	1.62
	Term Loan from Financial Institutions	2018-19 to 2025-26	Quarterly	5.73% to 6.21%	286.64	20.71	306.37	13.61
	<b>Total (A)</b>				<b>14,678.80</b>	<b>4,796.96</b>	14,926.07	5,004.01
	<b>Unsecured</b>							
1	<b>Rupee Term Loan:</b>							
	from Banks	2018-19	Monthly / Bullet	10.25% & 11.20%	-	8.00	8.00	126.00
	from Others	2018-19 & 2019-20	Monthly / Bullet	10.50%	8.17	6.00	30.56	9.00
2	<b>Foreign Currency Loan:</b>							
	External Commercial Borrowings	2022-23	Bullet	EURIBOR + 2% Margin	32.25	-	-	-
	<b>Total (B)</b>				<b>40.42</b>	<b>14.00</b>	38.56	135.00
	<b>Total (A + B)</b>				<b>14,719.22</b>	<b>4,810.96</b>	14,964.63	5,139.01

### Secured borrowings (Principal undiscounted amounts) :

#### A. Non Convertible Debentures referred to above to the extent of (in case of Parent Company)

₹ 125 Crore are secured by way of first pari-passu charge on Company's Property, Plant and Equipment of Goa Power Plant, by way of first pari-passu charge on Company's properties situated at Samalkot Power Plant, by way first pari-passu charge on certain Property, Plant and Equipment i.e. Plant and Machinery and Distribution Systems of Mumbai distribution division, One Flat located in Thane District in the State of Maharashtra.

₹ 585 Crore are secured by way of first pari-passu charge on specific Land and Building located at Mumbai and on certain Property, Plant and Equipment and Intangible assets of Mumbai distribution division.

₹ 500 Crore are secured by first pari-passu charge on Land and Buildings, certain Plant and Machinery and Distribution Systems of the Company's Mumbai distribution division.

₹ 300 Crore are secured by the following:-

- (i) Pledge of 19,56,84,684 shares of M/s. Reliance Power Limited which are held by the Company.
- (ii) All of the Company's rights, title, interest and benefits in, to and under the bank account no.00600350138613 of Reliance Infrastructure Limited with HDFC Bank, Mumbai Branch.

₹ 650 Crore are secured by way of first pari-passu charge on Company's Property, Plant and Equipment of Goa Power Plant, on Company's properties situated at Samalkot Power Plant, on certain fixed assets i.e. Plant and Machinery and Distribution Systems of Mumbai distribution division and on One Flat located in Thane District in the State of Maharashtra .(The existing ₹ 125 Crore NCD holders also hold pari-passu charge on the above assets).

₹ 225 Crore are secured by first ranking pari-passu charge on the following: -

- (i) Specific Regulatory Assets related to Mumbai distribution business and its related bank accounts
- (ii) Escrow Accounts (including DSRA account and Surplus Regulatory Asset Account)
- (iii) One flat located in Thane District in the State of Maharashtra
- (iv) Lien on permitted Investments

(₹ 350 Crore from Bank of Maharashtra, ₹ 55.90 Crore from IndusInd Bank Limited, ₹ 140.00 Crore from Syndicate Bank, ₹ 24.10 Crore from Abu Dhabi Commercial Bank and ₹ 100 Crore from Axis Bank Limited also hold pari-passu charge on the above assets).

₹ 295 Crore are secured by the following:-

- 1) Pledge of 28,79,35,749 shares of M/s. Reliance Power Limited which are held by the Company.
- 2) One Flat located in Thane District in the State of Maharashtra.
- 3) All of the Company's rights, title, interest and benefits in, to and under the bank account no.0656363-00-0 of Reliance Infrastructure Limited with Deutsche Bank, Mumbai branch together with fixed deposits standing to the credit of the said bank account.

₹ 75 Crore are to be secured by first pari-passu charge on specific fixed assets of Mumbai Distribution Business of the Company, with a minimum security cover of 1.25x on the outstanding amount. The charge creation is under process.

For terms of repayment and rate of interest for each debenture Refer Note No.19 to the Standalone Financial Statements.

#### B. Convertible Debentures

CBDTPL had entered into a debenture subscription agreement dated May 28, 2008 with Telangana State Industrial Infrastructure Corporation (TSIIC), erstwhile Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) for the issue of 12% fully convertible debentures of ₹ 10 each aggregating to ₹ 179.99 Crore (outstanding ₹ 159.05 Crore as at March 31, 2018) for consideration other than cash secured against a first charge created on the land till the date of execution of the financing documents and thereafter TSIIC will cede the first charge in favour of the lenders and shall continue to have a second charge till the debentures are fully converted into equity shares of the Company. The debentures shall be convertible into equity shares of the Company to maintain the equity holding of TSIIC of 11% in the Company till the debentures are fully converted into equity shares of the Company. The debentures shall be entitled to a coupon of 12% per annum compounded annually pending the conversion into equity shares. Pursuant to the restructuring of the project (Refer Note No. 41 (a)), the coupon rate for interest on debentures has been reduced to 2% p.a. for the period April 1, 2010 to March 31, 2014.

As per Ind AS 109, the compound financial instruments i.e. fully convertible debentures has to split between equity and financial liability as per features i.e. timeline, coupon rate, conversion ratio. The Project restructuring proposal of CBTPL and the signing of amendment agreements should take place, after receipt of final communication from TSIIC. Therefore CBTPL has in the interim classified the same as financial liability, since there is no definite timeline of conversion of debentures in to equity, presently available and there is a 'contractual obligation' to pay coupon rate as per the agreement up to the time of conversion of these debentures.

**Notes annexed to and forming part of the Consolidated Financial Statements**

**C. External Commercial Borrowings in Foreign Currency:**

₹ 377.58 Crore, in case of Mumbai Metro Rail Concession Rights, are secure by first mortgage/charge of all immovable properties, all moveable machinery, machinery spares, equipment, rolling stock, tools and accessories, vehicles, charges on the non-fund based instruments and all other moveable assets, all other intangible assets both present and future, save and except project assets. The same also secured by first mortgage/charge on all receivables, escrow accounts, bank accounts, revenues of whatsoever nature and wherever arising, both present and future.

The above securities rank pari passu to the security interest created in favor of the Rupee term loans and the buyers credit facilities availed from banks.

₹ 435 Crore, in case of Toll Collection Rights, is secured by a first ranking pari passu mortgage/charge over all the Borrower's immoveable and movable properties, both present and future, except the Project Assets. The same are also secured by charge on all the Borrower's bank accounts including, but not limited to the Escrow Account/ its Sub-Accounts where all revenues, disbursements, receivables shall be deposited and in all funds from time to time deposited therein and in all Permitted Investments or other securities representing all amounts credited to the Escrow Account. The same are also secured by charge over / assignment of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees (except the guarantees issued in favour of NHAI) including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents. The same is also secured by Pledge of promoter's Equity Interest representing 51% of the equity capital of the investee companies.

**D. Term Loans from Financial Institutions are secured as under:**

₹ 363.64 Crore in case of Parent Company are secured by the following:

- Minimum 1.25 times cover of Non-agriculture Land located at Dahanu Thermal Power Station to be shared with other lenders on pari-passu basis subject to maintenance of 1.25 times cover for IFCI Loan. (The security on these assets is yet to be created).
- Pledge of 22,70,00,000 shares of M/s. Reliance Power Limited by Non-disposable undertaking and Power of Attorney mechanism, which are held by the Company. It is Interim Security till creation of security over land.

₹ 176 Crore in case of Parent Company are secured by exclusive charge on certain Property, Plant and Equipment of the Mumbai Distribution division of the Company.

₹ 307.35 Crore, in case Delhi Metro Rail Concession Rights is secured by by first charge against moveable properties, machinery, machinery spares, equipment, tools and accessories, vehicles, and all other movable assets except project assets, both present and future and the borrower's other assets, book debts, operating cash flow, commission, outstanding moneys including claims etc. A Corporate Undertaking had been provided by the Parent Company to Consortium Lenders (Banks and Financial Institution) for debt servicing

₹ 122.30 Crore, in case of PKTCL is secured by first pari-passu charge by way of mortgage of all immovable properties acquired for the project, both present and future and also first pari-passu charge by way of hypothecation of all movable assets, including moveable plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, present and future and also on all the cash flows, Receivables, book debts, revenues of whatsoever nature and wherever arising, present and future and on all intangibles assets, present and future and on guarantees, letter of credit, performance bond, indemnities etc, on all Insurance Contracts and Insurance Proceeds. The same is also secured by Pledge of promoter's Equity Interest representing at least 51% of the project Equity Capital.

₹ 29.45 Core, in case of RDL is secured by first charge on movable fixed assets and current assets, cash flow arising from operation and income from investments both present and future and all other assets including all rights, titles, interest, claims, insurance policies etc. Corporate guarantee has been provided by RDL in respects of loan availed.

₹ 590.30 Crore, in case of Toll Collection Rights, is secured by a first ranking pari passu mortgage/charge over all the Borrower's immoveable and movable properties, both present and future, except the Project Assets. The same are also secured by charge on all the Borrower's bank accounts including, but not limited to the Escrow Account/ its Sub-Accounts where all revenues, Disbursements, receivables shall be deposited and in all funds from time to time deposited therein and in all Permitted Investments or other securities representing all amounts credited to the Escrow Account. The same are also secured by charge over / assignment of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees (except the guarantees issued in favour of NHAI) including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents. The same is also secured by Pledge of promoter's Equity Interest representing 51% of the equity capital of the investee companies.

**E. Term Loans from Banks are secured as under:**

**(i) In case of Parent Company are secured by the following:**

₹ 90 Crore are secured by way of first exclusive pari-passu charge on certain Plant and Equipment of EPC division and on Property, Plant and Equipment of Windmill Project of the Company located in Jogimatti in Chitradurga district of Karnataka

## Notes annexed to and forming part of the Consolidated Financial Statements

₹ 462.56 Crore are secured by way of first pari-passu charge on certain Property, Plant and Equipment of Mumbai transmission division and specific Land and Building located in Thane and Mumbai.

₹ 144 Crore are secured by way of first pari-passu charge over land of Dahanu Thermal Power Station. (The security on these assets is yet to be created).

₹ 670 Crore are secured by the first pari-passu charge on the following:

- Specific Regulatory Assets, present and future, related to Mumbai distribution business and its related bank accounts
- Escrow Accounts (including DSRA account and Surplus Regulatory Asset Account)
- One Flat located in Thane District in the State of Maharashtra
- Lien on permitted Investments

(The existing ₹ 225 Crore NCD holders also hold pari-passu charge on the above assets).

₹ 496.88 Crore are secured by the following:

- Pledge of 22,01,03,025 Equity Shares of Reliance Naval and Engineering Limited held by Reliance Defence Systems Private Limited (step-down subsidiary of the Company)
- Subservient charge on Current Assets of the Company, both present and future with a minimum security cover of 1x on the outstanding amount to be maintained at all the time.

₹ 100.79 Crore are secured by the following:

- Pledge of 1,88,28,000 Equity Shares of BSES Kerala Power Limited (a 100% subsidiary of the Company)
- Subservient charge on Current Assets of the Company with a minimum security cover of 1x on the outstanding amount to be maintained at all the time.
- First pari-passu charge on moveable Property, Plant and Equipment of BSES Kerala Power Limited, both present and future

(The Security on the above assets is yet to be created).

₹ 100.00 Crore are secured by first pari passu charge on Inventory & trade receivable, book debts, other current assets and additionally secured by a flat of the Company located at Mumbai. (existing working capital consortium facility led by Canara Banl also hold pari-passu charge on above assets).

₹ 525 Crore are secured by the following:

- Pledge of 13,43,100 Equity Shares of NK Toll Road Limited, 15,63,000 Equity Shares of DS Toll Road Limited, 5,88,330 Equity Shares of GF Toll Road Private Limited, 10,22,700 Equity Shares of KM Toll Road Private Limited, 11,13,300 Equity Shares of HK Toll Road Private Limited, 38,26,695 Equity Shares of TK Toll Road Private Limited, 32,23,476 Equity Shares of TD Toll Road Private Limited and 55,23,678 Equity Shares of SU Toll Road Private Limited.
- Pledge of 2,462 Equity Shares of JR Toll Road Private Limited and 2,465 Equity Shares of PS Toll Road Private Limited
- Non-disposal Undertaking on 45,99,180 Equity Shares of DA Toll Road Private Limited.
- Non-disposal Undertaking on 19% Equity Share holding of NK Toll Road Limited, DS Toll Road Limited, SU Toll Road Private Limited, GF Toll Road Private Limited, KM Toll Road Private Limited, HK Toll Road Private Limited, TD Toll Road Private Limited and TK Toll Road Private Limited. (Pledge of this 19% Equity Shares is yet to be created).
- Second pari passu charge on the current assets of Company
- First pari passu charge on all receivable arising out of sub-debt / loan advanced / to be advanced to Road Companies, as mentioned above.

₹ 83 Crore are secured by Second Charge on Company's current assets excluding Regulatory Assets of Mumbai Distribution business.

₹ 100 Crore are secured by the following:

- Residual charge on the entire current assets of the Company both present and future.
- Pledge of 2,676 Equity Shares of JR Toll Road Private Limited

₹ 166.66 Crore are secured by subservient charge on moveable Property, Plant and Equipment of the Company with asset cover of minimum 1.25 times.

₹ 250 Crore are secured by subservient charge on moveable Property, Plant and Equipment of the Company with asset cover of minimum 1.25 times.

**Notes annexed to and forming part of the Consolidated Financial Statements**

₹ 990 Crore are secured by Subservient charge on all current assets of the Borrower excluding Regulatory Assets of Mumbai Distribution Business, providing minimum 1x cover on outstanding facilities.

₹ 975 are secured by the following:

- First pari-passu charge, both present and future, on Company's Building and Plant & Machinery situated at Dahanu Thermal Power Station.
- First pari-passu charge, both present and future, on specific Building situated in Mumbai.
- Exclusive charge on Investment Property situated at Mumbai
- Exclusive charge over receivable and cash flow including rent and any other income incidental thereof from Reliance center property.

₹ 500 Crore are Secured by the following:

- First pari-passu charge on all assets of Dahanu Thermal Plant including plant and machinery excluding Land.
- Extension of charge on Pledge of 30% Shares of Reliance Electric and Generation Supply Limited.

Priority charge over proceeds received by the company from sale of equity stake in Mumbai Power Generation / Transmission / Distribution business of Reliance Infrastructure Limited.

(The loan of ₹ 1,500 Crore taken by Reliance Electric Generation Supply Limited are also hold pari-passu charge on the above assets)

**(ii) In case of Other than Parent Company are secured by the following:**

₹ 424.91 Crore in case of PKTCL is secured by first pari-passu charge by way of mortgage of all immovable properties acquired for the project, both present and future and also first pari-passu charge by way of hypothecation of all movable assets, including moveable plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, present and future and also on all the cash flows, Receivables, book debts, revenues of whatsoever nature and wherever arising, present and future and on all intangibles assets, present and future and on guarantees, letter of credit, performance bond, indemnities etc, on all Insurance Contracts and Insurance Proceeds. The same is also secured by Pledge of promoter's Equity Interest representing at least 51% of the project Equity Capital.

₹ 1,501.31 Crore in case of Mumbai Metro Rail Concession Rights are secure by first mortgage/charge of all immovable properties, all moveable machinery, machinery spares, equipment, rolling stock, tools and accessories, vehicles, charges on the non-fund based instruments and all other moveable assets, all other intangible assets both present and future, save and except project assets. The same also secured by first mortgage/charge on all receivables, escrow accounts, bank accounts, revenues of whatsoever nature and wherever arising, both present and future.

The above securities rank pari passu to the security interest created in favor of the Rupee term loans and the buyers credit facilities availed from banks

₹ 2,418.03 Crore, in case of Toll Collection Rights, is secured by a first ranking pari passu mortgage/charge over all the Borrower's immovable and movable properties, both present and future, except the Project Assets. The same are also secured by charge on all the Borrower's bank accounts including, but not limited to the Escrow Account/ its Sub-Accounts where all revenues, Disbursements, receivables shall be deposited and in all funds from time to time deposited therein and in all Permitted Investments or other securities representing all amounts credited to the Escrow Account. The same are also secured by charge over / assignment of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees (except the guarantees issued in favour of NHAI) including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents. The same is also secured by Pledge of promoter's Equity Interest representing 51% of the equity capital of the investee companies.

₹ 1,294.74 Crore, in case Delhi Metro Rail Concession Rights is secured by by first charge against moveable properties, machinery, machinery spares, equipment, tools and accessories, vehicles, and all other movable assets except project assets, both present and future and the borrower's other assets, book debts, operating cash flow, commission, outstanding moneys including claims etc. A Corporate Undertaking had been provided by the Parent Company to Consortium Lenders (Banks and Financial Institution) for debt servicing

₹1,500 Crore, in case of Reliance Electric Generation and Supply Limited are secured

- by way of first pari-passu charge on all assets of Dahanu Thermal Plant including plant and machinery of the Plant but excluding Land.
- Extension of charge on Pledge of 30% Shares by Parent Company of Reliance Electric and Generation Supply Limited.

Priority charge over proceeds received by the company from sale of equity stake in Mumbai Power Generation / Transmission / Distribution business of Reliance Infrastructure Limited.

(The loan of ₹ 500 Crore taken by the Parent Company are also hold pari-passu charge on the above assets).



# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### F. Loans from Others are secured as under:

₹ 8.85 Crore in case of Parent Company are secured by first and exclusive charge on specific office equipments including specific networking systems of the Company.

₹ 535.26 Crore and ₹ 994.90 Crore, in case of BRPL and BYPL (Discoms) respectively are secured by the following:

- a. first ranking pari passu charges on all movable and immovable properties and assets, regulatory assets, present and future revenue of whatsoever nature and wherever arising and Second pari-passu charge on the receivable of the Company.
- b. Collateral Security:
  - (i) Pledge of 51% of ordinary equity share of the Company
  - (ii) DSRA equivalent to interest and principal dues of ensuing two quarters in the form of fixed deposit.
- c. The Discoms are in the process of creating charge on the securities such as mortgage, hypothecation etc. required as per sanction terms. Simultaneously, the Discoms are in the process of satisfaction of charge from the lenders to whom the Discoms has repaid the term loans by year end. The sanction letter allows three months from the first disbursement to create the charge in favour of PFC.

### 11 (b) : Current borrowings

		₹ Crore	
Sr No.	Particulars	As at March 31, 2018	As at March 31, 2017
	<b>Secured</b>		
1	<b>Rupee Loan:</b>		
	Working Capital Loans from banks	1,245.15	1,578.34
	Term Loans from banks	1,180.00	1,900.00
2	<b>Foreign Currency Loan:</b>		
	Buyers' Credit - in foreign currency from banks	-	140.39
	<b>Total (A)</b>	<b>2,425.15</b>	<b>3,618.73</b>
	<b>Unsecured</b>		
	<b>Rupee Loan:</b>		
1	Term Loans from banks	151.30	395.00
2	Commercial Paper	568.00	1,230.00
3	<b>Inter Corporate Deposits</b>		
	- from Related Parties (Refer Note No.25)	390.00	325.00
	- Others	79.32	79.33
	<b>Foreign Currency Loan:</b>		
4	Buyers' Credit - in foreign currency from banks	-	62.16
	<b>Total (B)</b>	<b>1,188.62</b>	<b>2,091.49</b>
	<b>Total (A + B)</b>	<b>3,613.77</b>	<b>5,710.22</b>

### Secured borrowings and assets pledged as security

Working Capital Loans and Buyers' Credit from Consortium Banks are secured by way of first pari-passu charge on stock, book debts, other current assets and additionally secured by a specific immovable property of the Parent Company located at Mumbai. The same is also secured by first pari-passu charge on stores & spares, ii) second pari-passu charge on receivables, regulatory assets and second pari-passu charge on fixed assets of the Delhi Discoms as collateral security.

Term Loan from Bank is secured by subservient charge on moveable Property, Plant and Equipments of the Parent Company with asset cover of minimum 1 to 1.25 times.

**Notes annexed to and forming part of the Consolidated Financial Statements**
**11(c): Trade payables**

Particulars	As at March 31, 2018		As at March 31, 2017	
	₹ Crore		₹ Crore	
	Current	Non- Current	Current	Non-Current
Total outstanding dues to micro and small enterprises	19.81	-	14.51	-
Total outstanding dues to other than micro and small enterprises	22,127.63	8.80	21,047.58	4.98
(Including retention payable)				
<b>Total</b>	<b>22,147.44</b>	<b>8.80</b>	<b>21,062.09</b>	<b>4.98</b>

**Disclosure requirement under MSMED Act, 2006**

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the group and relied upon by the auditors.

Particulars	As at		As at	
	March 31, 2018		March 31, 2017	
Principal amount due to suppliers at year end	19.81		14.51	
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	0.09		0.09	
Payment made to suppliers(other than interest) beyond the appointed date under Section 16 of MSMED	3.78		5.47	
Interest paid to suppliers under MSMED Act (other than Section 16)	-		-	
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-		-	
Amount of Interest accrued and remaining unpaid at the end of each accounting year to suppliers	0.19		0.24	
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	0.27		0.33	

**11(d):Other financial liabilities**

Particulars	As at March 31, 2018		As at March 31, 2017	
	₹ Crore		₹ Crore	
	Current	Non- Current	Current	Non-Current
Security deposits				
- from consumers	1,215.17	8.81	1,249.08	9.57
- from others	326.05	376.58	310.25	354.39
Current maturities of long-term debt	4,810.96	-	5,139.01	-
NHAI premium payable	169.22	2,613.42	160.03	2,486.22
Financial guarantee obligation		9.24	-	10.33
Interest accrued	691.54	153.43	419.04	135.73
Unpaid dividends	15.46	-	14.33	-
MTM on Derivative Financial Instrument (including forward contract)	-	15.60	5.79	13.27
Creditors for capital expenditure	759.22	-	776.84	-
Employee benefits payable	7.69	-	9.14	-
Other Payables	936.33	3.98	62.15	94.39
<b>Total</b>	<b>8,931.64</b>	<b>3,181.06</b>	<b>8,145.66</b>	<b>3,103.90</b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### 11(e): Other liabilities

Particulars	As at March 31, 2018		As at March 31, 2017	
	₹ Crore			
	Current	Non -Current	Current	Non-Current
Advance received from customers	798.11	1,362.53	1,125.02	1,449.15
Service Line Contribution	-	633.35	-	607.81
Consumer Contribution for Capital works	-	1,010.97	-	978.82
Grant in Aid (Under Accelerated Power Development & Reforms Programme to the Govt of India)	-	15.31	-	16.79
Contingencies Reserve Fund	-	157.90	-	140.11
Amounts due to customers for contract work	978.52	-	1,197.54	-
Other liabilities (Including statutory dues)	5,933.81	228.74	2,096.39	228.40
<b>Total</b>	<b>7,710.44</b>	<b>3,408.80</b>	<b>4,418.95</b>	<b>3,421.08</b>

### 12. Provisions

Particulars	As at March 31, 2018		As at March 31, 2017	
	₹ Crore			
	Current	Non-current	Current	Non-current
Provision for Disputed Matters	-	160.00	-	380.00
Provision for Employee Benefits:				
Provision for Leave Encashment	62.23	216.34	158.54	76.98
Provision for Gratuity (Refer Note No. 39)	70.06	89.03	146.34	0.39
Provision for Major Maintenance and Overhaul Expenses	-	113.12	-	75.09
Provision for Retirement of Assets	47.42	-	44.02	-
Provision for Legal Claim	8.07	-	6.26	-
Provision-Others	136.32	-	54.70	1.13
<b>Total</b>	<b>324.10</b>	<b>578.49</b>	<b>409.86</b>	<b>533.59</b>

#### Information about Provision for Disputed Matters and significant estimates

- Represents provision made for disputes in respect of power business and other corporate matters. No further information is given as the matters are sub-judice and may jeopardize the interest of the Company.
- The provision for major maintenance and overhaul expenses relates to the estimated cost of replacement/overhaul of assets and major maintenance work. These amounts are being discounted for the purposes of measuring the provisions. (Refer Note No. 1 (gg)).
- The Group has a program for physical verification of major fixed assets in a phased manner. Under this program, the Group has completed physical verification of some of the fixed assets during the year. On the basis of this exercise and further reconciliation, provision has been made towards retirement of fixed assets in the books.

#### Movement in Provisions

Particulars	₹ Crore				
	Disputed Matters	Retirement of Assets	Legal Claim	Major Maintenance & Overhaul Expenses	Total
<b>As at March 31, 2016</b>	<b>380.00</b>	<b>45.12</b>	<b>7.79</b>	<b>43.28</b>	<b>476.19</b>
Add : Provision made	-	-	0.26	31.81	32.07
Less : Provision used / reversed	-	1.10	1.79	-	2.89
<b>As at March 31, 2017</b>	<b>380.00</b>	<b>44.02</b>	<b>6.26</b>	<b>75.09</b>	<b>505.37</b>
Add : Provision made	-	3.40	1.81	38.03	43.24
Less : Provision used / reversed	220.00	-	-	-	220.00
<b>As at March 31, 2018</b>	<b>160.00</b>	<b>47.42</b>	<b>8.07</b>	<b>113.12</b>	<b>328.61</b>

Notes annexed to and forming part of the Consolidated Financial Statements

13. Income and deferred taxes

13(a) Income tax expenses

₹ Crore		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Income tax Expense:		
Current tax:		
Current tax on profits for the year	55.83	93.08
Adjustments for current tax of prior periods	15.19	(16.50)
Total current tax expense (A)	71.02	76.58
Deferred tax:		
Decrease/(increase) in deferred tax assets	(1.96)	(220.57)
(Decrease)/increase in deferred tax liabilities	(210.23)	(36.13)
Total deferred tax expense/(benefit) (B)	(212.19)	(256.70)
<b>Income tax expense (A + B)</b>	<b>(141.17)</b>	<b>(180.12)</b>
Income tax expense is attributable to:		
Continuing operations	(116.25)	(148.19)
Discontinued operations	(24.92)	(31.93)
	<b>(141.17)</b>	<b>(180.12)</b>

13(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate

₹ Crore		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit from Continuing Operations before income tax expense	1,089.40	946.80
Profit from Discontinued Operation before income tax expense	(83.19)	(35.53)
<b>Total profit before tax</b>	<b>1,006.21</b>	<b>911.27</b>
Tax at the Indian tax rate of 34.608%	348.23	315.37
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Income not considered for Tax purpose	(112.49)	(30.06)
Expenses withdrawn from general reserve and allowable for Income Tax	(4.04)	(84.80)
Expenses not allowable for tax purposes	31.64	57.32
Corporate social responsibility expenditure not allowable for Tax purpose	7.33	11.38
Fair Valuation of Preference shares / Debentures	(83.25)	(93.05)
Expected Credit Loss Provision on Inter-corporate Deposits	26.65	6.64
Tax paid at lower rate (as per Section 115JB including deductions allowable under section 115JB)	0.51	-
Deductions allowable under section 115JB	3.20	-
Effect of Change in Tax Rate	8.48	-
Notional Direct Tax Reversal on Land Revaluation	(2.45)	-
Reversal of DTA on Sale of Undertaking	77.72	-
Tax losses for which no deferred tax was recognized	116.62	133.66
Recognition of Deferred Tax on Tax Losses	(83.05)	(123.79)
Deductions under chapter VIA of the Income Tax Act (Sections 80IA/80G)	(551.02)	(402.79)
Unrecognised MAT Credit	55.58	63.41
Adjustments for current tax of prior periods	15.19	(16.50)
Other items	3.98	(16.91)
<b>Income tax expense charged to Consolidated Statement of Profit and Loss (Including Other Comprehensive Income)</b>	<b>(141.17)</b>	<b>(180.12)</b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### 13(c) Amounts recognised in respect of current tax / deferred tax directly in equity

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Amounts recognised in respect of current tax / deferred tax directly in equity	-	-

### 13(d) Tax losses and Tax credits

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Unused Capital Gains tax losses for which no deferred tax asset has been recognised	747.71	1,011.12
Unused tax losses for which no deferred tax asset has been recognised by subsidiary	3,344.26	3,051.17
Unused Tax Credits – MAT credit entitlement	266.36	206.69
- Continuing operations	18.70	18.70
- Discontinuing operations	285.06	225.39

During the year ended March 31, 2018 the unrecognised past Capital Loss of ₹ 263.41 Crore has been used to reduce the Current year's Capital Gains Tax of ₹ 60.77 Crore.

### 13(e) Unrecognised temporary differences

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
Temporary differences relating to subsidiaries for which deferred tax liability has not been recognized as the Parent Company is able to control the temporary difference:		
Undistributed earnings	1,362.34	1,292.74

### 13(f) Deferred tax balances

The balance comprises temporary differences attributable to:

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
<b>Deferred Tax Liability on account of:</b>		
Property Plant and Equipment, Intangible Assets and Investment Property –		
Carrying amounts other than on account of Fair Valuation	883.04	998.49
Fair Valuation of Property, Plant and Equipment	2,585.31	2,694.11
Impact of Effective Interest Rate on Borrowings / other financial assets / liabilities	71.57	7.15
Fair Valuation of Financial Instruments	21.52	49.98
Intangible Assets	1,060.52	1,035.07
<b>Total Deferred Tax Liabilities</b>	<b>4,621.96</b>	<b>4,784.80</b>
<b>Deferred Tax Asset on account of:</b>		
Provisions	154.84	208.97
NHAI Premium Payable	901.89	868.55
Service Concession Arrangements (Appendix A to Ind AS 11 )	154.31	246.95
Finance Lease Arrangement (Appendix C to Ind AS 17)	292.84	229.40
Disallowances u/s 40(a)/43B of the Income Tax Act, 1961	3.14	3.05
Unabsorbed losses (including depreciation)	182.01	107.80
<b>Total Deferred Tax Assets</b>	<b>1,689.03</b>	<b>1,664.72</b>
<b>Net Deferred Tax Liability</b>	<b>2,932.93</b>	<b>3,120.08</b>
Deferred Tax Liabilities (net) as per Consolidated Balance Sheet	3,063.82	3,187.09
Deferred Tax Assets (net) as per Consolidated Balance Sheet	130.89	67.01
	<b>2,932.93</b>	<b>3,120.08</b>

**Note:** In line with the requirements of Ind AS 114, Regulatory Deferral Accounts, the entity presents the resulting deferred tax asset / (liability) and the related movement in that deferred tax asset / (liability) with the related regulatory deferral account balances and movements in those balances, instead of within that presented above in accordance with Ind AS 12 Income Taxes. Refer Note No. 9 for disclosures as per Ind AS 114.

Notes annexed to and forming part of the Consolidated Financial Statements

13(g) Movement in deferred tax balances

Particulars	₹ Crore Deferred Tax Liability
<b>As at March 31, 2017</b>	<b>3,120.08</b>
(Charged)/credited:	
- to profit or loss	(197.76)
- to other comprehensive income	10.61
<b>As at March 31, 2018</b>	<b>2,932.93</b>

14. Revenue from operations

Particulars	₹ Crore Year ended March 31, 2018	Year ended March 31, 2017
<b>Revenue from Power Business :</b>		
Income from sale of power and transmission charges	20,963.67	19,284.60
Less: Discount for Prompt payment of Bills	23.90	18.11
Less - Tax on Sale of Electricity	789.24	745.71
Less - Pension Trust Surcharge Recovery (Refer Note No.40(g))	220.73	-
	<u>19,929.80</u>	<u>18,520.78</u>
Wheeling charges received	1,534.80	1,585.40
Cross subsidy charges	159.82	82.30
Carrying Cost on Regulatory Assets	512.88	525.67
Miscellaneous income	167.70	106.04
	<u>22,305.00</u>	<u>20,820.19</u>
<b>Revenue from EPC and Contracts Business :</b>		
Value of contracts billed and service charges	1,277.86	2,539.99
Increase / (decrease) in work in progress -		
Work-in-progress at close	389.55	328.64
Less: Work-in-progress at commencement	328.64	441.69
Net increase / (decrease) in work-in-progress	60.91	(113.05)
Miscellaneous income	47.29	45.90
	<u>1,386.06</u>	<u>2,472.84</u>
<b>Revenue from Infrastructure Business :</b>		
Income from Toll business	705.50	593.37
Income from Metro business	254.48	212.73
Income from Airport business	0.89	0.86
	<u>960.87</u>	<u>806.96</u>
<b>Other Operating Income :</b>		
Provisions / Liabilities written back	424.44	57.58
Insurance Claim received	3.48	16.93
Other Income	318.41	308.97
	<u>746.33</u>	<u>383.48</u>
<b>Total</b>	<u>25,398.26</u>	<u>24,483.47</u>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### 15. Other Income

	₹ Crore	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fair Value Gains on financial instrument through FVTPL /amortised cost	231.57	314.07
Interest income from other financial assets at amortised cost		
Intercorporate deposits	1,678.96	1,458.23
Customer dues	15.26	17.68
On Fixed Deposit with banks	12.11	18.93
Others	48.76	77.85
Dividend income	0.11	6.17
Income from Lease of Investment Property	62.89	68.35
Net gain/(loss) on sale of Investments	20.75	95.77
Net gain on foreign currency translations or transactions	-	3.55
Gain on derivative contracts (net) (including MTM on forward contracts) (Refer Note No. 28)	5.79	27.34
Provisions / Liabilities written back	63.54	41.73
Profit on sale of Property, Plant & Equipments	2.61	0.07
Miscellaneous Income	33.82	131.50
<b>Total</b>	<b>2,176.17</b>	<b>2,261.24</b>

### 16. Employee Benefit Expenses

	₹ Crore	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, Wages, Bonus	1,513.08	1,390.68
Contribution to Provident and Other Funds (Refer Note No. 39)	201.42	109.79
Gratuity Expense (Refer Note No. 39)	79.05	38.75
Workmen and Staff Welfare	160.34	159.44
<b>Total</b>	<b>1,953.89</b>	<b>1,698.66</b>

### 17. Finance Cost

	₹ Crore	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest and financing charges on financial liabilities:		
Debentures	393.22	485.35
Term Loan	752.69	894.63
Foreign currency loan & buyers credit	28.63	28.75
External Commercial Borrowings and Commercial Paper	95.64	124.41
Finance Lease Obligation	456.81	462.21
Working capital and other borrowings	1,892.71	1,442.91
Security Deposits from Consumers	126.19	113.58
Late Payment Surcharge on Power Purchase	2,157.65	1,613.76
Unwinding of discount on NHAI premium payable and maintenance obligations under concession arrangements	264.40	224.28
Unwinding of discount on other financial liabilities and provisions	7.75	36.55
Other finance charges	165.17	154.57
<b>Total</b>	<b>6,340.86</b>	<b>5,581.00</b>



**Notes annexed to and forming part of the Consolidated Financial Statements**
**18. Other Expenses**

	₹ Crore	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Consumption of stores and spares (Net of allocation to Repairs and other relevant revenue accounts)	74.75	90.27
Rent (Refer Note No.38(iii))	34.90	48.90
Repairs and Maintenance:		
– Buildings	25.33	21.19
– Plant and Machinery (including Distribution Systems)	475.27	436.42
– Other Assets	50.55	32.47
Insurance	36.67	35.72
Rates and Taxes	71.19	74.15
Community Development and Environment Monitoring Expenses	7.90	2.64
Corporate Social Responsibility Expenditure	24.37	38.21
Legal and Professional Charges	192.09	171.58
Bad Debts	2.82	53.57
Directors' Sitting fees and Commission	6.57	6.54
Miscellaneous Expenses	644.25	610.43
Loss on foreign currency translations or transactions (Refer Note No. 28)	19.00	272.36
Loss on Sale/Disposal of Property, Plant & Equipments (net off of impairment provision reversed of ₹ 31.04 crore (₹ Nil) (Refer Note No.3(g)))	105.95	67.01
Provision for Doubtful debts / Advances / Deposits / Diminuation of Investments	113.38	111.58
Provision for Expected Credit Loss	77.60	19.20
Operation and Maintenance Expenses	180.26	216.63
Provision for Major Maintenance and Overhaul Expenses	25.15	13.26
Provision for Non-moving Inventory	8.25	1.01
Capital Work in Progress Written off	-	19.75
<b>Total</b>	<b>2,176.25</b>	<b>2,342.89</b>

**19. Earnings per share**

	₹ Crore	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>i. Profit /(Loss) for the year for basic and diluted earnings per share:</b>		
From Continuing Operations (a)	1,397.77	1,428.78
From Discontinued Operations (b)	(58.27)	(3.60)
Total Profit /(Loss) for the year (c)	1,339.50	1,425.18
Profit /(Loss) before Rate Regulated Activities (d)	479.33	239.63
<b>ii. Basic and Diluted earnings per share:</b>	₹	₹
From Continuing Operations (a/e)	53.14	54.32
From Discontinued Operations (b/e)	(2.21)	(0.14)
from Continuing and Discontinued Operations (c/e)	50.93	54.18
Before Rate Regulated Activities (d/e)	18.22	9.11
<b>iii. Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (e)</b>	<b>26,29,90,000</b>	<b>26,29,90,000</b>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

20. The Parent Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) read with Schedule VI of the Act. Accordingly, disclosures under Section 186 of the Act is not applicable to the Parent Company.
21. Figures for the previous year have been regrouped/rearranged wherever necessary to make them comparable to those for the current year. Figures in bracket indicate previous year's figures. @ represents figures less than ₹ 50,000 which have been shown at actuals in brackets with @.

### 22. Contingent Liabilities

		₹ Crore	
Particulars		As at March 31, 2018	As at March 31, 2017
(i) Claims against the Group not acknowledged as debts and under litigation		<b>5,300.40</b>	6,123.16
These include:-			
a) Claims from suppliers		<b>1,140.34</b>	977.16
b) Income tax / Wealth tax claims		<b>537.22</b>	1,896.33
c) Indirect tax claims		<b>1,118.08</b>	685.25
d) Claims from consumers		<b>52.45</b>	43.49
e) Claims by MMRDA for delay in achieving milestone		<b>1,643.80</b>	1,643.80
f) Other claims		<b>808.51</b>	877.13
(ii) The Parent Company's application for compounding in respect of its ECB of USD 360 million has been deemed by the Reserve Bank of India (RBI) as never to have been made subsequent to the withdrawal of the compounding application. Accordingly, there is no liability in respect of the compounding fee of ₹ 124.68 Crore earlier specified by RBI. Subsequent to the withdrawal of the compounding application, the matter has been referred to the Enforcement Directorate where the same is still pending.			
(iii) In case of Mumbai Metro One Private Limited (MMOPL)			
a) The Municipal Corporation of Greater Mumbai (MCGM) denied the exemption to the Company from payment of municipal taxes and octroi. The Company has filed an appeal dated April 20, 2016 in the Court of Small Causes at Bombay for claiming exemptions for payment of municipal taxes and octroi. The company has received a demand notice for payment of municipal taxes and octroi aggregating ₹ 115.57 Crore and ₹ 1,586.65 Crore respectively which has been disputed by the company.			
b) The Central Government had constituted the Fare Fixation Committee (FFC) for recommending the fare to be charged to passengers on the Mumbai Metro. The Fare Fixation Committee, after considering all relevant aspects and necessary facts, had issued their report on July 8, 2015 recommending the metro fare in the range of ₹ 10 to ₹ 110.			
MMRDA has filed a writ petition to challenge the recommendations of the FFC in the High Court of Bombay to retain the fares as per the provisions of the concession agreement. The High Court of Bombay has vide its order dated December 4, 2017 set aside the recommendations of the FFC and directed the Union of India to constitute a new FFC. The High court of Bombay also allowed the company to continue with present fare structure (₹ 10 - 40) subject to result of the arbitration proceeding relating to fare fixation on initial opening of metro or the determination of fare by the new FFC, whichever is earlier.			
c) MMOPL has filed various claims against MMRDA on account of damages incurred due to delays by MMRDA in handing over of unencumbered Right of Way and land, and additional cost incurred due to various changes in design to accommodate project encumbrances. The amount of claims filed against MMRDA as on March 31, 2017 aggregate ₹1,776.25 Crore. MMRDA has not accepted the said claims filed by MMOPL and hence MMOPL has initiated arbitration proceedings as per the provisions of the Concession Agreement.			
(iv) BRPL and BYPL had announced Special Voluntary Retirement Scheme (SVRS). Both Companies had taken a stand that terminal benefit to SVRS retirees was the responsibility of Delhi Vidyut Board (DVB) Employees Terminal Benefits Fund - 2002 Trust (DVB ETBF - 2002) and the amount was not payable by the companies, which however was contended by DVB ETBF 2002. The Companies had filed a writ petition in High Court of Delhi which provided two options. Both Companies had taken the option that DVB ETF Trust to pay the terminal benefits of the SVRS optees on reimbursement by Discoms of 'Additional Contribution' required on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal of Actuaries whereas the liability to pay residual pension i.e. monthly pension be borne by respective Companies. On August 31, 2015, the division bench of Delhi High Court dismissed the appeal filed by the GoNCTD/Pension Trust and directed constituting Arbitral Tribunal.			

**Notes annexed to and forming part of the Consolidated Financial Statements**

Pending computation of the additional contribution, if any, by the Arbitral Tribunal of Actuaries, BRPL and BYPL have paid leave encashment, gratuity and commuted pension amounting to ₹ 85.07 Crore and ₹ 60.53 Crore (including interest), respectively. The interest amounting to ₹ 20.26 Crore and ₹ 14.90 Crore on the delayed payment has also been paid during the year 2007-08. DERC has approved the aforesaid retiral pension in its Annual Revenue Requirement (ARR) and the same has been charged to Statement of Profit and Loss.

Both GoNCTD and Pension Trust have challenged the dismissal of their respective appeals by filing Special Leave Petitions (SLP's) before the Hon'ble Supreme Court of India. Both the SLPs came for hearing before the Hon'ble Supreme Court on January 02, 2017, wherein both the SLPs have been admitted. These SLPs will now come up for final hearing on their turn, as and when listed by the Court.

- (v) Proportionate share of claims not acknowledged as debt and other contingent liabilities in respect of Associate and Joint Venture Companies amounts to ₹ 294.53 Crore (₹ 356.47 Crore).

**23. Commitments**

		₹ Crore	
Particulars		As at	As at
		March 31, 2018	March 31, 2017
(i)	Estimated amount of contracts remaining unexecuted on capital account and not provided for (net off of advances)	929.91	1,472.46
(ii)	The Parent Company has given equity/fund support/other undertakings for setting up of projects/cost overrun in respect of various infrastructure and power projects being set up by company's subsidiaries and associates; the amounts of which are currently not ascertainable.		
(iii)	Proportionate share of Capital and other Commitments in respect of Associate and Joint Venture Companies amounts to ₹ 7,476.91 Crore (₹ 14,153.24 Crore).		

**24. Events occurring after the reporting period**

Refer Note No.45 for the final dividend recommended by the directors which is subject to the approval of share holders in the ensuing annual general meeting.

**25. Related party Disclosures**

As per Ind AS – 24 "Related Party Disclosure", the Group's related parties and transactions with them in the ordinary course of business are disclosed below :

**(a) Parties where control exists: None**
**(b) Other related parties where transactions have taken place during the year:**

(i)	Associates (including Subsidiaries of Associates)	1	Reliance Power Limited (RePL)
		2	Rosa Power Supply Company Limited (ROSA)
		3	Sasan Power Limited (SPL)
		4	Vidarbha Industries Power Limited (VIPL)
		5	Chitrangi Power Private Limited (CPPL)
		6	Jharkhand Integrated Power Limited (JIPL)
		7	Coastal Andhra Power Limited (CAPL)
		8	Samalkot Power Limited (SaPoL)
		9	Rajasthan Sun Technique Energy Private Limited (RSTEPL)
		10	Dhursur Solar Power Private Limited (DSPPL)
		11	Coastal Andhra Power Infrastructure Limited (CAPIPL)
		12	Urthing Sobla Hydro Power Private Limited (USHPPL)
		13	Reliance Naval and Engineering Limited (RNEL) (erstwhile Reliance Defence and Engineering Limited (RDEL)
		14	Reliance Marine and Offshore Limited (RMOL)
		15	E- Complex Private Limited (ECPL)

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

		16	Reliance Geothermal Power Private Limited (RGTPPL)
		17	Metro One Operations Private Limited (MOOPL)
		18	RPL Photon Private Limited (RPPL)
		19	RPL Sun Technique Private Limited (RSTPL)
		20	RPL Sun Power Private Limited (RSPPL)
		21	Reliance Engineering and Defence Services Limited (REDSL)
(ii)	Joint Ventures		Utility Powertech Limited (UPL)
(iii)	Investing Party		Reliance Project Ventures and Management Private Limited (RPVMPL)
(iv)	Persons having control over investing party		Shri Anil D Ambani
(v)	Enterprises over which person described in (iv) has significant influence	1	Reliance Innoventures Private Limited (REIL)
		2	Reliance Life Insurance Company Limited (RLICL)
		3	Reliance General Insurance Company Limited (RGI)
		4	Reliance Capital Limited (RCap)
		5	Reliance Tech Services Limited (RTSL)
		6	Reliance Infocomm Infrastructure Limited (RIIL)
		7	AAA Sons Private Limited (AAASPL)
		8	Reliance Securities Limited (RSL)
		9	Zapak Digital Entertainment Limited (ZDEL)
		10	Reliance Infratel Limited (RITL)
		11	Reliance Big Private Limited (RBPL)
		12	Reliance Webstore Limited (RWL)
		13	Reliance Communication Limited (RCom)
		14	Talenthouse Entertainment Private Limited (THEPL)
		15	Reliance Big Entertainment Private Limited (RBEPL)
		16	Reliance Assets Reconstruction Company Limited (RARCL)
		17	Reliance Big TV Limited (RBTL)
		18	Reliance Money Limited (RML)
		19	Unlimit IOT Private Limited (UIPL)
		20	Reliance Transport and Travels Private Limited (RTTPL)
		21	Reliance Infocomm Limited (RInfo)
		22	Reliance Enterprise and Ventures Private Limited (REVPL)
		23	Reliance Home Finance Limited (RHL)
		24	Reliance Nippon Life Asset Management Limited (RNLAML) (erstwhile Reliance Capital Asset Management Company Limited)
		25	Reliance Commercial Finance Limited (RCFL)
		26	Reliance IDC Limited (RIDC)
		27	Nationwide Communication Private Limited (NCPL)
		28	Reliance Ornatus Enterprise and Ventures Private Limited (ROEVPL)
		29	Reliance Health Insurance Limited (RHIL) (erstwhile Reliance Health Insurance Private Limited (RHIPL))
		30	Reliance Nippon Life Insurance Company Limited (RNLICL)

Notes annexed to and forming part of the Consolidated Financial Statements

(c) Details of transactions during the year and closing balances as at the end of the year:

₹ Crore

	Particulars	Year	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) above, has significant influence
<b>(a)</b>	<b>Consolidated Statement of Profit and Loss heads:</b>			
<b>(I)</b>	<b>Income:</b>			
(i)	Gross revenue from EPC and Contracts business	<b>2017-18</b> 2016-17	<b>50.66</b> 208.82	- -
(ii)	Dividend received	<b>2017-18</b> 2016-17	<b>1.32</b> 1.45	- -
(iii)	Interest earned	<b>2017-18</b> 2016-17	<b>223.51</b> 131.14	<b>13.18</b> 9.79
(iv)	Other Income ( including Income from Investment Property)	<b>2017-18</b> 2016-17	<b>19.23</b> 35.70	<b>68.13</b> 64.46
<b>(II)</b>	<b>Expenses:</b>			
(i)	Purchase of Power (Including Open Access Charges - Net of Sales)	<b>2017-18</b> 2016-17	<b>2,048.34</b> 2,211.96	<b>37.13</b> 41.52
(ii)	Purchase / Services of other items on revenue account	<b>2017-18</b> 2016-17	<b>82.01</b> 71.32	<b>0.15</b> 0.43
(iii)	Purchase of other items on Capital account	<b>2017-18</b> 2016-17	<b>0.94</b> -	- -
(iv)	Receiving of services	<b>2017-18</b> 2016-17	<b>0.52</b> 0.43	<b>31.37</b> 56.72
(v)	Rent Paid	<b>2017-18</b> 2016-17	- -	<b>75.40</b> -
(vi)	Dividend Paid	<b>2017-18</b> 2016-17	<b>95.53</b> 90.23	<b>18.33</b> 17.31
(vii)	Interest Paid	<b>2017-18</b> 2016-17	<b>23.48</b> 9.84	<b>25.98</b> 35.02
<b>(b)</b>	<b>Balance Sheet Heads (Closing Balances):</b>			
(i)	Trade payables, Advances received and other liabilities for receiving of services on revenue and capital account	<b>2017-18</b> 2016-17	<b>2,061.82</b> 1,984.84	<b>98.94</b> 33.67
(ii)	Inter Corporate Deposit taken	<b>2017-18</b> 2016-17	<b>201.95</b> 150.00	<b>200.00</b> 175.00
(iii)	Investment in Securities	<b>2017-18</b> 2016-17	<b>10,704.75</b> 10,575.30	- -
(iv)	Inter Corporate Deposit (ICD) given	<b>2017-18</b> 2016-17	<b>2,177.60</b> 1,571.10	<b>226.13</b> 94.97
(v)	Interest receivable on Investments and Deposits	<b>2017-18</b> 2016-17	<b>284.18</b> 75.45	<b>19.85</b> 8.32
(vi)	Trade Receivables, Advance given and other receivables for rendering services	<b>2017-18</b> 2016-17	<b>2,416.47</b> 2,381.01	<b>35.33</b> 5.96
(vii)	Other Receivable	<b>2017-18</b> 2016-17	<b>526.11</b> 526.11	- -
<b>(c)</b>	<b>Guarantees and Collaterals (Closing balances):</b>			
	Guarantees and Collaterals	<b>2017-18</b> 2016-17	<b>300.00</b> 300.00	<b>0.24</b> 0.24
<b>(d)</b>	<b>Transactions during the year:</b>			
(i)	ICD Given to	<b>2017-18</b> 2016-17	<b>1,983.15</b> 1,780.75	<b>135.00</b> 0.71
(ii)	ICD Returned by	<b>2017-18</b> 2016-17	<b>1,378.14</b> 774.39	<b>3.84</b> 7.55

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

₹ Crore

	Particulars	Year	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) above, has significant influence
(iii)	Recoverable Expenses:-			
	(a) incurred for related parties	2017-18 2016-17	- -	3.57 0.09
	(b) incurred by related parties on our behalf	2017-18 2016-17	0.24 0.48	0.05 -
(iv)	Investment in Equity	2017-18 2016-17	- 0.02	- -
(v)	ICD Taken from	2017-18 2016-17	40.00 587.50	25.00 390.60
(vi)	ICD Repaid by	2017-18 2016-17	- 437.50	- 390.60
(vii)	Purchase of Property, Plant and Equipment	2017-18 2016-17	- -	- 0.78
(viii)	EPC Advance return back	2017-18 2016-17	180.00 0.36	- -
(ix)	Sale of Property, Plant and Equipment	2017-18 2016-17	0.52 -	- -

### d) Key Management Personnel (KMP) and details of transactions with KMP:

₹ Crore

Name	Category	Years	Remuneration*	Dividend Paid	Commission & Sitting Fees
Shri Anil D Ambani Chairman	Promoter, Non-executive and Non- Independent director	2017-18 2016-17	- -	0.12 0.12	5.52 5.53
Shri S Seth Vice Chairman	Non-executive and Non-Independent director	2017-18 2016-17	- -	- -	0.14 0.12
Dr V K Chaturvedi		2017-18 2016-17	- -	- -	0.17 0.15
Shri Shiv Prabhat		2017-18 2016-17	- -	- -	0.11 0.16
Shri S S Kohli		2017-18 2016-17	- -	- -	0.16 0.14
Shri K Ravikumar	Independent director	2017-18 2016-17	- -	- -	0.16 0.16
Shri V R Galkar		2017-18 2016-17	- -	- -	0.16 0.16
Ms. Ryna Karani		2017-18 2016-17	- -	- -	0.15 0.15
Shri Lalit Jalan	Chief Executive Officer	2017-18 2016-17	3.10 2.81	- -	- -
Shri Madhukar Moolwaney	Chief Financial Officer upto June 03, 2016	2017-18 2016-17	- 1.75	- -	- -
Shri Sridhar Narasimhan	Chief Financial Officer w.e.f. June 04, 2016	2017-18 2016-17	1.96 1.85	- -	- -
Shri Ramesh Shenoy	Manager & Company Secretary upto November 10, 2017	2017-18 2016-17	0.76 1.17	- -	- -
Shri Aashay Khandwala	Manager & Company Secretary w.e.f. November 11, 2017	2017-18 2016-17	0.22 -	- -	- -

\*Remuneration does not include post-employment benefits, as they are determined on an actuarial basis for the Company as a whole.

Notes annexed to and forming part of the Consolidated Financial Statements

e) Details of Material Transactions with Related Party

(i) Balance sheet heads (Closing balance)

As at March 31, 2018

Investment in Equity of RePL ₹ 9,716.62 Crore

As at March 31, 2017

Investment in Equity of RePL ₹ 9,239.35 Crore

Note:

- 1) The above disclosure does not include transactions with/as public utility service providers, viz, electricity, telecommunications etc. in the normal course of business.
- 2) The closing balances of the balance sheet items and transactions during the year are as per Ind AS financial statements except for Ind AS adjustments pertaining to Power Purchase Agreement with VIPL (Refer Note No.38(i)).
- 3) Transaction with Related Party which are in excess of 10% of the Total Revenue (including regulatory Income) of the Group are considered as Material Related Party Transactions.

26. Segment information

(a) Description of segments and principal activities

The Group has identified three business segments as reportable viz. 'Power', 'Engineering, Procurement and Construction (EPC) and Contracts' and 'Infrastructure'. Business segments have been identified as reportable segments based on how the Chief Operating Decision Maker (CODM) examines the Company's performance both from a product and geographic perspective. The inter segment pricing is effected at cost. Segment accounting policies are in line with the accounting policies of the Group.

The Power segment is engaged in generation, transmission and distribution of electrical power at various locations. The Parent Company operates a 500 MW Thermal Power Station at Dahanu, a 220 MW Combined Cycle Power Plant at Samalkot, a 48 MW Combined Cycle Power Plant at Mormugao, a 9.39 MW Wind-farm at Chitradurga and also purchases power from third parties and supplies the power through the Parent's Company own distribution grid in suburbs of Mumbai. BRPL and BYPL distribute the power in the city of Delhi. The Group supplies power to residential, industrial, commercial and other consumers. BKPL operates a 165 MW combined cycle power plant at Kochi. The Group also transmits power through its transmission networks in the States of Maharashtra, Gujarat and Himachal Pradesh. The segment also includes operations from trading of power.

EPC and Contracts segment of Parent Company renders comprehensive value added services in construction, erection, commissioning and contracting.

Infrastructure segment includes businesses with respect to development, operation and maintenance of toll roads, metro rail transit system and airports.

(b) **Geographical Segments:** All the operations are mainly confined within India. There are no material earnings from outside India. As such there are no reportable geographical segments.

(c) Segment Revenue and Result

Sales between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the Consolidated Statement of Profit and Loss. The expenses and income that are not directly attributable to any business segment are shown as unallocable income (net of unallocable expenses). Interest income and finance cost (including those on concession arrangements i.e. income on concession financial receivables, interest cost on unwinding of NHAI premium) are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

(d) Segment Assets

Segment assets are measured in the same way as in the Consolidated Financial Statements. These assets are allocated based on the operations of the segment and the physical location of the asset. Investments & derivative financial instruments held by the Group are not considered to be segment assets but are managed by the treasury function.

(e) Segment Liabilities

Segment liabilities are measured in the same way as in the Consolidated Financial Statements. These liabilities are allocated based on the operations of the segment.

The Group's borrowings and derivative financial instruments are not considered to be segment liabilities, but are managed by the treasury function.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### Segment Information:

₹ Crore

Particulars	Year ended March 31, 2018				Year ended March 31, 2017			
	Power*	EPC & Contracts	Infrastructure	Total	Power*	EPC & Contracts	Infrastructure	Total
<b>Revenue:</b>								
Total segment revenue	23,730.11	1,558.93	997.82	26,286.86	22,373.72	2,492.39	831.40	25,697.51
Less : Inter Segment revenue	28.43	-	-	28.43	28.49	-	-	28.49
Revenue from external customers	23,701.68	1,558.93	997.82	26,258.43	22,345.23	2,492.39	831.40	25,669.02
Less: Regulatory Income				860.17				1,185.55
Revenue from Operations as per Consolidated Statement of Profit and Loss				25,398.26				24,483.47
<b>Result</b>								
Segment Result	4,745.41	475.34	227.66	5,448.41	4,158.36	268.96	173.48	4,600.80
Finance Cost				(6,340.86)				(5,581.00)
Interest Income including fair valuation of financial instruments				1,986.66				1,886.76
Exceptional Item				295.39				85.58
Other un-allocable Income net of expenditure				(300.20)				(45.35)
Net Profit before Tax, Share of Profit in Associates, Joint Ventures				1,089.40				946.80
Less : Tax Expenses				(126.55)				(142.18)
Add : Share of Profit in Associates and Joint Ventures (net)				140.78				309.05
Less : Non-controlling Interest				(41.04)				(30.75)
Profit after tax from Continuing Operations				1,397.77				1,428.78
Profit after tax from Discontinued Operations				(58.27)				(3.60)
<b>Profit for the year</b>				1,339.50				1,425.18
Capital Expenditure	1,472.76	2.05	602.07		1,230.81	0.18	1,034.02	
Depreciation	1,436.11	53.81	410.11		1,292.95	64.42	297.07	
Reversal of Impairment loss	(31.04)	-	-		-	-	-	
Non cash expenses other than depreciation	123.31	0.51	-		131.26	0.22	-	
(Pertaining to segment only)								

\*Total segment revenue includes Regulatory Income

₹ Crore

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Segment Assets:</b>		
Power	46,387.83	46,343.56
EPC & Contracts	4,884.59	5,496.60
Infrastructure	15,417.40	15,136.64
<b>Total Segment Assets of Continuing Operations</b>	<b>66,689.22</b>	<b>66,967.80</b>
Assets of Discontinued Operations	3,774.22	5,124.50
Unallocated Assets	30,258.25	26,247.90
<b>Total Assets</b>	<b>100,722.29</b>	<b>98,349.20</b>
<b>Segment Liabilities:</b>		
Power	31,675.22	28,858.15
EPC & Contracts	4,922.00	6,391.53
Infrastructure	4,145.69	3,811.40
<b>Total Segment Liabilities of Continuing Operations</b>	<b>40,742.91</b>	<b>39,061.08</b>
Liabilities of Discontinued Operations	2,726.37	3,712.14
Unallocated Liabilities (Including Non-controlling Interest)	33,034.03	32,228.46
<b>Total Liabilities</b>	<b>76,503.31</b>	<b>75,001.68</b>



**Notes annexed to and forming part of the Consolidated Financial Statements**

**27. EPC and Contracts Business**

One of the principal businesses of the Parent Company is that of Engineering, Procurement and Construction (EPC) contractors. This activity is undertaken for both associates and subsidiaries of associates which develop infrastructure such as power plants, transmission lines, etc and for third parties engaged in similar development. The Hon'ble Bombay High Court via Scheme of Amalgamation between Reliance Bhavnagar Power Private Limited, Reliance Jamnagar Power Private Limited and Reliance Infrastructure Engineers Private Limited with the Parent Company on February 22, 2013 had permitted the Parent Company to account for this business activity without making any distinction whether the Principal (for whom the Parent Company is the contractor) is associate, subsidiary of associate or any third party, the direction being contained in the Scheme. The Parent Company considers that the permitted accounting treatment leads to a more accurate reflection of the results of the working of the Parent Company. Accordingly, the Parent Company has not eliminated any part of the unrealized profits for the year of ₹ 17.93 Crore on EPC contracts with associates and subsidiaries of associates in the Consolidated Financial Statements as permitted by the Scheme which overrides the relevant provisions of Ind AS 28 "Investments in Associates and Joint Ventures". Had the Parent Company not adopted the above accounting treatment, the profit for the year and carrying cost of investment in associates would have been lower by ₹ 17.93 Crore.

**28. Scheme of Amalgamation of Reliance Infraprojects Limited ( RInfl) with the Parent Company**

The Hon'ble High Court of Judicature of Bombay had sanctioned the Scheme of Amalgamation of Reliance Infraprojects Limited (RInfl) with the Parent Company on March 30, 2011 with the appointed date being April 01, 2010. As per the clause 2.3.7 of the Scheme, the Parent Company, as determined by its Board of Directors, is permitted to adjust foreign exchange / hedging / derivative contract losses / gains debited / credited in the Consolidated Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve.

Pursuant to the option exercised under the above Scheme, net gain on account of derivative instruments / forward contracts of ₹ 5.79 Crore for the year ended March 31, 2018 has been credited to the Consolidated Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Similarly, foreign exchange loss of ₹ 17.47 Crore (₹ Nil attributable to finance cost) has been debited to Consolidated Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve. The Parent Company has been legally advised that crediting and debiting of the said amount in Consolidated Statement of Profit and Loss is in accordance with Schedule III to the Act. Had such transfer / withdrawal not been done, the Profit before tax for the year ended March 31, 2018 would have been lower by ₹ 11.68 Crore and General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme override the relevant provisions of Ind AS 1: "Presentation of Financial Statements".

**29. Scheme of arrangement regarding transfer of operating divisions**

a) The Board of Directors of the Parent Company at its meeting held on March 16, 2016 approved the Scheme of restructuring envisaging transfer of various operating divisions of the Parent Company, namely Goa Power Station Division, Mumbai Power Division (includes Mumbai Power Distribution, Mumbai Power Transmission and Dahanu Thermal Power Station (DTPS) , Samalkot Power Station Division and Windmill Division (together considered as Power Business) to its resulting wholly owned subsidiary viz Reliance Electric Generation and Supply Limited (REGSL) with an appointed date of April 1, 2016.

The Scheme has received approval of Hon'ble Bombay High Court on January 19, 2017. The Hon'ble High Court vide order dated November 20, 2017, sanctioned the effective date of the scheme from April 01, 2016 to April 01, 2018, with liberty to apply. The scheme is effective subject to various approvals and accordingly no effect of the said scheme is given in the books of account and based on the legal advice received, has not been considered as Non Current Assets held for sale as per Ind AS 105 "Non Current Assets held for sale and discontinued operations". However, as the said Scheme of Arrangement is between the Parent Company and its wholly owned subsidiary, there will be no impact on the Consolidated Financial Statement.

b) On December 21, 2017, the Parent Company signed a Share Purchase Agreement (SPA) with Adani Transmission Limited (ATL) for sale of shares of REGSL containing business of generation, transmission and distribution of power for Mumbai City. The Parent Company received an advance of ₹ 2,602 Crore during the year ended March 31, 2018 from ATL which will be adjusted from the consideration towards SPA. The said transaction is subject to various regulatory and customary approvals and hence has not been considered as Non Current Assets held for sale and discontinued operations as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".

**30. Stake sale in two Subsidiaries namely WTGL and WTPL to Adani Transmission Limited (ATL)**

During the year ended March 31, 2017, the Parent Company signed Term Sheet with Adani Transmission Limited (ATL) for sale of its assets in Western Region Strengthening Scheme (WRSS) projects and entire investment in subsidiary, Parbati Koldam Transmission Company Limited (PKTCL). On December 6, 2016, the Parent Company executed Share Purchase Agreement with ATL for 100% sale of its WRSS Transmission Assets. On October 12, 2017, the Parent Company completed the transfer of its Western Region System Strengthening Scheme (WRSSS) Transmission Undertakings to its two Subsidiaries namely Western Transmission Gujarat Limited (WTGL) and Western Transco Power Limited (WTPL). Subsequently on November 01, 2017, the Parent Company has completed 100% stake sale in these two Subsidiaries namely WTGL and WTPL to Adani Transmission Limited (ATL).

On the above transfer there was a loss of ₹ 198.50 Crore, on fair value of assets and liabilities considered as held for sale, has been shown as exceptional item. The details of assets and liabilities on the date of transfer is given in Note No.8(c).

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### 31. Investment in Delhi Airport Metro Express Private Limited

Delhi Airport Metro Express Private Limited (DAMEPL), a SPV of the Parent Company, had terminated the Concession Agreement with Delhi Metro Rail Corporation (DMRC) for the Delhi Airport Metro Line and the operations were taken over by DMRC with effect from July 1, 2013. As per the terms of the Concession Agreement, DMRC is liable to pay DAMEPL a Termination Payment. The matter was referred to arbitration tribunal and vide order dated May 11, 2017 DAMEPL was granted arbitration award of ₹ 2,950 Crore along with interest. DMRC preferred an appeal against the Arbitration award before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court vide order dated March 06, 2018 upheld the arbitration award.

The Hon'ble Delhi High Court also passed an order on March 23, 2018 directing DMRC to pay ₹ 306 Crore as an immediate interim relief to DAMEPL. DMRC has preferred an appeal against the order of the single judge before the division bench of the Hon'ble Delhi High Court. On April 09, 2018, the divisional bench of the Hon'ble Delhi High Court has directed DMRC to take over servicing of all debt liabilities of DAMEPL aggregating to ₹ 1,618 Crore pending disposal of the appeal.

32. In respect of Reliance Naval and Engineering Limited (RNEL), an associate of the Parent Company conditions indicate that a material uncertainty exists that may cast significant doubt on RNEL's ability to continue as a going concern as its net worth has been substantially eroded as on March 31, 2018, loans have been called back by secured lenders, current liabilities are substantially higher than current assets, recognition of deferred tax assets on tax losses, applications have been made to the National Company Law Tribunal (NCLT), Ahmedabad, under section 9 of the Insolvency Bankruptcy Code 2016 and winding up petitions been filed before Hon'ble Gujarat High Court for recovery of their dues by few operating creditors. However, the financial statements of RNaval prepared on going concern basis is critically dependent upon the resolution plan by the secured lenders, and RNaval's ability to raise requisite finance / generate cash flows in future to meet its obligations and to earn profits in future. On March 17, 2018, 63,50,000 equity shares of RNEL held by Reliance Defence Systems Private Limited (RDSPL), wholly owned subsidiary of the Parent Company, which were pledged as security for loan obtained by RNEL have been invoked and thereby the holding of RDSPL in RNEL has reduced from 30.70% to 29.84%. In view of this, during the year ended March 31, 2018, the Group has written off an amount of ₹ 22.61 Crore from the investment in RDSPL being the difference between the cost of the invoked shares of RNEL and the market value of those shares at the date on invocation and the same has been shown as an exceptional item.
33. In respect of Mumbai Metro One Private Limited (MMOPL), a subsidiary of the Parent Company, conditions indicate that a material uncertainty exists that may cast significant doubt on MMOPL's ability to continue as a going concern as the net worth has been substantially eroded as at the year-end, current liabilities exceeded its current assets by ₹ 973.61 Crore and loss incurred during the year amounted to ₹ 238.29 Crore.
34. In accordance with Ind AS 101-First time adoption of Indian Accounting Standards, the Group has opted to continue the policy as prescribed vide the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs. Accordingly, the Group has exercised the option given in paragraph 46A of the Previous GAAP Accounting Standard-11 "The Effects of Changes in Foreign Exchange Rates" of capitalising the foreign exchange loss/gain arising on long term foreign currency monetary items relating to acquisition of depreciable capital assets and depreciating the same over the balance life of such assets and in other cases amortising the foreign exchange loss/gain over the balance period of such long term foreign currency monetary items.

Accordingly, the Group has capitalised foreign exchange difference during the year arising on long term foreign currency monetary items relating to depreciable capital assets of ₹ 1.20 Crore ((gain) ₹ (20.04) Crore). In other cases, the Group has carried forward the unamortised portion of net gain of ₹ 77.77 Crore (₹ 71.59 Crore) in "Foreign Currency Monetary Item Translation Difference Account" and the same is grouped under 'Other Equity'.

### 35. (a) Exceptional Items:

Particulars	₹ Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
<b>Exceptional items withdrawn from General Reserve pursuant to Scheme of Amalgamation (Refer Note below)</b>		
Write off of EPC Advances as Bad debts	-	555.58
Investment written off in Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited) (Refer Note No.32)	22.61	-
Loss on transfer of WRSSS transmission undertakings (Refer Note No.30)- Discontinued Operations	198.50	-
<b>(A)</b>	<b>221.11</b>	<b>555.58</b>
<b>Other exceptional items</b>		
(Gain ) on sale of Investment in Reliance Airport Developers Limited	(295.39)	-
(Gain ) on sale of Investment in Reliance Cement Company Private Limited	-	(85.58)
<b>(B)</b>	<b>(295.39)</b>	<b>(85.58)</b>

Notes annexed to and forming part of the Consolidated Financial Statements

In terms of Scheme of amalgamation of Reliance Cement Works Private Limited with Western Region Transmission (Maharashtra) Private Limited (WRTM), wholly owned subsidiary of the Parent Company, which was subsequently amalgamated with the Parent Company w.e.f. April 1, 2013, the Board of Directors of the Parent Company during the year ended March 31, 2018 determined an amount of ₹ 221.11 Crore (₹ 555.58 Crore) as Exceptional items which was debited to the Consolidated Statement of Profit and Loss and an equivalent amount has been withdrawn from General Reserve and credited to the Consolidated Statement of Profit and Loss. Had such withdrawal not been done, the Consolidated Profit before tax for year ended March 31, 2018 would have been lower by ₹ 221.11 Crore (₹ 555.58 Crore) and General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme overrides the relevant provisions of Ind AS-1 "Presentation of Financial Statements".

Other exceptional items of ₹ 295.39 Crore, during the year ended March 31, 2018, represents profit on sale of 24,83,923 equity shares representing 34.79% holding in Reliance Airport Developers Limited, a wholly owned Subsidiary of the Parent Company.

The Parent Company, in its Standalone Financial Statements, has written off the investments in Mumbai Metro One Private Limited amounting to ₹ 190.39 Crore during the current year ended March 31, 2018 (till date ₹ 495.39 Crore), being the losses incurred by the said subsidiary up to March 31, 2018. Since these losses have already been recognized in the Consolidated Financial Statement, no impact of the said write off has been given in the Consolidated Financial Statements.

- (b) Ind AS Transition Facilitation Group (ITFG) of Ind AS implementation Committee of the Institute of the Chartered Accountants of India has issued clarification on July 31, 2017 regarding method of estimating depreciation for preparing standalone financial statements of the subsidiary and for consolidated financial statements. Rpower has obtained opinions from reputed legal and accounting firms stating that clarification issued by ITFG will not be applicable to Rpower, as Rpower has been following the method since inception of SPVs / in Consolidated Financial Statements, including under Ind AS regime till end of previous financial year. Based on such opinions Rpower has continued to provide depreciation in its consolidated financial statements which is different as compared to that considered by some of its subsidiaries based on the decisions of the respective Managements and Boards. Rpower is contemplating seeking further clarification on the views expressed by ITFG. The matter has been referred to by the auditors in their report.

**36. (a) Standby Charges (Parent Company)**

In the matter of liability of ₹ 515.60 Crore of standby charges with the Tata Power Company Limited (TPC) determined by MERC for the period April 1, 1998 to March 31, 2004, which the Parent Company has fully accounted for, the Appellate Tribunal of Electricity (ATE) determined the total liability at ₹ 500 Crore and directed TPC to refund ₹ 354 Crore (inclusive of interest of ₹ 15 Crore upto March 31, 2004) to the Parent Company plus interest @ 10% p.a. commencing from April 1, 2004 till the date of payment. Against the said order, TPC filed an appeal with the Supreme Court. The Hon'ble Supreme Court passed an interim order dated February 7, 2007 granting stay of the impugned order of the ATE subject to the condition that, TPC furnish a bank guarantee in the sum of ₹ 227 Crore and, in addition, deposit a sum of ₹ 227 Crore with the Registrar General of the Court which may be withdrawn by the Parent Company subject to the Company giving an undertaking that in the event of the appeal being decided against the Parent Company, wholly or in part, the amount as may be found refundable by the Parent Company shall be refunded to TPC without demur together with interest as may be determined by the Court. The Parent Company accordingly withdrew the amount of ₹ 227 Crore after complying with the conditions specified and has accounted the said amount as Other Liabilities pending final adjustment. Moreover, pending final order of the Hon'ble Supreme Court, the Parent Company has not accounted for the reduction in standby charges liability of ₹ 15.60 Crore as well as interest amount determined by ATE as payable by TPC to the Parent Company.

**(b) Take or Pay and Additional Energy Charges (Parent Company)**

Pursuant to the order passed by MERC dated December 12, 2007, in case No. 7 of 2002, TPC has claimed an amount of ₹ 323.87 Crore towards the following:

- Difference in the energy charge for energy supplied by TPC at 220 kV interconnection for the period March 2001 to May 2004 along with interest at 24% per annum up to December 31, 2007, and
- Minimum off-take charges for energy for the years 1998-99 to 1999-2000 along with interest at 24% per annum up to December 31, 2007.

In an appeal filed by the Parent Company, ATE held that the amount in the matter (a) above is payable by the Parent Company along with interest at State Bank of India prime lending rate for short term borrowings. The matter (b) was remanded to MERC for redetermination. The Parent Company has filed an appeal against the said order before the Supreme Court, which while admitting the appeal, has restrained TPC from taking any coercive action in respect of the matter stated in (a) above and TPC has also filed an appeal against the said order. The Parent Company has complied with the interim order directions of depositing ₹ 25 Crore with the Registrar of Supreme Court and providing a Bank Guarantee of ₹ 9.98 Crore. The said amount is disclosed under Contingent Liability in Note No.22.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### 37. Disclosure pursuant to Indian Accounting Standard (Ind AS) 11 "Construction Contracts"

₹ Crore			
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	Amount of Contract Revenue Recognised during the year*	847.39	1,532.75
2	Aggregate amount of costs incurred and recognised profits (less recognised losses) upto the reporting date*.	37,534.52	39,227.08
3	Amount of customer advances outstanding for contracts in progress	1,382.34	2,129.42
4	Retention amount due from customers for contracts in progress	1,105.61	1,133.62
5	Gross amount due from customers for contract works as an asset	389.55	328.64
6	Gross amount due to customers for contract work as a liability	978.52	1,197.53

(\*excluding construction revenue / cost / recognized profits against tolling rights accounted pursuant to Appendix "A" of Ind AS -11).

### 38. Disclosure as required under Ind AS-17

#### (i) Assets taken on finance lease

The finance lease obligation relate to the 25 years power purchase agreement under which Vidarbha Industries Power Limited, a subsidiary of Reliance Power Limited, sells all of its electricity output of its power plant at Butibori village in Nagpur, Maharashtra (In two units of 300 MW each (thermal power project) to the Parent Company as the sole offtaker.

The effective interest rate implicit in the finance lease was approximately 10.88%.

The following table summarises the reconciliation of lease liabilities in the arrangement:

₹ Crore				
Particulars	Gross Value of Finance Lease Liabilities	Present Value of Finance lease Liabilities		
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
- Not later than one year	509.47	509.47	58.68	52.66
- Later than one year and not later than five years	2,037.87	2,037.87	310.00	278.17
- Later than five years	7,854.30	8,358.92	3,800.92	3,886.58
<b>Total</b>	<b>10,401.64</b>	<b>10,906.26</b>	<b>4,169.60</b>	<b>4,217.41</b>
Less: future interest	6,232.04	6,688.85		
<b>Present value of minimum lease liabilities</b>	<b>4,169.60</b>	<b>4,217.41</b>		

The lease arrangement is for a non-cancellable period of twenty-five years without the option to purchase the leased plant after that period. The Parent Company makes payment to the lessor variable costs which are in the nature of contingent rental that are recognised in the Consolidated Statement of Profit and Loss amounting to ₹ 966.64 Crore (₹ 1,210.41 Crore).

The fair value is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturities adjusted for credit spread. The fair value of lease liabilities falls into level 3 of the fair value hierarchy. Refer Note No.44 for fair value disclosure of lease liabilities.

#### (ii) Assets given on operating lease

The Group has given following properties under operating lease arrangements:

MMOPL has provided space on operating lease for a period from 1 – 15 years with a non-cancellable period at the beginning of the agreement ranging from 1 – 5 years.

Such assets are reported under property, plant and equipment. Lease income from operating leases is not straight-lined and recorded as per the contractual terms as the lease rentals are structured to compensate for expected general inflation.

The following is the summary of future minimum lease rental receivable under non cancellable operating lease arrangement entered into by the Group

**Notes annexed to and forming part of the Consolidated Financial Statements**
**Operating leases: future minimum lease receipts under noncancellable leases**

Particulars	₹ Crore	
	As at March 31, 2018	As at March 31, 2017
- Not later than one year	4.15	8.53
- Later than one year and not later than five years	4.58	10.79
- Later than five years	-	-

**(iii) Assets taken on Operating Lease**

Disclosure as required under Ind AS - 17 "Accounting for Leases" is given below :

- The Group has entered into cancellable / non-cancellable leasing agreement for office, residential and warehouse premises renewable by mutual consent on mutually agreeable terms.
- Future minimum lease payments under non-cancellable operating lease are as under:

Particulars	Lease Rental Debited to Consolidated Statement of Profit and Loss (Cancellable and Non cancellable)	Future Minimum Lease Rentals			Period of Lease*
		Less Than 1 Year	Between 1 to 5 Years	More than 5 Years	
Office Premises and Warehouses	34.90	3.38	1.91	0.21	Various

\*The Lease terms are renewable on a mutual consent of Lessor and Lessee. The lease rentals have been included under the head "Rent" under Note No. "18 - Other Expenses".

**39. Disclosure under Ind AS 19 "Employee Benefits".**
**Post-employment obligations**
**Defined contribution plans**

The Group has following defined contribution plans:

- Provident fund
- Superannuation fund
- State defined contribution plans
  - Employer's contribution to Employees' state insurance
  - Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner and the superannuation fund is administered by the Trustees of respective schemes of the companies. Under the schemes, respective companies are required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income tax authorities. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. However in case of employees of erstwhile DVB (presently employees of BRPL and BYPL) in accordance with the stipulation made by GoNCTD, in its notification dated January 16, 2001, the contributions on account of the general provident fund, pension, gratuity and earned leave as per the Financial Rules and Service Rules applicable in respect of the employees of the erstwhile DVB, is accounted for on due basis and are paid to the DVB -ETBF 2002.

The Group has recognised the following amounts as expense in the Consolidated Financial Statements for the year:

Particulars	₹ Crore	
	Year ended March 31, 2018*	Year ended March 31, 2017*
Contribution to Provident Fund	50.23	49.73
Contribution to Employees Superannuation Fund	10.11	9.27
Contribution to Employees Pension Scheme	103.29	41.24

(\* includes ₹ 0.13 Crore (₹ 0.24 Crore) from Discontinued Operations of WRSSS).

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### Defined benefit plans

#### (i) Provident Fund (Applicable to certain Employees)

The benefit involving employee established provident funds, which require interest shortfall to be recompensated are to be considered as defined benefit plans. As per the Audited Accounts of Provident Fund Trust maintained by the Company, the shortfall arising in meeting the stipulated interest liability, if any, gets duly provided for.

#### (ii) Gratuity

The Group operates a gratuity plan administered by various insurance companies. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

	₹ Crore	
Particulars	2017-18	2016-17
<b>Assumptions :</b>		
Expected Return on Plan Assets	6.00% to 7.25%	6.68% to 7.75%
Rate of Discounting	7.01% to 7.88%	6.68% to 7.75%
Rate of Salary Increase	6.00% to 10.00%	5.50% to 10.00%
Rate of Employee Turnover	4.00% to 5.00%	1.00% to 10.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.
<b>Change in the Present Value Of Defined Benefit Obligation</b>		
Present value of Benefit Obligation at the beginning of the year	596.30	502.36
Liability Transferred Out	(2.09)	-
Liability Transferred In	2.89	0.59
Interest Cost	42.00	38.87
Current Service Cost	68.76	30.70
Benefit Paid Directly by the Employer	(25.37)	(23.61)
Benefit Paid From the Fund	(1.44)	(1.58)
Actuarial Losses on Obligation- Due to Change in Financial Assumptions	(15.79)	42.72
Actuarial (Gain)/Losses on Obligation- Due to Change in Demographic Assumptions	8.29	0.60
Actuarial Losses on Obligation-Due to Experience	(14.24)	5.65
	<u>659.31</u>	<u>596.30</u>
<b>Present Value of Benefit Obligation at the End of the year</b>		
<b>Change in the Fair Value of Plan Assets</b>		
Fair Value of Plan Asset at the beginning of the year	450.60	397.90
Asset Transferred In/Out	1.98	1.43
Asset Transferred Out/Divestment	(2.44)	(1.20)
Interest Income	31.64	30.47
Benefit Paid From the Fund	(1.07)	(1.08)
Benefit Paid Directly by the Employer	(0.48)	(0.39)
Contribution by the Employer	20.44	7.35
Return on Plan Assets Excluding Interest Income	(0.07)	15.22
Actuarial Losses - Due to Experience	(0.17)	0.90
<b>Fair Value of Plan Asset at the End of the year</b>	<u>500.43</u>	<u>450.60</u>
<b>Amount Recognised in the Consolidated Balance Sheet</b>		
Present Value of Benefit Obligation at the end of the year	659.31	596.30
Fair Value of Plan Assets at the end of the year	<u>500.43</u>	<u>450.60</u>
<b>Funded Status (Deficit)</b>	<u>(158.88)</u>	<u>(145.70)</u>
Amount not recognized as asset (asset ceiling)	-	-
<b>Net (Liability) Recognized in the Consolidated Balance Sheet **</b>	<u>(158.88)</u>	<u>(145.70)</u>

**Notes annexed to and forming part of the Consolidated Financial Statements**

	₹ Crore	
Particulars	2017-18	2016-17
<b>Expenses Recognized in the Consolidated Statement of Profit and Loss</b>		
Current Service Cost	<b>68.76</b>	30.70
Net Interest Cost	<b>10.36</b>	8.40
<b>Expenses Recognised *</b>	<b>79.12</b>	39.10
<b>Expenses Recognised in Other Comprehensive Income (OCI)</b>		
Actuarial Losses on Obligation (net of plan assets) for the year	<b>(21.57)</b>	48.05
Return on Plan Assets Excluding Interest Income	<b>0.07</b>	(15.22)
<b>Net Expenses for the Period Recognised in OCI</b>	<b>(21.50)</b>	32.83
<b>Major Categories of plan asses as a percentage of total</b>		
Insurance Fund	<b>100%</b>	100%
<b>Prescribed Contribution For Next Year</b>	<b>34.22</b>	33.19
<b>Maturity Analysis of Project Benefit Obligation : From Fund</b>		
Projected Benefit in Future Years From Date of Reporting		
Within next 12 months	<b>72.93</b>	62.81
Between 2 to 5 years	<b>179.03</b>	171.50
Between 6 to 10 years	<b>340.37</b>	254.85
Beyond 10 years	<b>66.98</b>	107.14
<b>Sensitivity Analysis</b>		
Present value of Defined Benefits Obligation at the end of the year	<b>659.31</b>	596.30
<b>Assumptions – Discount Rate:</b>		
<b>Sensitivity Level</b>	<b>0.50% to 1.00%</b>	0.50% to 1.00%
Impact on defined benefit obligation -in % increase	<b>(2.33%) to (8.32%)</b>	(2.53%) to (8.21%)
Impact on defined benefit obligation -in % decrease	<b>2.52% to 8.32%</b>	2.79% to 9.19%
<b>Assumptions – Future Salary Increase:</b>		
<b>Sensitivity Level</b>	<b>0.50% to 1.00%</b>	0.50% to 1.00%
Impact on defined benefit obligation -in % increase	<b>2.50% to 9.07%</b>	2.76% to 9.10%
Impact on defined benefit obligation -in % decrease	<b>(2.50%) to (8.21%)</b>	(2.42%) to (8.21%)

\* Includes ₹ 0.07 Crore (₹ 0.34 Crore) for Discontinued Operations of WRSS.

\*\* Includes ₹ Nil (₹ 0.26 Crore) for Discontinued Operations of WRSS

**40. Notes related to BRPL and BYPL (Discoms) (as per respective financial statements)**

- (a) Both the Companies have conducted physical verification of its major fixed assets as per its policies. Necessary adjustments for retirement would be carried out after reconciliation and obtaining the approval of DERC. Accordingly, in case of BRPL an amount of ₹ 35.32 Crore (₹ 33.41 Crore) and in case of BYPL ₹ 12.10 Crore (₹ 10.61 Crore) is lying under provision for retirement of Property, Plant and Equipment.
- (b) **Transfer Schemes**
- (i) The amount of Consumer Security Deposit (CSD) transferred to both the companies by virtue of Part II of Schedule E of the Transfer Scheme was ₹ 11 Crore in case of BRPL and ₹ 8 Crore in case of BYPL. The Transfer Scheme as well as erstwhile DVB did not furnish the consumer wise details of the amount transferred to it as CSD. Both the Companies have compiled from the consumer records the amount of CSD as on June 30, 2002, which works out to ₹ 90.43 Crore in case of BRPL and ₹ 35.38 Crore in case of BYPL. The management of both the Companies are of the opinion that its liability towards CSD is limited to ₹ 11 Crore in case of BRPL and ₹ 8 Crore in case of BYPL, as per the Transfer Scheme. Therefore the liability towards refund of consumer deposits in excess of ₹ 11 Crore in case of BRPL and ₹ 8 Crore in case of BYPL and interest thereon has not been accounted for in the books of the respective companies. They have also filed a writ petition with the High court of Delhi during the year 2004-05 with the DERC to deal with the actual amount of CSD as on the date of transfer. DERC during the year 2007-08 had advised the GoNCTD to transfer the differential amount of deposits to BRPL and BYPL. However GoNCTD did not abide by the advice and hence both the companies have filed writ petition and the case is pending before High Court of Delhi. In the last hearing held, the matter was placed in the category of 'Rule' matters and the case shall get listed in due course.



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- (ii) As per notification dated April 18, 2007 issued by DERC, interest @ 6% per annum is payable on CSD received from all consumers up to August 31, 2017. With effect from September 01, 2017 the interest is provided at MCLR (Marginal Cost of Fund Based) as notified by SBI prevailing on the April 01, 2017 on consumer security deposit received from all consumers. The MCLR rate as on April 01, 2017 is @ 8 %. Accordingly, BRPL and BYPL have provided for interest amounting ₹ 56.63 Crore (₹ 48.62 Crore) and ₹ 33.28 Crore (₹ 25.77 Crore) respectively on consumer security deposit of regular consumers. The Companies are of the view that the interest on CSD in excess of the amount as per the Transfer Scheme i.e. ₹ 11 Crore in case of BRPL and ₹ 8 Crore in case of BYPL, would be recoverable from Delhi Power Company Limited (DPCL) if the contention is upheld by the High Court of Delhi.

### (c) NTPC and other Generators dues

BRPL and BYPL have received a notice from NTPC Ltd. on February 1, 2014 for regulation (suspension) of power supply due to delay in power purchase payments. Both the companies have filed a petition in the Hon'ble Supreme Court praying for keeping the regulation notice in abeyance, giving suitable direction to DERC to provide cost reflective tariff and to give a roadmap for liquidation of the accumulated Regulatory Assets. In the interim Order dated March 26, 2014 & May 6, 2014, the Hon'ble Supreme Court had directed both the companies to pay its current dues (w.e.f. January 1, 2014) by May 31, 2014 failing which the generating / transmission companies may regulate supply. On July 3, 2014 the court took note that both the companies paid 100% payment of its current dues. All contentions and disputes were kept open to be considered later. Further, direction was made to pay the recurring amount as per earlier Orders dated March 26, 2014 & May 6, 2014. In the meantime, an application has been filed before Hon'ble Supreme Court seeking modification of aforesaid Orders so as to allow both the companies to pay 70% of the current dues. All arguments were concluded on February 18 and 19, 2015. Judgment is reserved.

Delhi Power Utilities had filed contempt case in January 2015 against Senior Officials of the Company alleging non compliance of the Supreme Court regarding payment off the dues. No notice has been issued so far, however, on an interim application filed by them praying for payment of outstanding dues, notice was issued In December 2015. Thereafter, the matter was listed on few occasions but was simply adjourned. However, on May 12, 2016, the Court directed the the Company to pay 70 % of the current dues till further orders. New contempt petitions have been filed by Delhi power utilities in November 2016 alleging non compliance of order dated May 12, 2016. No notice has been issued so far. Thereafter, the matter was listed on various dates, last hearing being on March 19, 2018. Next date of hearing is May 02, 2018.

### (d) Audit by The Comptroller and Auditor General of India

Pursuant to the letter dated January 7, 2014 by Department of Power (GoNCTD), The Comptroller Auditor General of India has commenced audit of all the three electricity distribution companies of Delhi w.e.f. January 27, 2014. BRPL and BYPL (BSES discoms) has filed a writ petition in the Hon'ble High Court praying for staying the said audit, however, the said prayer has been declined by the Court. BSES discoms has filed an appeal before the Division Bench of High Court against the said Order. Both writ petition and appeal have been tagged together along with PIL (Public Interest Litigation) filed by United Resident Welfare Association (URWA) on the same matter. All arguments were concluded on March 4, 2015.

In August / September, 2015, BSES discoms filed interim applications in aforesaid appeals requesting for directions to CAG to not share the draft audit report with any third party and the same cannot be cited or acted upon in any manner whatsoever. CAG counsel submitted that they will take no action on the basis of the same. Further, consolidated draft report of all discoms was furnished by CAG to BSES discoms pursuant to direction of the Court.

Another set of applications were filed seeking breakup of alleged loss etc. as stated in draft audit report and stay on Exit Conference. The same were listed on October 1, 2015. The Court did not grant any stay on holding of Exit conference and stated that the replies be submitted on whatever material is available to BSES discoms and seek additional details in the Exit conference and apprise the court on the next date of hearing ie. October 15, 2015.

On October 15, 2015, BSES discoms apprised the court that 1100 pages/1412 pages have been provided for the first time at the Exit Conference held in October 2015 and time is required to respond for the same. CAG counsel stated that this information has been shared in the past during the Audit process and therefore it is not a new information. The Court, after hearing the parties, recorded the submission and said that similar matter in the case of Tata Power Delhi Distribution Limited (TPDDL) is coming up on October 30, 2015. These applications along with the matter would be listed along with Writ on October 30, 2015.

The Court has also granted the time to the Company till October 30, 2015 to respond to the documents provided at the Exit Conference, if it so desires. The matter was listed for October 30, 2015 and Hon'ble Court has pronounced its judgement, wherein Hon'ble court has concluded with "directions to set aside all actions taken pursuant to the January 7, 2014 order and all acts undertaken in pursuance thereof are infructuous".

CAG, GoNCTD and URWA have filed an appeal against the Hon'ble court judgement and the matter was listed on January 18, 2016, wherein notices were issued. BSES discoms have submitted their replies. Matter was last listed on



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July 25, 2016 and court directed the parties to complete the pleadings. The case was slated to be heard on October 19, 2016, but it did not figure in the cause list, hence, did not get listed on that date. Last hearing was on December 07, 2016, when parties were given further four weeks to complete the pleadings. Matter was listed on various occasions in February/ March 2017, last hearing being on March 09, 2017. The Court has reserved its order on the issue whether it would like to hear the matter or transfer it to the constitutional bench where matter between GONCTD powers vis-à-vis LG powers is pending. On July 03, 2017 the court has held that it shall hear the matter. Next date of hearing is not yet fixed.

**(e) Late Payment Surcharge on Power Purchase Overdue**

Due to financial conditions of the BRPL and BYPL, they could not service dues of various Power Generators / Transmission companies on time. Due to delays in payment, these companies are entitled to levy Late Payment Surcharge (LPSC) on BRPL and BYPL. The LPSC is recognized by the BRPL and BYPL based on the allocation methodology as per Power Purchase Agreements (PPA), applicable regulations of CERC/DERC and reconciliation with Power Generators / Transmission companies. There are differences in LPSC recognized in the books of account and amount claimed by some of the generators / transmitters as per the reconciliation statements. These differences, amounting to ₹ 336 Crore and ₹ 319.92 Crore of BRPL and BYPL respectively, are primarily on account of interpretation of applicable regulations of CERC/DERC or terms of PPA's where there are no defined payment allocation methodology.

**(f) Delhi Electricity Regulatory Commission (DERC) issued its Tariff Order on September 29, 2015 to BRPL and BYPL, whereby it has trued up the revenue gap upto March 31, 2014 with certain dis-allowances. The Discoms have preferred appeal against the Order before Appellate Tribunal for Electricity (APTEL). Based on the legal opinion, the impact of such disallowances, which are subject matter of appeal, has not been considered in the computation of regulatory asset in the financial statement of FY 2015-16 and FY 2016-17.**

On same basis and duly supported by the legal opinion, impact of similar disallowances made by DERC while truing up for FY 2014-15, 2015-16 and FY 2016-17 in the subsequent Tariff Orders dated August 31, 2017 and March 28, 2018 have not been considered in the computation of Regulatory Deferral Account Balance for the respective years. The Company has preferred an appeal before Hon'ble APTEL against such disallowances made vide order dated August 31, 2017 and is also in the process of filing an appeal before Hon'ble APTEL against such disallowances made vide order dated March 28, 2018.

**(g) Pension Trust Surcharge**

As per DERC directives in the Tariff order dated August 31, 2017, there is a change in the mechanism for the contribution made by the Company to DVB ETBF Pension Trust 2002. Earlier, the contribution was made through DTL as Transmission cost. Effective September 1, 2017 as per new mechanism, the Company is required to contribute a predetermined amount to DVB ETBF Pension Trust 2002 on monthly basis and the same is recoverable through the customers by way of 3.70% surcharge. As per DERC directive, any under recovery/over recovery from customers shall be trued up by the DERC at the time of true up for FY 2017-18, therefore, no impact on profit or loss for the period is envisaged by the BRPL and BYPL.

**41. Project Status**

**(a) Project Restructuring in case of CBD Tower Private Limited (CBDTPL)**

CBDTPL had signed a development agreement dated May 28, 2008 with Andhra Pradesh Industrial Infrastructure Limited (APIIC) for the development of trade tower and business district in Hyderabad, which CBDTPL, after development intends to lease out to the intended users. To mitigate the risk of the project due to economic slowdown, recession and uncertainty in real estate market, the Board of Directors of CBDTPL approved and submitted a plan to APIIC to restructure the project in three categories – financial restructuring, restructuring of project development framework and restructuring of project implementation. Material proposals approved by APIIC includes waiver of development premium payable @ 12% p.a. on the unpaid balance towards cost of land up to March 31, 2012 and decrease in the rate of interest on debentures to 2% p.a. up to March 31, 2014. APIIC also recommended appointment of an independent third party consultant to comment on the approved restructuring proposal.

APIIC also approved certain consequential issues, like effective date being date of signing of amended agreement and mechanism for land transfer for constructing trade tower, permitting construction of business district prior to construction of trade tower and permitting consortium to dilute its equity from 51% to 26% three years after the financial closure of trade tower.

Further supplementary demands have been made to APIIC and requested for continuing the waivers / concessions until signing of amendment agreements and extension of timelines, corresponding to delay period, for all payment and project obligations. Independent consultant submitted its report and recommended in favour of restructuring including supplementary demands. A sub-committee, appointed by APIIC, approved the Independent consultant's recommendations. APIIC has intimated that they have agreed with the findings of the sub-committee and Independent consultant's recommendations.

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After the bifurcation of state and creation of Telangana State, the project came under Telangana State jurisdiction. The Government of Telangana (GoT) then constituted a Committee of Secretaries (CoS), empowering it to take final decision on the recommendations of TSIIC Board read with consultant report.

Post the presentation made on November 13, 2015 by the Company and Consultant, Chief Secretary asked CBDTPL to formally put up a letter summarizing all the demands with reasons and the same was submitted to CoS on November 20, 2015. CoS then asked TSIIC to furnish self contained note flagging all the pending issues to be decided by CoS which was accordingly submitted by them. TSIIC again sent a detailed self explanatory note with recommendations to GoT for decision. Thereafter CBDTPL had a meeting with Minister (MA&UD & IT & Industries) along with his senior officials in July 2016 wherein he assured a favorable communication shortly. Due to delay in communication, in December 2016 CBDTPL again had a meeting with Principal Secretary (I&C) with a request to expedite the approval of Restructuring, which has been duly appreciated by the Minister and CoS. Immediate communication was assured. Further the Company vide letter dated December 28, 2017, has submitted the Revised Restructuring Proposal to TSIIC, to ensure that the viability of the project is maintained.

In view of above substantive development on the proposal of CBDTPL for restructuring with the Government of Telangana, CBDTPL has not made provision for (a) Development Premium of ₹ 224.25 Crore @ 12% p.a compounded annually on ₹ 230.27 Crore balance land cost payment of module- II and (b) Interest of ₹ 82.76 Crore on Debentures, both for the period from April 01, 2012 to March 31, 2018, as per the existing agreements.

### **(b) Project status of Samalkot Power Limited (SMPL, a Subsidiary of Reliance Power Limited, an associate)**

Reliance Bangladesh LNG Terminal Limited (RBLTL) and Reliance Bangladesh LNG & Power Limited (RBLPL), the Group Companies continued to make progress on the Bangladesh LNG and Power projects respectively and initiated the Terminal Use Agreement with PetroBangla for setting up of 500 mmscfd FSRU based LNG terminal at Kutubdia Island. RBLTL & RBLPL have finalised the EPC contractor for both power and LNG terminal and have received approval for financing of the projects from ADB. For balance two modules (1,508 MW), Samalkot Power Limited (SMPL) is actively pursuing allocation of gas linkage at commercially viable prices / generation opportunities and is also evaluating alternative arrangements / various approaches to deal with the situation arising from the continued uncertainty as to the availability of natural gas supply.

Considering the above plans, including relocation of unused assets acquired for SMPL to Bangladesh project and support from the Reliance Power, SMPL would be able to meet its financial obligation and has prepared its financial statements on a going concern basis.

### **(c) Project Status of NKTCL and TTCL**

- i) The NKTCL and TTCL had approached Central Electricity Regulatory Commission (CERC) for allowing tariff revision and Force Majeure due to delay in grant of clearance u/s 164 of Electricity Act (EA). CERC notified an unfavorable order which was later challenged by NKTCL and TTCL in Appellate Tribunal for Electricity (ATE). ATE allowed the appeal filed by company and set aside the unfavorable CERC order. Pursuant to the ATE Order, written requests were sent to the beneficiaries seeking (i) Re-fixation of implementation time of the Project and (ii) to increase Tariff to the tune of 90% in TTCL and 160% in NKTCL.

Three beneficiaries have appealed against the order of ATE in the Supreme Court of India and notices are being served on all the beneficiaries of the project for filing petition. All the petitions filed by beneficiaries have been clubbed together by Supreme Court. The petition has been admitted and next hearing is awaited.

#### **ii) Revocation of Licence**

CERC reopened Power Grid Corporation of India Limited's (PGCIL) petition seeking revocation of license of NKTCL and TTCL and transfer the project to PGCIL on cost plus model at risk and cost of Reliance Power Transmission Limited i.e. holding company of NKTCL and TTCL. CERC issued Order on NKTCL and TTCL for compliance of certain conditions stated in the order within a stipulated time frame or else its license would be revoked. Based on the Order of CERC, NKTCL and TTCL filed an appeal to ATE challenging CERC Order. ATE rejected the Implementation Agreement (IA) meant for stay but allowed the appeal. NKTCL and TTCL filed an appeal in Supreme Court against ATE's rejection of IA meant for stay. Based on the appeal filed by NKTCL and TTCL, the Supreme Court has given a stay order directing no coercive action to be taken by CERC. On August 12, 2016 the Supreme Court has disposed off the appeal and directed ATE to decide on the Appeal. Next hearing in ATE is scheduled on April 23, 2018.

The matter for non grant of stay order by ATE is pending before Supreme Court and the appeal against the CERC Order for revocation of license is pending before the ATE.

- iii) NKTCL and TTCL has filed a letter on January 14, 2014 requesting for extension of licence u/s 68 of Electricity Act 2003 to Ministry of Power (MoP). Pending the said approval, Transmission Service Agreement (TSA) would not become operative and implementation of the Project could not be commenced.

**Notes annexed to and forming part of the Consolidated Financial Statements**
**42. Interests in other entities**
**(a) Subsidiaries**

The Group's subsidiaries at March 31, 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly either by Parent Company or its subsidiaries / the Group and the proportion of ownership interests held equals the voting rights held by the Group either through equity shares, management agreement or structure of the entity. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal activities	Place of business/ country of incorporation	Controlling interest held by the group		Non-controlling interest	
			March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
			%	%	%	%
BSES Rajdhani Power Limited	Power distribution	India	51.00	51.00	49.00	49.00
BSES Yamuna Power Limited	Power distribution	India	51.00	51.00	49.00	49.00
BSES Kerala Power Limited	Power generation	India	100.00	100.00	-	-
Reliance Power Transmission Limited	Power transmission	India	100.00	100.00	-	-
Parbati Koldam Transmission Company Limited	Power transmission	India	74.00	74.00	26.00	26.00
Mumbai Metro One Private Limited	Metro rail concession	India	69.00	69.00	31.00	31.00
Mumbai Metro Transport Private Limited	Metro rail concession	India	48.00	48.00	52.00	52.00
Delhi Airport Metro Express Private Limited	Metro rail concession	India	99.95	95.00	0.05	5.00
Tamil Nadu Industries Captive Power Company Limited	Power generation	India	33.70	33.70	66.30	66.30
Reliance Sea Link One Private Limited	Sea link concession	India	90.00	90.00	10.00	10.00
SU Toll Road Private Limited	Toll road concession	India	100.00	100.00	-	-
TD Toll Road Private Limited	Toll road concession	India	100.00	100.00	-	-
TK Toll Road Private Limited	Toll road concession	India	100.00	100.00	-	-
DS Toll Road Limited	Toll road concession	India	100.00	100.00	-	-
NK Toll Road Limited	Toll road concession	India	100.00	100.00	-	-
GF Toll Road Private Limited	Toll road concession	India	100.00	100.00	-	-
JR Toll Road Private Limited	Toll road concession	India	100.00	48.00	-	52.00
PS Toll Road Private Limited	Toll road concession	India	74.00	74.00	26.00	26.00
KM Toll Road Private Limited	Toll road concession	India	100.00	100.00	-	-
HK Toll Road Private Limited	Toll road concession	India	100.00	100.00	-	-
DA Toll Road Private Limited	Toll road concession	India	100.00	100.00	-	-
Nanded Airport Private Limited	Airport concession	India	74.24	100.00	25.76	-
Baramati Airport Private Limited	Airport concession	India	74.24	100.00	25.76	-
Latur Airport Private Limited	Airport concession	India	74.24	100.00	25.76	-
Yavatamal Airport Private Limited	Airport concession	India	74.24	100.00	25.76	-
Osmanabad Airport Private Limited	Airport concession	India	74.24	100.00	25.76	-
Reliance Airport Developers Limited (erstwhile Reliance Airport Developers Private Limited)	Airport concession	India	65.21	100.00	34.79	-
CBD Tower Private Limited	Trade tower and business district construction	India	89.00	89.00	11.00	11.00
Reliance Energy Trading Limited	Sale and purchase of electricity from exchanges, bilateral and barter system	India	100.00	100.00	-	-
Reliance Cement Corporation Private Limited	Cement manufacture	India	100.00	100.00	-	-
Reliance Electric Generation and Supply Limited	Power, generation, transmission and distribution	India	100.00	100.00	-	-

## Reliance Infrastructure Limited

### Notes annexed to and forming part of the Consolidated Financial Statements

Name of entity	Principal activities	Place of business/ country of incorporation	Controlling interest held by the group		Non-controlling interest	
			March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
			%	%	%	%
Utility Infrastructure and Works Private Limited	Engineering, Procurement and Construction	India	100.00	100.00	-	-
Reliance Defence Systems Private Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Defence Technologies Private Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Defence and Aerospace Private Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Defence Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Defence Infrastructure Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance SED Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Propulsion System Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Defence Systems and Tech Limited (erstwhile Reliance Space Limited)	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Helicopters Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Land Systems Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Naval Systems Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Unmanned Systems Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Aerostructure Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Cruise and Terminals Limited	Defence systems manufacture	India	100.00	100.00	-	-
Dassault Reliance Aerospace Limited	Defence systems manufacture	India	51.00	-	49.00	-
Reliance Rafael Defence Systems Private Limited	Defence systems manufacture	India	100.00	100.00	-	-
North Karanpura Transmission Company Limited	Power transmission	India	100.00	100.00	-	-
Talcher II Transmission Company Limited	Power transmission	India	100.00	100.00	-	-
Reliance Delhi Metro Trust	Beneficiary Trust	India	100.00	100.00	-	-
Reliance Toll Road Trust	Beneficiary Trust	India	100.00	100.00	-	-
Reliance Smart Cities Limited	Smart city construction	India	100.00	100.00	-	-
Reliance E-Generation and Management Private Limited	Power, generation, transmission and distribution	India	100.00	100.00	-	-
Reliance Energy Limited	Power generation, operations & maintenance of power stations and power trading	India	100.00	100.00	-	-

**Notes annexed to and forming part of the Consolidated Financial Statements**

Name of entity	Principal activities	Place of business/ country of incorporation	Controlling interest held by the group		Non-controlling interest	
			March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
			%	%	%	%
Western Transco Power Limited (up to October 31, 2017)	Commissioning, setting up, operating and maintaining electric power transmission systems.	India	-	100.00	-	-
Western Transmission (Gujarat) Limited (up to October 31, 2017)	Commissioning, setting up, operating and maintaining electric power transmission systems.	India	-	100.00	-	-
Reliance Property Developers Private Limited (erstwhile Reliance Infra Solutions Private Limited)	Power, generation, transmission and distribution	India	100.00	100.00	-	-
Reliance Armaments Limited	Defence systems manufacture	India	100.00	-	-	-
Reliance Ammunition Limited	Defence systems manufacture	India	100.00	-	-	-
Reliance Velocity Limited	Urban Transport Systems	India	100.00	-	-	-

**Significant judgement: consolidation of entities with less than 50% voting interest**

The management has concluded that the Group controls certain entities, even though it holds less than half of the voting rights of these subsidiaries. This is because these entities are designed to operate in a manner that does not regard voting rights to be significant in managing these entities. Also these entities derive virtually all their funding from Parent Company resulting in economic exposure coupled with ability to use the power to control the economic exposure has allowed these entities to be assessed as subsidiaries.

**(b) Non-controlling interests (NCI)**

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations and after policy difference adjustments.

**i) Summarised balance sheet**

₹ Crore								
Entities	Current assets	Current liabilities	Net current assets/(liabilities)	Non-current assets	Non-current liabilities	Net non-current assets/(liabilities)	Net assets	Accumulated NCI (after elimination)
<b>BSES Rajdhani Power Limited</b>								
March 31, 2018	1,311.37	10,885.62	(9,574.25)	13,773.10	1,995.77	11,777.33	2,203.07	1,079.51
March 31, 2017	1,423.61	10,714.27	(9,290.66)	13,392.91	1,993.40	11,399.51	2,108.85	1,033.34
<b>BSES Yamuna Power Limited</b>								
March 31, 2018	627.54	8,877.59	(8,250.05)	10,836.30	1,592.43	9,243.87	993.82	486.97
March 31, 2017	587.34	8,757.50	(8,170.16)	10,213.04	1,073.93	9,139.11	968.95	474.78
<b>Mumbai Metro One Private Limited</b>								
March 31, 2018	9.30	982.91	(973.61)	2,920.89	1,937.25	983.63	10.03	(216.20)
March 31, 2017	12.63	856.32	(843.69)	3,049.23	1,957.23	1,092.00	248.31	(142.33)
<b>PS Toll Road Private Limited</b>								
March 31, 2018	72.82	204.21	(131.39)	3,548.56	2,002.26	1,546.30	1,414.91	87.55
March 31, 2017	48.06	114.30	(66.24)	3,582.68	1,990.83	1,591.85	1,525.61	116.33

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### ii) Summarised Statement of Profit and Loss

₹ Crore						
Entities	Revenue	Profit / (Loss) for the year	Other comprehensive income	Total comprehensive income	Profit / (Loss) allocated to NCI	Dividends paid to NCI
<b>BSES Rajdhani Power Limited</b>						
<b>March 31, 2018</b>	<b>9,683.79</b>	<b>94.00</b>	<b>0.27</b>	<b>94.27</b>	<b>46.19</b>	<b>-</b>
March 31, 2017	9,323.30	59.22	0.08	59.30	29.06	-
<b>BSES Yamuna Power Limited</b>						
<b>March 31, 2018</b>	<b>5,659.62</b>	<b>25.34</b>	<b>0.18</b>	<b>25.52</b>	<b>12.50</b>	<b>-</b>
March 31, 2017	5,190.19	18.78	0.05	18.83	9.23	-
<b>Mumbai Metro One Private Limited</b>						
<b>March 31, 2018</b>	<b>318.52</b>	<b>(238.31)</b>	<b>0.02</b>	<b>(238.29)</b>	<b>(73.87)</b>	<b>-</b>
March 31, 2017	241.00	(273.49)	(0.01)	(273.50)	(84.79)	-
<b>PS Toll Road Private Limited</b>						
<b>March 31, 2018</b>	<b>346.91</b>	<b>(110.80)</b>	<b>0.10</b>	<b>(110.70)</b>	<b>(28.78)</b>	<b>-</b>
March 31, 2017	424.72	(13.75)	(0.23)	(13.98)	(3.63)	-

### iii) Summarised Statement of Cash flows

₹ Crore				
Entities	Cash flows from operating activities	Cash flows from / (used) investing activities	Cash flows from / (used) financing activities	Net increase/ (decrease) in cash and cash equivalents
<b>BSES Rajdhani Power Limited</b>				
<b>March 31, 2018</b>	<b>1,391.10</b>	<b>(454.19)</b>	<b>(986.32)</b>	<b>(49.41)</b>
March 31, 2017	1,555.26	(392.12)	(995.51)	167.63
<b>BSES Yamuna Power Limited</b>				
<b>March 31, 2018</b>	<b>841.53</b>	<b>(325.04)</b>	<b>(447.81)</b>	<b>68.68</b>
March 31, 2017	1,177.95	(198.10)	(986.16)	(6.33)
<b>Mumbai Metro One Private Limited</b>				
<b>March 31, 2018</b>	<b>135.02</b>	<b>15.71</b>	<b>(147.53)</b>	<b>3.20</b>
March 31, 2017	95.16	(10.49)	(86.44)	(1.77)
<b>PS Toll Road Private Limited</b>				
<b>March 31, 2018</b>	<b>169.96</b>	<b>(142.60)</b>	<b>(30.10)</b>	<b>(2.74)</b>
March 31, 2017	181.01	(350.74)	180.85	11.12

## Notes annexed to and forming part of the Consolidated Financial Statements

### (c) Stake sale in Reliance Airport Developers Limited (RADPL)

The Group has diluted its stake in Reliance Airport Developers Limited (RADPL) from 100% to 65.21% on September 25, 2017 by sale of 24,73,923 equity shares representing 34.79% of its holding in RADPL. The Group has recognized increase in non-controlling interest of ₹ 13.61 Crore. The effect of excess consideration received over carrying amount of stake sold during the year is summarised as follows:

Particulars	₹ Crore
	Year ended March 31, 2018
Carrying amount of stake diluted	13.61
Consideration received for stake diluted	309.00
Excess of consideration received over carrying amount	295.39

### d) Consolidated structured entities

The Group owns investment in the companies which are structured entities consolidated by the Group. These are contractually driven companies designed in a manner that voting rights or similar rights are not the basis to evaluate control over the operations of these entities.

### (e) Interest in Jointly Controlled Operations

The Parent Company along with M/s. Geopetrol International Inc. and Reliance Natural Resources Limited \*(the consortium) was allotted 4 Coal Bed Methane (CBM) blocks from Ministry of Petroleum and Natural Gas (Mo PNG) covering an acreage of 3,266 square kilometers in the States of Madhya Pradesh, Andhra Pradesh and Rajasthan. The consortium had entered into a contract with Government of India for exploration and production of these four CBM blocks. The Parent Company as part of the consortium has proportionate share in each of the four blocks.

Also, the Parent Company along with M/s. Geopetrol International Inc, Naftogaz India Private Limited and Reliance Natural Resources Limited \*(the consortium) was allotted Oil and Gas block from Ministry of Petroleum and Natural Gas (MoPNG), in the State of Mizoram under the New Exploration Licensing Policy (NELP-VI) round, covering an acreage of 3,619 square kilometers and the consortium had signed a production sharing contract with the Government of India for exploration and production of Oil and Gas from block. The Parent Company as part of the consortium has 70% share in the block. M/s Naftogaz India Private Limited was the operator on behalf of the consortium for the block.

### Disclosure of the Company's share in Jointly Controlled Operations:

Name of the Field in the Joint Venture	Location (Onshore Blocks)	Participating Interest (%) March 31, 2018	Participating Interest (%) March 31, 2017
SP-(North) – CBM – 2005 / III	Sohagpur, Madhya Pradesh	55 % **	55 % **
KG(E) – CBM – 2005 / III	Kothagudem, Andhra Pradesh	Stands Relinquished ***	45 % ***
BS(4) – CBM – 2005 / III	Barmer, Rajasthan	Stands Relinquished ****	45 % ****
BS(5) – CBM – 2005 / III	Barmer, Rajasthan	Stands Relinquished ****	45 % ****
MZ-ONN-2004 / 2	Mizoram	70 % *****	70 % *****

\*\*The Board of Directors of the Parent Company has approved the transfer of operatorship from M/s. Geopetrol International Inc to the Parent Company on February 14, 2015. MoPNG approved the same on April 28, 2016 and amendment to Contract has been conveyed on January 29, 2018.

\*\*\* The consortium experienced inordinate delays in Government clearances, non receipt of Petroleum Exploration License (PEL) for more than 5 years and consequently relinquished its rights in respect of the block at Kothagudem, Andhra Pradesh vide letter dated February 6, 2013. The consortium vide letter dated November 21, 2013 communicated to Directorate General of Hydrocarbons (DGH) / MoPNG that the abnormal delays has made it impossible for the consortium to pursue performance under the contract. Under these circumstances, the contract is not effective and became incapable of being executed and that the consortium has no further obligations with respect to the said CBM Block. Govt. of India notified "Policy Framework for Early Monetization of Coal Bed Methane" on April 11, 2017. Policy allows exit option if delay in grant of PEL exceeds two (2) years from the State Government.

Consortium has submitted request on June 07, 2017 for approval of exit option due to inordinate (more than 5 years) delays in receiving grant of PEL. DGH on October 31, 2017 conveyed relinquishment of the block. Liability, if any, which may arise on this relinquishment, is presently not ascertainable.

\*\*\*\* The consortium had experienced inordinate delays in receipt of clearances/permissions from State Government of Rajasthan. Timely grant of requisite approvals was beyond the control of the Consortium and the abnormal delay in the grant of requisite approvals/clearances and also abnormal delay in response on request of grant of extension of Phase-I by DGH, made the Consortium incapable of performance. In view of the difficulties faced, the Consortium relinquished all rights with

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

respect to both the CBM blocks vide letter dated November 21, 2013 to the Government of India and it stated that the consortium has no further obligations with respect to the CBM Blocks. Govt. of India notified "Policy Framework for Early Monetization of Coal Bed Methane" on April 11, 2017. Policy allows exit option without paying Cost of Unfinished Work Program in case of inordinate delays in granting clearances i.e. beyond two (2) years. Consortium had submitted request on June 07, 2017 for approval of exit option due to inordinate delays in receiving various clearances. DGH on October 31, 2017 conveyed relinquishment of both blocks. Liability, if any, which may arise on this relinquishment, is presently not ascertainable.

\*\*\*\*\* MoPNG, Government of India in October 2012, after six years of the award of block, observed that NaftoGaz India Limited had falsely represented itself as the subsidiary of NaftoGaz of Ukraine at the time of bidding and served notice of termination to all consortium members referring relevant clause of NELP-VI notice inviting offer (NIO) and Article 30.3(a) of the Production Sharing Contract (PSC) and demanded to pay penalty towards unfinished minimum work program. The Company has received letter dated April 16, 2015 from DGH to deposit USD 9,467,079 as cost of unfinished Minimum Work Program (MWP) to MoPNG. The claim has been contested by the Company vide letter dated June 21, 2014, May 25, 2015 and March 5, 2016. The said amount is disclosed under Contingent Liability in Note No. 22 above.

The above joint ventures are unincorporated joint ventures carrying out jointly controlled operations. Based on the audited statement of accounts of the consortium forwarded by the Operator, except for Mizo Block, the Company's share in respect of assets and liabilities and expenditure for the year have been accounted as under.

Particulars	₹ Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
Expenses	1.34	0.70
Other Assets	3.77	4.47
Current Liabilities	0.01	0.02

(\* Share of RNRL has since been demerged to 4 Subsidiary Companies of Reliance Power Limited).

### (f) Interests in Associates and Joint Venture accounted using the equity method

#### (i) Details of carrying value of Associates and Joint Venture

Name of entity	Place of business/ country of incorporation	% of ownership interest as at		₹ Crore	
		March 31, 2018	March 31, 2017	Quoted fair value	Carrying amount
Reliance Power Limited	India	43.22%	43.22%	4,375.31	9,716.62
		March 31, 2017	43.22%	5,829.71	9,239.35
Metro One Operation Private Limited	India	30.00%	30.00%	*	1.14
		March 31, 2017	30.00%	*	0.81
Reliance Geo Thermal Power Private Limited @₹ 25,000	India	25.00%	25.00%	*	-
		March 31, 2017	25.00%	*	@
RPL Sun Technique Private Limited	India	50.00%	50.00%	*	-
		March 31, 2017	50.00%	*	0.01
RPL Photon Private Limited	India	50.00%	50.00%	*	-
		March 31, 2017	50.00%	*	0.01
RPL Sun Power Private Limited	India	50.00%	50.00%	*	-
		March 31, 2017	50.00%	*	0.01
Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited)	India	29.84%	30.76%	620.48	967.04
		March 31, 2018	30.76%	1,521.76	1,318.34
Utility Powertech Limited	India	19.80%	19.80%	*	19.95
		March 31, 2018	19.80%	*	16.77
<b>Total</b>		<b>March 31, 2018</b>			<b>10,704.76</b>
		March 31, 2017			10,575.30

\*Note: Unlisted entity- no quoted price available

#### Reliance Power Limited

Reliance Power Limited has India's largest portfolio of private power generation and resources under development. The portfolio of RPower comprises of multiple sources of power generation - coal, gas hydro, wind and solar energy.



**Notes annexed to and forming part of the Consolidated Financial Statements**
**Metro One Operation Private Limited**

The Company is engaged in operations and maintenance of the Mumbai Metro I line from Versova to Ghatkopar

**Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited)**

The Company is mainly engaged in the construction of vessels, repairs and refits of ships and rigs and heavy engineering.

**Reliance Geo Thermal Power Private Limited, RPL Photon Private Limited, RPL Sun Technique Private Limited and RPL Sun Power Private Limited**

These Companies are formed with an object of generation and distribution of Power.

**Utility Powertech Limited**

The Company is a Joint Venture between NTPC Limited and Reliance Infrastructure Limited engaged in operation and maintenance of electrical and mechanical equipments, civil maintenance of townships, residual life assessment studies, construction/erection of buildings and electrical equipments in power distribution sector.

**(ii) Summarised financial information for Associates and Joint Ventures**

The tables below provide summarised financial information for those associates and joint venture that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not Reliance Infrastructure Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

**a) Summarised Balance Sheet (Material Associates)**

Particulars	₹ Crore			
	Reliance Power Limited		Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Total current assets	<b>9,305.09</b>	9,174.94	<b>1,841.59</b>	1,614.81
Total non-current assets	<b>54,168.37</b>	54,990.23	<b>11,152.89</b>	10,806.92
Total current liabilities	<b>12,336.57</b>	11,929.70	<b>11,365.48</b>	5,013.23
Total non-current liabilities	<b>28,655.12</b>	30,867.89	<b>1,185.56</b>	5,961.58
<b>Net assets</b>	<b>22,481.77</b>	21,367.58	<b>443.44</b>	1,446.92

**Reconciliation to carrying amounts**

Particulars	₹ Crore			
	Reliance Power Limited		Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Opening carrying value	<b>9,239.35</b>	8,762.39	<b>1,318.34</b>	1,451.21
Profit / (Loss) for the year	<b>447.24</b>	477.22	<b>(311.37)</b>	(172.65)
Other comprehensive income	<b>2.87</b>	0.45	<b>0.08</b>	(0.23)
Stake increased/(decreased) during the year	-	-	<b>(40.01)</b>	40.01
Carrying cost adjustments	<b>27.16</b>	(0.71)	-	-
<b>Closing carrying value</b>	<b>9,716.62</b>	9,239.35	<b>967.04</b>	1,318.34
Group's share in %	<b>43.22%</b>	43.22%	<b>29.84%</b>	30.76%
Group's share in ₹	<b>9,716.62</b>	9,239.35	<b>967.04</b>	1,318.34
Including Goodwill	-	-	<b>901.92</b>	901.92
<b>Carrying amount</b>	<b>9,716.62</b>	9,239.35	<b>967.04</b>	1,318.34

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### Summarised Statement of Profit and Loss

₹ Crore

Particulars	Reliance Power Limited		Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Revenue	10,122.90	10,891.68	457.13	603.12
Profit / (Loss) before tax	1,231.34	1,425.42	(1,224.42)	(760.12)
Profit / (Loss) after tax	1,034.81	1,104.16	(1,011.97)	(577.22)
Other comprehensive income	6.63	1.03	0.27	(0.71)
Total comprehensive income	1,041.44	1,105.19	(1,011.70)	(577.93)
Dividends received	-	-	-	-

### b) Summarised Statement of Profit and Loss of Immaterial Associates

₹ Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Share in profit or (loss)	0.66	0.45
Share in other comprehensive income	(0.05)	(0.09)
Share in total comprehensive income	0.61	0.36

### c) Summarised Statement of Profit and Loss of Immaterial Joint Venture

₹ Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Share in profit or (loss)	4.16	4.03
Share in other comprehensive income	(0.27)	(0.12)
Share in total comprehensive income	3.89	3.91

## 43. Additional Information required by Schedule III

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ Crore	As % of consolidated profit or loss	₹ Crore	As % of consolidated other comprehensive income	₹ Crore	As % of consolidated total comprehensive income	₹ Crore
<b>Parent</b>								
<b>Reliance Infrastructure Limited</b>								
March 31, 2018	90.77%	21,984.66	124.25%	1,664.37	95.46%	19.13	123.83%	1,683.50
March 31, 2017	89.92%	20,995.14	90.40%	1,288.41	101.30%	(24.45)	90.22%	1,263.96
<b>Subsidiaries (group's share)</b>								
<b>Indian</b>								
<b>BSES Kerala Power Limited</b>								
March 31, 2018	1.60%	386.50	-0.92%	(12.37)	0.00%	0.00	-0.91%	(12.37)
March 31, 2017	1.71%	398.87	-3.58%	(50.97)	0.00%	0.00	-3.64%	(50.97)
<b>Reliance Power Transmission Limited</b>								
March 31, 2018	0.17%	40.33	-0.06%	(0.77)	0.19%	0.04	-0.05%	(0.73)
March 31, 2017	0.18%	41.06	0.00%	0.06	0.00%	0.00	0.00%	0.06
<b>North Karanpura Transmission Company Limited</b>								
March 31, 2018	0.00%	(0.42)	-0.02%	(0.31)	0.00%	0.00	-0.02%	(0.31)
March 31, 2017	0.00%	(0.41)	-0.69%	(9.77)	0.00%	0.00	-0.70%	(9.77)

## Notes annexed to and forming part of the Consolidated Financial Statements

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ Crore	As % of consolidated profit or loss	₹ Crore	As % of consolidated other comprehensive income	₹ Crore	As % of consolidated total comprehensive income	₹ Crore
<b>Talcher II Transmission Company Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>(0.27)</b>	<b>-0.02%</b>	<b>(0.27)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.02%</b>	<b>(0.27)</b>
March 31, 2017	0.00%	(0.29)	-0.70%	(9.98)	0.00%	0.00	-0.71%	(9.98)
<b>Parbati Koldam Transmission Company Limited</b>								
<b>March 31, 2018</b>	<b>1.68%</b>	<b>407.17</b>	<b>2.03%</b>	<b>27.18</b>	<b>-0.59%</b>	<b>(0.12)</b>	<b>1.99%</b>	<b>27.06</b>
March 31, 2017	1.78%	416.22	4.83%	68.86	0.31%	(0.07)	4.91%	68.78
<b>Mumbai Metro One Private Limited</b>								
<b>March 31, 2018</b>	<b>0.29%</b>	<b>71.42</b>	<b>-17.79%</b>	<b>(238.31)</b>	<b>0.09%</b>	<b>0.02</b>	<b>-17.53%</b>	<b>(238.29)</b>
March 31, 2017	1.33%	309.71	-19.19%	(273.49)	0.05%	(0.01)	-19.52%	(273.50)
<b>Reliance Sea Link One Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>
March 31, 2017	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>DS Toll Road Limited</b>								
<b>March 31, 2018</b>	<b>0.23%</b>	<b>56.57</b>	<b>-0.15%</b>	<b>(2.01)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.15%</b>	<b>(2.01)</b>
March 31, 2017	0.25%	58.55	0.22%	3.16	0.00%	0.00	0.23%	3.16
<b>NK Toll Road Limited</b>								
<b>March 31, 2018</b>	<b>0.72%</b>	<b>174.78</b>	<b>-0.10%</b>	<b>(1.32)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.10%</b>	<b>(1.32)</b>
March 31, 2017	0.15%	36.09	0.60%	8.58	0.00%	0.00	0.61%	8.58
<b>GF Toll Road Private Limited</b>								
<b>March 31, 2018</b>	<b>0.77%</b>	<b>185.90</b>	<b>-2.45%</b>	<b>(32.79)</b>	<b>0.03%</b>	<b>0.01</b>	<b>-2.41%</b>	<b>(32.79)</b>
March 31, 2017	0.68%	157.69	-3.27%	(46.63)	0.01%	(0.00)	-3.33%	(46.64)
<b>KM Toll Road Private Limited</b>								
<b>March 31, 2018</b>	<b>1.72%</b>	<b>416.81</b>	<b>-2.32%</b>	<b>(31.09)</b>	<b>-0.05%</b>	<b>(0.01)</b>	<b>-2.29%</b>	<b>(31.10)</b>
March 31, 2017	1.51%	353.12	-3.44%	(49.09)	-0.10%	0.02	-3.50%	(49.07)
<b>PS Toll Road Private Limited</b>								
<b>March 31, 2018</b>	<b>5.84%</b>	<b>1,414.91</b>	<b>-8.27%</b>	<b>(110.80)</b>	<b>0.52%</b>	<b>0.10</b>	<b>-8.14%</b>	<b>(110.70)</b>
March 31, 2017	6.53%	1,525.61	-0.96%	(13.75)	0.93%	(0.23)	-1.00%	(13.98)
<b>DA Toll Road Private Limited</b>								
<b>March 31, 2018</b>	<b>3.44%</b>	<b>832.05</b>	<b>-0.05%</b>	<b>(0.70)</b>	<b>-0.60%</b>	<b>(0.12)</b>	<b>-0.06%</b>	<b>(0.82)</b>
March 31, 2017	3.57%	832.87	0.89%	12.73	0.64%	(0.16)	0.90%	12.57
<b>HK Toll Road Private Limited</b>								
<b>March 31, 2018</b>	<b>1.25%</b>	<b>302.78</b>	<b>-2.99%</b>	<b>(40.06)</b>	<b>0.63%</b>	<b>0.13</b>	<b>-2.94%</b>	<b>(39.93)</b>
March 31, 2017	1.46%	340.71	-5.17%	(73.67)	-0.49%	0.12	-5.25%	(73.56)
<b>TK Toll Road Private Limited</b>								
<b>March 31, 2018</b>	<b>1.40%</b>	<b>339.80</b>	<b>-0.67%</b>	<b>(8.99)</b>	<b>-0.23%</b>	<b>(0.05)</b>	<b>-0.66%</b>	<b>(9.04)</b>
March 31, 2017	1.32%	308.59	-0.63%	(8.94)	0.23%	(0.05)	-0.64%	(8.99)

# Reliance Infrastructure Limited

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	As % of consolidated net assets	₹ Crore	As % of consolidated profit or loss	₹ Crore	As % of consolidated other comprehensive income	₹ Crore	As % of consolidated total comprehensive income	₹ Crore
<b>TD Toll Road Private Limited</b>								
<b>March 31, 2018</b>	<b>0.32%</b>	<b>77.61</b>	<b>-0.94%</b>	<b>(12.57)</b>	<b>-0.56%</b>	<b>(0.11)</b>	<b>-0.93%</b>	<b>(12.68)</b>
March 31, 2017	0.31%	72.59	-0.92%	(13.14)	0.25%	(0.06)	-0.94%	(13.20)
<b>SU Toll Road Private Limited</b>								
<b>March 31, 2018</b>	<b>0.61%</b>	<b>148.24</b>	<b>-1.38%</b>	<b>(18.45)</b>	<b>-0.03%</b>	<b>(0.01)</b>	<b>-1.36%</b>	<b>(18.46)</b>
March 31, 2017	0.71%	166.69	-2.31%	(32.94)	0.20%	(0.05)	-2.35%	(32.99)
<b>JR Toll Road Private Limited</b>								
<b>March 31, 2018</b>	<b>0.27%</b>	<b>66.13</b>	<b>-1.55%</b>	<b>(20.76)</b>	<b>-0.37%</b>	<b>(0.08)</b>	<b>-1.53%</b>	<b>(20.84)</b>
March 31, 2017	0.31%	71.91	-1.40%	(20.01)	-0.16%	0.04	-1.43%	(19.97)
<b>Reliance Energy Trading Limited</b>								
<b>March 31, 2018</b>	<b>0.06%</b>	<b>13.84</b>	<b>0.04%</b>	<b>0.52</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.04%</b>	<b>0.52</b>
March 31, 2017	0.06%	13.32	0.43%	6.12	0.00%	0.00	0.44%	6.12
<b>Reliance Cement Company Private Limited</b>								
<b>March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
March 31, 2017	0.00%	0.00	2.26%	32.17	0.00%	0.00	2.30%	32.17
<b>CBD Tower Private Limited</b>								
<b>March 31, 2018</b>	<b>0.77%</b>	<b>186.55</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>
March 31, 2017	0.80%	186.55	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Reliance Electric Generation and Supply Limited</b>								
<b>March 31, 2018</b>	<b>-0.18%</b>	<b>(43.79)</b>	<b>-3.54%</b>	<b>(47.48)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-3.49%</b>	<b>(47.48)</b>
March 31, 2017	0.00%	(0.01)	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Utility Infrastructure &amp; Works Private Limited</b>								
<b>March 31, 2018</b>	<b>0.03%</b>	<b>6.80</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.03%	6.80	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Airport Developers Limited (erstwhile Reliance Airport Developers Private Limited)</b>								
<b>March 31, 2018</b>	<b>0.29%</b>	<b>70.80</b>	<b>-0.01%</b>	<b>(0.10)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.01%</b>	<b>(0.10)</b>
March 31, 2017	0.30%	70.90	-0.01%	(0.10)	0.00%	0.00	-0.01%	(0.10)
<b>Baramati Airport Private Limited</b>								
<b>March 31, 2018</b>	<b>0.06%</b>	<b>15.12</b>	<b>-0.02%</b>	<b>(0.31)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.02%</b>	<b>(0.31)</b>
March 31, 2017	0.07%	15.43	-0.02%	(0.24)	0.00%	0.00	-0.02%	(0.24)
<b>Latur Airport Private Limited</b>								
<b>March 31, 2018</b>	<b>0.02%</b>	<b>3.81</b>	<b>-0.03%</b>	<b>(0.38)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.03%</b>	<b>(0.38)</b>
March 31, 2017	0.02%	4.19	-0.02%	(0.26)	0.00%	0.00	-0.02%	(0.26)

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<b>Nanded Airport Private Limited</b>								
<b>March 31, 2018</b>	<b>-0.03%</b>	<b>(7.93)</b>	<b>-0.68%</b>	<b>(9.12)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.67%</b>	<b>(9.12)</b>
March 31, 2017	0.01%	1.18	-0.25%	(3.52)	0.00%	0.00	-0.25%	(3.52)
<b>Osmanabad Airport Private Limited</b>								
<b>March 31, 2018</b>	<b>0.02%</b>	<b>5.99</b>	<b>-0.03%</b>	<b>(0.43)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.03%</b>	<b>(0.43)</b>
March 31, 2017	0.03%	6.42	-0.02%	(0.29)	0.00%	0.00	-0.02%	(0.29)
<b>Yavatmal Airport Private Limited</b>								
<b>March 31, 2018</b>	<b>0.01%</b>	<b>1.61</b>	<b>-0.02%</b>	<b>(0.29)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.02%</b>	<b>(0.29)</b>
March 31, 2017	0.01%	1.90	-0.02%	(0.24)	0.00%	0.00	-0.02%	(0.24)
<b>Reliance Cement Corporation Private Limited</b>								
<b>March 31, 2018</b>	<b>-0.04%</b>	<b>(9.32)</b>	<b>0.00%</b>	<b>(0.01)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.01)</b>
March 31, 2017	-0.04%	(9.31)	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Defence Systems Private Limited</b>								
<b>March 31, 2018</b>	<b>5.90%</b>	<b>1,429.53</b>	<b>-2.24%</b>	<b>(30.07)</b>	<b>0.05%</b>	<b>0.01</b>	<b>-2.21%</b>	<b>(30.06)</b>
March 31, 2017	6.16%	1,438.19	-0.52%	(7.41)	-1.35%	0.33	-0.51%	(7.09)
<b>Reliance Defence Technologies Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.00	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Defence and Aerospace Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>(0.04)</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	(0.04)	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Reliance Defence Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>(0.55)</b>	<b>-1.45%</b>	<b>(19.43)</b>	<b>-1.17%</b>	<b>(0.23)</b>	<b>-1.45%</b>	<b>(19.67)</b>
March 31, 2017	0.12%	29.12	-1.19%	(17.01)	1.93%	(0.47)	-1.25%	(17.47)
<b>Reliance Defence Infrastructure Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.04</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance SED Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.04</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Propulsion System Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.04</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Defence Systems &amp; Tech Limited</b>								
<b>March 31, 2018</b>	<b>-0.01%</b>	<b>(2.82)</b>	<b>-0.17%</b>	<b>(2.22)</b>	<b>0.01%</b>	<b>0.00</b>	<b>-0.16%</b>	<b>(2.22)</b>
March 31, 2017	0.00%	(0.50)	-0.04%	(0.55)	0.00%	0.00	-0.04%	(0.55)

# Reliance Infrastructure Limited

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<b>Reliance Helicopters Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.04</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Land Systems Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.03</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.03	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Naval Systems Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.03</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.04	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Reliance Unmanned Systems Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.04</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Aerostructure Limited</b>								
<b>March 31, 2018</b>	<b>-0.02%</b>	<b>(5.62)</b>	<b>-0.10%</b>	<b>(1.32)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.10%</b>	<b>(1.32)</b>
March 31, 2017	-0.02%	(4.38)	-0.20%	(2.85)	0.00%	0.00	-0.20%	(2.85)
<b>Reliance Cruise and Terminals Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.04</b>	<b>0.00%</b>	<b>(0.01)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.01)</b>
March 31, 2017	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Dassault Reliance Aerospace Limited</b>								
<b>March 31, 2018</b>	<b>0.05%</b>	<b>11.73</b>	<b>-0.30%</b>	<b>(3.97)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-0.29%</b>	<b>(3.97)</b>
March 31, 2017	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Reliance Rafael Defence Systems Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.01</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.01	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Reliance Smart Cities Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.04</b>	<b>0.00%</b>	<b>(0.01)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.01)</b>
March 31, 2017	0.00%	0.04	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Reliance E-Generation and Management Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.01</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.01	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Energy Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.04</b>	<b>0.00%</b>	<b>(0.01)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.01)</b>
March 31, 2017	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)

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<b>BSES Rajdhani Power Limited</b>								
<b>March 31, 2018</b>	<b>6.10%</b>	<b>1,477.40</b>	<b>10.83%</b>	<b>145.11</b>	<b>1.35%</b>	<b>0.27</b>	<b>10.69%</b>	<b>145.38</b>
March 31, 2017	5.71%	1,332.02	7.59%	108.21	-0.33%	0.08	7.73%	108.29
<b>BSES Yamuna Power Limited</b>								
<b>March 31, 2018</b>	<b>3.17%</b>	<b>767.85</b>	<b>3.01%</b>	<b>40.31</b>	<b>0.91%</b>	<b>0.18</b>	<b>2.98%</b>	<b>40.49</b>
March 31, 2017	3.12%	727.36	2.38%	33.94	-0.21%	0.05	2.43%	33.99
<b>Tamil Nadu Industries Captive Power Company Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>(0.71)</b>	<b>0.00%</b>	<b>(0.01)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.01)</b>
March 31, 2017	0.00%	(0.70)	0.00%	(0.03)	0.00%	0.00	0.00%	(0.03)
<b>Delhi Airport Metro Express Private Limited</b>								
<b>March 31, 2018</b>	<b>0.13%</b>	<b>30.64</b>	<b>-1.63%</b>	<b>(21.84)</b>	<b>-0.29%</b>	<b>(0.06)</b>	<b>-1.61%</b>	<b>(21.90)</b>
March 31, 2017	-0.12%	(27.75)	-0.60%	(8.51)	-0.35%	0.08	-0.60%	(8.43)
<b>Mumbai Metro Transport Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.44</b>	<b>0.00%</b>	<b>(0.02)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.02)</b>
March 31, 2017	0.00%	0.48	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Western Transco Power Limited</b>								
<b>March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>0.14%</b>	<b>1.84</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.14%</b>	<b>1.84</b>
March 31, 2017	0.00%	0.05	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Western Transmission (Gujarat) Limited</b>								
<b>March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>0.21%</b>	<b>3.01</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.22%</b>	<b>3.01</b>
March 31, 2017	0.00%	0.05	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Property Developers Private Limited (erstwhile Reliance Infra Solutions Private Limited)</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.01</b>	<b>0.00%</b>	<b>(0.00)</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>(0.00)</b>
March 31, 2017	0.00%	0.01	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Armaments Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.05</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>
March 31, 2017	-	-	-	-	-	-	-	-
<b>Reliance Ammunition Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.05</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>
March 31, 2017	-	-	-	-	-	-	-	-
<b>Reliance Velocity Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.01</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>
March 31, 2017	-	-	-	-	-	-	-	-

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ Crore	As % of consolidated profit or loss	₹ Crore	As % of consolidated other comprehensive income	₹ Crore	As % of consolidated total comprehensive income	₹ Crore
<b>Spice Commerce and Trade Private Limited</b>								
<b>March 31, 2018</b>	-	-	-	-	-	-	-	-
March 31, 2017	-	-	0.03%	0.37	0.00%	0.00	0.03%	0.37
<b>Space Trade Enterprises Private Limited</b>								
<b>March 31, 2018</b>	-	-	-	-	-	-	-	-
March 31, 2017	-	-	0.03%	0.50	0.00%	0.00	0.04%	0.50
<b>Skyline Global Trade Private Limited</b>								
<b>March 31, 2018</b>	-	-	-	-	-	-	-	-
March 31, 2017	-	-	-0.01%	(0.18)	0.00%	0.00	-0.01%	(0.18)
<b>Worldcom Solutions Limited</b>								
<b>March 31, 2018</b>	-	-	-	-	-	-	-	-
March 31, 2017	-	-	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Hirma Power Limited</b>								
<b>March 31, 2018</b>	-	-	-	-	-	-	-	-
March 31, 2017	-	-	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Jayamkondam Power Limited</b>								
<b>March 31, 2018</b>	-	-	-	-	-	-	-	-
March 31, 2017	-	-	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Reliance Thermal Energy Limited</b>								
<b>March 31, 2018</b>	-	-	-	-	-	-	-	-
March 31, 2017	-	-	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Nodia Global SEZ Private Limited</b>								
<b>March 31, 2018</b>	-	-	-	-	-	-	-	-
March 31, 2017	-	-	0.06%	0.92	0.00%	0.00	0.07%	0.92
<b>Globtech Advisory Services Limited</b>								
<b>March 31, 2018</b>	-	-	-	-	-	-	-	-
March 31, 2017	-	-	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Reliance Toll Road Trust</b>								
<b>March 31, 2018</b>	0.04%	9.35	0.00%	-	0.00%	0.00	0.00%	0.00
March 31, 2017	0.04%	9.35	0.00%	-	0.00%	0.00	0.00%	0.00
<b>Reliance Delhi Metro Trust</b>								
<b>March 31, 2018</b>	0.00%	0.01	0.00%	-	0.00%	0.00	0.00%	0.00
March 31, 2017	0.00%	0.01	0.00%	-	0.00%	0.00	0.00%	0.00
<b>Non-controlling interests in all subsidiaries</b>								
<b>March 31, 2018</b>	-6.51%	(1,576.48)	3.06%	41.04	-1.11%	(0.22)	3.00%	40.82
March 31, 2017	-6.84%	(1,596.95)	2.18%	30.76	-1.12%	0.27	2.20%	31.03



**Notes annexed to and forming part of the Consolidated Financial Statements**

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ Crore	As % of consolidated profit or loss	₹ Crore	As % of consolidated other comprehensive income	₹ Crore	As % of consolidated total comprehensive income	₹ Crore
<b>Associates</b>								
<b>(Investment as per equity method)</b>								
<b>Indian</b>								
<b>Reliance Power Limited</b>								
<b>March 31, 2018</b>	<b>40.12%</b>	<b>9,716.62</b>	<b>33.39%</b>	<b>447.24</b>	<b>14.30%</b>	<b>2.87</b>	<b>33.11%</b>	<b>450.11</b>
March 31, 2017	39.57%	9,239.35	33.48%	477.16	-1.84%	0.45	34.09%	477.61
<b>Metro One Operation Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>1.14</b>	<b>0.05%</b>	<b>0.66</b>	<b>-0.05%</b>	<b>(0.01)</b>	<b>0.05%</b>	<b>0.65</b>
March 31, 2017	0.00%	0.81	0.04%	0.51	0.37%	(0.09)	0.03%	0.42
<b>Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited)</b>								
<b>March 31, 2018</b>	<b>3.99%</b>	<b>967.04</b>	<b>-23.25%</b>	<b>(311.37)</b>	<b>0.41%</b>	<b>0.08</b>	<b>-22.90%</b>	<b>(311.29)</b>
March 31, 2017	5.65%	1,318.34	-12.11%	(172.65)	0.96%	(0.23)	-12.34%	(172.89)
<b>Reliance Geo Thermal Power Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>
March 31, 2017	-	-	-	-	-	-	-	-
<b>RPL Sun Technique Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>
March 31, 2017	0.00%	0.01	-	-	-	-	-	-
<b>RPL Photon Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>
March 31, 2017	0.00%	0.01	-	-	-	-	-	-
<b>RPL Sun Power Private Limited</b>								
<b>March 31, 2018</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>
March 31, 2017	0.00%	0.01	-	-	-	-	-	-
<b>Joint ventures</b>								
<b>(Investment as per equity method)</b>								
<b>Indian</b>								
<b>Utility Powertech Limited</b>								
<b>March 31, 2018</b>	<b>0.08%</b>	<b>19.95</b>	<b>0.31%</b>	<b>4.16</b>	<b>-1.34%</b>	<b>(0.27)</b>	<b>0.29%</b>	<b>3.89</b>
March 31, 2017	0.07%	16.77	0.28%	4.03	0.49%	(0.12)	0.28%	3.91
<b>Inter Co. Elimination/Adjustments arising out of consolidation</b>								
<b>March 31, 2018</b>	<b>-65.14%</b>	<b>(15,775.42)</b>	<b>-4.18%</b>	<b>(55.95)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-4.12%</b>	<b>(55.95)</b>
March 31, 2017	-66.46%	(15,516.60)	11.56%	164.77	0.00%	0.00	11.76%	164.77
<b>Total</b>								
<b>March 31, 2018</b>	<b>100%</b>	<b>24,218.98</b>	<b>100%</b>	<b>1,339.50</b>	<b>100%</b>	<b>19.82</b>	<b>100%</b>	<b>1,359.32</b>
March 31, 2017	100%	23,347.52	100%	1,425.18	100%	(24.14)	100%	1,401.04

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### 44. Financial Instrument and Risk Management

#### Note A : Fair value measurements

##### (a) Financial instruments by category

Particulars	As at March 31, 2018			As at March 31, 2017		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments	3.73	-	-	3.73	-	-
- Preference shares	1,412.64	-	-	1,302.81	-	-
- Debentures	1010.11	-	-	886.06	-	-
- Mutual funds	362.84	-	-	247.36	-	-
- Government securities	-	-	120.80	-	-	127.28
Trade receivables	-	-	5,423.39	-	-	5,642.86
Other Loan and Advances	-	-	1,063.29	-	-	1,216.12
Intercorporate Deposits	-	-	13,102.63	-	-	11,134.59
Security deposits	-	-	137.29	-	-	140.11
Loan to Employee	-	-	49.75	-	-	50.39
Derivative financial assets	-	-	-	0.02	-	-
Concession financial receivables	-	-	-	-	-	75.54
Interest accrued /receivable	-	-	1,172.51	-	-	427.30
Receivable from DMRC	-	-	1,173.20	-	-	966.20
Claim receivable from NHAI	-	-	48.96	-	-	24.41
Grant receivable from NHAI	-	-	34.91	-	-	113.44
Unbilled revenue	-	-	470.02	-	-	510.31
Cash and cash equivalents	-	-	512.01	-	-	562.81
Bank Balances other than Cash and cash equivalents	-	-	548.17	-	-	113.92
Margin money with Banks	-	-	126.36	-	-	39.71
Bank deposits with more than 12 months maturity	-	-	7.14	-	-	10.29
<b>Total financial assets</b>	<b>2,789.32</b>	<b>-</b>	<b>23,990.43</b>	<b>2,439.98</b>	<b>-</b>	<b>21,155.32</b>
<b>Financial liabilities</b>						
Borrowings (including finance lease obligations and interest accrued)	-	-	28,158.52	-	-	30,586.05
Trade payables	-	-	22,156.24	-	-	21,067.07
Security deposits	-	-	702.63	-	-	664.64
Deposits from Consumers	-	-	1,223.98	-	-	1,258.65
NHAI premium payable	-	-	2,782.64	-	-	2,646.25
Derivative financial liabilities	15.60	-	-	19.06	-	-
Financial guarantee obligation	9.24	-	-	10.33	-	-
Unpaid dividends	-	-	15.46	-	-	14.33
Other Payable	-	-	947.99	-	-	165.68
Creditors for capital expenditure	-	-	759.22	-	-	776.84
<b>Total financial liabilities</b>	<b>24.84</b>	<b>-</b>	<b>56,746.68</b>	<b>29.39</b>	<b>-</b>	<b>57,179.51</b>

Notes annexed to and forming part of the Consolidated Financial Statements

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ Crore)				
Assets and liabilities measured at fair value – recurring fair value measurements as at March 31, 2018	Level 1	Level 2	Level 3	Total
<b>Financial instruments at FVTPL</b>				
Equity instruments	-	-	3.73	3.73
Preference shares	-	-	1,412.64	1,412.64
Debentures	-	-	1,010.11	1,010.11
Mutual funds	362.84	-	-	362.84
Financial guarantee obligation	-	-	9.24	9.24
<b>Derivatives not designated as hedges</b>				
Derivative financial liability	-	15.60	-	15.60
Derivative financial assets	-	-	-	-
Assets and liabilities for which fair values are disclosed as at March 31, 2018	Level 1	Level 2	Level 3	Total
<b>Non-financial assets</b>				
Investment property	-	-	531.00	531.00
Non Current Assets Held for sale and Discontinued Operations	-	-	3,774.22	3,774.22
<b>Financial assets</b>				
Government securities	120.71	-	-	120.71
<b>Investments in equity instruments of associates</b>				
Reliance Power Limited	4,375.31	-	-	4,375.31
Reliance Naval and Engineering Limited	620.08	-	-	620.08
<b>Financial liabilities</b>				
Borrowings (including finance lease obligations and interest accrued thereon)	-	-	28,463.49	28,463.49
Assets and liabilities measured at fair value – recurring fair value measurements as at March 31, 2017	Level 1	Level 2	Level 3	Total
<b>Financial instruments at FVTPL</b>				
Equity instruments	-	-	3.73	3.73
Preference shares	-	-	1,302.81	1,302.81
Debentures	-	-	886.06	886.06
Mutual funds	247.36	-	-	247.36
Financial guarantee obligation	-	-	10.33	10.33
<b>Derivatives not designated as hedges</b>				
Derivative financial liability	-	19.06	-	19.06
Derivative financial assets	-	0.02	-	0.02

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

(₹ Crore)				
Assets and liabilities for which fair values are disclosed As at March 31, 2017	Level 1	Level 2	Level 3	Total
<b>Non-financial assets</b>				
Investment property	-	-	558.42	558.42
<b>Financial assets</b>				
Government securities	128.10	-	-	128.10
Service concession receivables	-	-	75.54	75.54
<b>Investments in equity instruments of associates</b>				
Reliance Power Limited	5,829.71	-	-	5,829.71
Reliance Naval and Engineering Limited	1,521.76	-	-	1,521.76
<b>Financial liabilities</b>				
Borrowings (including finance lease obligations and interest accrued thereon)	-	-	29,817.75	29,817.75

There were no transfers between any levels during the year

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3.

### c) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis and Earnings/EBITDA multiple method.

All of the resulting fair value estimates are included in level 1 and 2 except for unlisted equity securities, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### (d) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2018 and March 31, 2017:

(₹ Crore)	
Particulars	Level 3 financial assets
<b>As at March 31, 2017</b>	<b>2,202.93</b>
Other fair value gains/(losses) recognised in Consolidated Statement of profit and loss (unrealised)	232.79
<b>As at March 31, 2018</b>	<b><u>2,435.72</u></b>

**Notes annexed to and forming part of the Consolidated Financial Statements**
**(e) Valuation processes**

The finance department of the group obtains assistance of independent and competent third party valuers to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This experts report to the financial risk management team, chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the group's quarterly reporting periods.

The main level 3 inputs used by the group are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Group's internal credit risk management group.
- For unlisted equity securities, their fair values are estimated based on the book values of the companies / Earnings / EBITDA multiple methods.

**f) Fair value of financial assets and liabilities measured at amortised cost**

Particulars	(₹ Crore)			
	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Government securities	120.80	120.71	127.28	128.10
Service concession receivables	-	-	75.54	75.54
<b>Financial liabilities</b>				
Borrowings (including finance lease obligations and interest accrued thereon)	28,158.52	28,463.49	30,586.05	29,817.75

The carrying amounts of trade receivables, trade payables, advances to employees including interest thereon, short term security deposits, deposits from customers, amount due from / to customers for contract work, unpaid dividends, bank deposits with original maturity of more than 3 months but less than 12 months, grants/claims receivable/payable from /to regulators (DMRC), bank deposits with more than 12 months maturity, Loans, other current receivables and payables capital creditors and cash and cash equivalents are considered to have their fair values approximately equal to their carrying values. The fair values for other assets and liabilities were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy if there is inclusion of unobservable inputs including counterparty credit risk. The fair values of non-current borrowings and finance lease obligations are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Particulars	Fair value as at		Valuation technique	Significant unobservable inputs and range
	As at	As at		
	March 31, 2018	March 31, 2017		
Equity instruments	3.73	3.73	Earnings/EBITDA multiple method	Earnings growth factor: 7% to 9%
Preference shares	1,412.64	1,302.81	Discounted cash flow	Discount rate: 12.5% to 16%
Debentures	1,010.11	886.06		

**Relationship to observable inputs to fair value:**

Rate increase by 100 basis points would result in reduction in fair value and decrease the profit and investment for March 31, 2018 by ₹ 191.76 Crore (March 31, 2017: ₹ 186.41 Crore). A rate decrease would have led to an increase in fair value, profit and investment for March 31, 2018 by ₹ 212.40 Crore (March 31, 2017: ₹ 211.53 Crore).

100 basis points change in the unobservable input for unquoted equity instruments does not have a significant impact in its value.

## Notes annexed to and forming part of the Consolidated Financial Statements

### Note B : Financial Risk Management

The group's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The group's senior management has overall responsibility for the establishment and oversight of the group's risk management framework. The group has constituted a Risk Management Committee, which is responsible for developing and monitoring the group's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the group. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The Risk Management Committee of the group is supported by the Finance team and experts of respective business divisions that provides assurance that the group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the group's policies and risk objectives. The activities are designed to:

- protect the group's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the group's financial investments, while maximising returns.

The Treasury department provides funding and foreign exchange management services for the group's operations. In addition to guidelines and exposure limits, a system of authorities and extensive independent reporting covers all major areas of treasury's activity.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Highly probable forecast transactions, firm commitments, recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts, Principal only swaps, Cross currency swaps
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk – security prices	Investments in equity securities and mutual funds	Sensitivity analysis	Portfolio diversification

The group's risk management is carried out by a central treasury department (group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### a) Credit risk

The group is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents, investments carried at amortised cost or fair value through profit & loss and deposits with banks and financial institutions, as well as credit exposures to trade/non-trade customers including outstanding receivables.

#### (i) Credit risk management

Credit risk is managed at segment level, subsidiary entity level, parent entity/group level depending on the policy surrounding credit risk management. For banks and financial institutions, only high rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at parent entity or group level except for those surrounding accounts receivable balances. Each subsidiary entity and segment of the parent is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. For other financial assets, the group assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics. The group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

Rating 1: High-quality assets, negligible credit risk

Rating 2: Quality assets, low credit risk

Rating 3: Medium to low quality assets, Moderate to high credit risk

Rating 4: Doubtful assets, credit-impaired

Notes annexed to and forming part of the Consolidated Financial Statements

The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- Internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations
- actual or expected significant changes in the operating results of the customer
- significant increase in credit risk on other obligations of the same customer
- significant changes in the value of the collateral supporting the obligation
- Significant changes in the expected performance and behaviour of the customer, including changes in the operating results of the customer.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. In respect of the Distribution Business of the Group, the Group decides the amount of the Provision for Expected Loss (Provision for Doubtful Debts) based on the connection status of the consumers. Any dues for more than six months in respect of disconnected consumers and for more than 2 years in respect of connected consumers are provided for. In respect of the EPC Business of the Group, the Group decides the amount of the Provision for Expected Loss (Provision for Doubtful Debts) after a period of 3 years from the date the amount receivable becomes due. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

(ii) **Provision for expected credit losses**

The group provides for expected credit loss based on the following:

Category	Description of category	Internal rating	Basis for recognition of expected credit losses (Investments and loans, Security deposits, other deposits and receivables)
High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Rating 1	12-month expected credit losses
Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	Rating 2	12-month expected credit losses
Medium to low quality assets, Moderate to high credit risk	Assets where there is a moderate to high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as medium to low quality assets. Also includes assets where the credit risk of counter-party has increased significantly since initial recognition though payments may not be more than 60 days past due	Rating 3	12-month expected credit losses for financial assets for which credit risk has not increased significantly since initial recognition. For others Lifetime expected credit losses
Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Rating 4	Asset is written off

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### Trade receivables, retentions on contract and amounts due from customers for contract work

The Group has businesses where it collects fare from customers prior to rendering of services viz Metro and Toll roads; these businesses do not have exposure to credit risk. In case of transmission and generation business, regulator approved tariff is receivable from long-term transmission customers (LTTCS) and Discoms that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very low. In respect of construction contracts, the Group has receivables from associate companies where the management perceives the risk of recovery to be remote.

The Group considers for impairment its receivables from customers in its Mumbai and Delhi distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collaterals. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. However, the Group has assessed that the concentrations of risk in these balance is not material considering the high collection efficiency.

### Investments other than equity instruments and receivables trade receivables, retentions on contract and amounts due from customers for contract work.

The Group has investments in Central Government securities which enjoy sovereign credit rating which is negligible. Management does not believe there is a risk of non-recoverability in such investments. Investments in financial assets other than equity instruments, trade receivables, retentions on contract and amounts due from customers for contract work are exposed to the risk of loss that may occur in future from the failure of counterparties or issuers to make payments according to the terms of the contract. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented in the balance sheet.

#### Year ended March 31, 2018:

##### (a) Expected credit loss for financial assets where general model is applied

							(₹ Crore)
Particulars	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of provision	
Financial assets for which credit risk has / has not increased significantly since initial recognition	Loss allowance measured at 12 month / Life time expected credit losses	Government Securities	Rating 1	120.80	0%	-	120.80
		Security deposits	Rating 2	154.99	11%	17.70	137.29
		Service concession receivables	Rating 1	-	0%	-	-
		Other receivables	Rating 1	4,155.67	3%	143.03	4,012.64
		Loans	Rating 2/3	15,656.77	16%	2,554.14	13,102.63

#### Year ended March 31, 2017:

##### (b) Expected credit loss for financial assets where general model is applied

							(₹ Crore)
Particulars	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of provision	
Financial assets for which credit risk has / has not increased significantly since initial recognition	Loss allowance measured at 12 month / Life time expected credit losses	Government Securities	Rating 1	127.28	0%	-	127.28
		Security deposits	Rating 2	157.93	11%	17.78	140.15
		Service concession receivables	Rating 1	75.54	0%	-	75.54
		Other receivables	Rating 1	3,383.81	2%	75.64	3,308.17
		Loans	Rating 2/3	13,678.52	19%	2,543.93	11,134.59



Notes annexed to and forming part of the Consolidated Financial Statements

(iii) Reconciliation of loss allowance provision – Trade receivables, retentions on contract and amounts due from customers for contract work under simplified approach

	(₹ Crore)
<b>Reconciliation of loss allowance</b>	<b>Lifetime expected credit losses measured using simplified approach</b>
Loss allowance as at March 31, 2017	448.99
Changes in loss allowance	(18.76)
Loss allowance as at March 31, 2018	<u>467.75</u>

(iv) Reconciliation of loss allowance provision – Other than trade receivables, retentions on contract and amounts due from customers for contract work under general model approach

	(₹ Crore)
<b>Reconciliation of loss allowance</b>	<b>Loss allowance measured at 12 month / Life time expected losses</b>
Loss allowance as at March 31, 2017	2,637.35
Add (Less): Changes in loss allowances due to Assets originated or purchased (net)	77.52
Loss allowance as at March 31, 2018	<u>2,714.87</u>

b) Liquidity risk

- (i) Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The following are contractual maturity of financial liability at the reporting date. The amount are gross and undiscounted, and includes contractual interest payment.

	(₹ Crore)		
<b>Contractual maturities of financial liabilities as at March 31, 2018</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
<b>Non-derivatives</b>			
Borrowings	9,916.97	19,765.54	29,682.51
Finance lease obligations	509.47	9,892.17	10,401.64
Trade payables	22,147.44	8.80	22,156.24
Security and other deposits	1,541.22	385.39	1,926.61
NHAI premium payable	277.06	6,868.06	7,145.12
Financial guarantee obligation	-	9.24	9.24
Creditors for capital expenditure	759.22	-	759.22
Other finance liabilities	1,651.02	157.41	1,808.43
<b>Total non-derivative liabilities</b>	<u>36,802.40</u>	<u>37,086.61</u>	<u>73,889.01</u>
<b>Derivatives (net settled)</b>			
Forward Contracts	-	15.60	15.60
Principal Only Swap	-	-	-
<b>Total derivative liabilities</b>	<u>-</u>	<u>15.60</u>	<u>15.60</u>

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

(₹ Crore)

Contractual maturities of financial liabilities As at March 31, 2017	Less than 1 year	More than 1 year	Total
<b>Non-derivatives</b>			
Borrowings	12,633.75	19,814.67	32,448.42
Finance lease obligations	509.47	10,396.79	10,906.26
Trade payables	21,062.09	4.98	21,067.07
Security and other deposits	1,559.33	363.96	1,923.29
NHAI premium payable	263.86	7,145.12	7,408.98
Financial guarantee obligation	-	10.33	10.33
Creditors for capital expenditure	776.84	-	776.84
Other finance liabilities	504.66	230.12	734.78
<b>Total non-derivative liabilities</b>	<b>37,310.00</b>	<b>37,965.97</b>	<b>75,275.97</b>
<b>Derivatives (net settled)</b>			
Forward Contracts	5.79	-	5.79
Principal Only Swap	-	13.27	13.27
<b>Total derivative liabilities</b>	<b>5.79</b>	<b>13.27</b>	<b>19.06</b>

### c) Market risk

#### (i) Foreign currency risk

The Group operates in a business that exposes it to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the Group is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

- (a) As per the risk management policy, foreign exchange forward contracts are taken to manage such risk. The Group also imports certain assets of capital nature which exposes it to foreign currency risk. To minimise the risk of imports, the Group enters into foreign exchange forward contracts.

Particulars	As at March 31, 2018		As at March 31, 2017	
	USD	EUR	USD	USD
<b>Financial assets</b>				
Investment in preference shares	9.81	-	9.81	-
Trade Receivable	27.14	1.33	27.20	0.72
Bank balance in EEFC accounts	0.07	-	3.84	0.02
<b>Exposure to foreign currency risk (assets)</b>	<b>37.02</b>	<b>1.33</b>	<b>40.85</b>	<b>0.74</b>
<b>Financial liabilities</b>				
Foreign currency loan	12.47	0.40	15.70	-
Bank loan	4.98	-	9.40	-
Trade payables	12.43	2.56	10.69	2.70
<b>Derivative liabilities</b>				
Forward contracts	-	-	(2.06)	-
<b>Exposure to foreign currency risk (liabilities)</b>	<b>29.88</b>	<b>2.96</b>	<b>33.73</b>	<b>2.70</b>

Notes annexed to and forming part of the Consolidated Financial Statements

(b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts.

Particulars	Impact on profit before tax	
	As at March 31, 2018	As at March 31, 2017
USD sensitivity		
INR/USD –Increase by 6%*	20.08	27.58
INR/USD –decrease by 6%*	(20.08)	(27.58)

\*Holding all other variables constant

The outstanding Euro & GBP denominated balance being insignificant has not been considered for the purpose of sensitivity disclosures.

(ii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. Group policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During March 31, 2018 and March 31, 2017, the Group's borrowings at variable rate were mainly denominated in INR and USD.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, the Group agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Generally, the Group raises long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the Group borrowed at fixed rates directly.

(a) Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at	
	March 31, 2018	March 31, 2017
Variable rate borrowings	16,216.44	19,196.04
Fixed rate borrowings	6,927.50	6,617.82
<b>Total borrowings</b>	<b>23,143.94</b>	<b>25,813.86</b>

As at the end of the reporting period, the Group had the following variable rate borrowings and interest rate swap contracts outstanding:

Particulars	As at March 31, 2018			As at March 31, 2017		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank overdrafts, bank loans	11.23%	16,216.44	70%	14.78%	19,196.04	74%
<b>Net exposure to cash flow interest rate risk</b>		<b>16,216.44</b>			<b>19,196.04</b>	

An analysis by maturities is provided above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

# Reliance Infrastructure Limited

## Notes annexed to and forming part of the Consolidated Financial Statements

### (b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	(₹ Crore)	
	Impact on profit before tax	
	As at March 31, 2018	As at March 31, 2017
Interest rates – increase by 100 basis points*	(162.16)	(191.96)
Interest rates – decrease by 20 basis points*	32.43	38.39

### (iii) Price risk

#### (a) Exposure

The Group's exposure to equity securities price risk arises from unquoted equity investments and quoted mutual funds held by the Group and classified in the balance sheet as fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Group invests only in accordance with the limits set by the Group. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as fair value through other comprehensive income.

#### (b) Sensitivity

Particulars	(₹ Crore)	
	Impact on other components of equity	
	As at March 31, 2018	As at March 31, 2017
Price increase by 10%	36.66	25.11
Price decrease by 10%	(36.66)	(25.11)

## 45. Capital Management

### (a) The Group considers the following components of its Balance Sheet to be managed capital:

1. Total equity – retained profit, general reserves and other reserves, share capital, share premium
2. Working capital.

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group's aims to translate profitable growth to superior cash generation through efficient capital management. The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor, and market confidence and to sustain future development and growth of its business. The Group's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Group. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders. The Group's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

Notes annexed to and forming part of the Consolidated Financial Statements

(b) Dividends

(₹ Crore)		
Particulars	As at March 31, 2018*	As at March 31, 2017*
<b>Equity Shares</b>		
Final dividend for the year ended March 31, 2017 of ₹ 9.00 per fully paid share which was paid in the year 2017-18 .	<b>283.44</b>	251.39
<b>Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year end, the directors have recommended the payment of a final dividend of ₹ 9.50 per fully paid equity share (March 31, 2017 – ₹ 9.00) (including dividend tax).	<b>301.20</b>	284.87
This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		
(*including dividend tax and net of set-off of write back of excess provision)		

Compiled from the Audited Consolidated Financial Statements of the Company referred to in our Report dated April 23, 2018  
As per our attached Report of even date

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

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

**Vishal D. Shah**  
Partner  
Membership No. 119303

For and on behalf of the Board

**Anil D Ambani** DIN – 00004878  
**S Seth** DIN – 00004631  
**S S Kohli** DIN – 00169907  
**K Ravikumar** DIN – 00119753  
**V R Galkar** DIN – 00009177  
**Shiv Prabhat** DIN – 07319520

Chairman  
Vice Chairman

} Directors

**Lalit Jalan**  
**Sridhar Narasimhan**  
**Aashay Khandwala**

Chief Executive Officer  
Chief Financial Officer  
Company Secretary

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

Date : April 23, 2018  
Place : Mumbai

## Part "A" Details of Subsidiaries

Name of entity	Date from which they became subsidiary company	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investment	Turnover ##	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	% of shareholding
BSES Rajdhani Power Limited	April 01, 2015	1,040.00	437.45	13,969.40	12,491.95	-	9,683.79	176.33	31.22	145.11	51.00
BSES Yamuna Power Limited	April 01, 2015	556.00	211.85	11,117.21	10,349.36	-	5,659.62	50.40	10.09	40.31	51.00
BSES Kerala Power Limited	November 20, 2006	62.76	323.74	390.55	4.05	0.56	72.74	-12.37	@	-12.37	100.00
Reliance Power Transmission Limited	October 6, 2006	0.05	40.29	41.39	1.04	-	0.06	-0.76	-0.01	-0.78	100.00
Parbati Koldam Transmission Company Limited	November 23, 2007	272.84	134.33	985.11	577.94	-	175.06	62.30	35.11	27.18	74.00
Mumbai Metro One Private Limited	February 28, 2007	512.00	-501.97	2,930.18	2,920.16	-	318.52	-238.31	@	-238.31	69.00
Mumbai Metro Transport Private Limited	April 01, 2015	0.05	0.39	0.55	0.11	-	@	-0.02	@	-0.02	48.00
Delhi Airport Metro Express Private Limited	April 01, 2015	0.96	1,755.19	3,966.71	2,210.57	0.01	0.19	-21.84	@	-21.84	99.95
Tamil Nadu Industries Captive Power Company Limited	April 01, 2015	36.51	-37.22	@	0.71	-	@	-0.01	@	-0.01	33.70
Reliance Sea Link One Private Limited	May 26, 2010	0.01	-0.01	@	@	-	@	@	@	@	90.00
SU Toll Road Private Limited	April 01, 2015	18.41	129.82	910.63	762.39	-	95.69	-26.40	-7.95	-18.45	100.00
TD Toll Road Private Limited	April 01, 2015	10.74	66.86	429.83	352.22	-	34.77	-17.31	-4.74	-12.57	100.00
TK Toll Road Private Limited	April 01, 2015	12.76	327.05	695.68	355.88	-	41.94	-13.09	-4.10	-8.99	100.00
DS Toll Road Limited	May 23, 2008	5.21	51.36	367.92	311.36	10.90	67.90	-2.00	0.01	-2.01	100.00
NK Toll Road Limited	May 23, 2008	4.48	170.30	296.91	122.13	5.15	37.11	-2.59	-1.27	-1.32	100.00
GF Toll Road Private Limited	December 23, 2008	1.96	183.93	667.25	481.36	-	73.17	-32.79	@	-32.79	100.00
JR Toll Road Private Limited	April 01, 2015	0.01	66.12	455.01	388.88	-	47.38	-27.63	-6.87	-20.76	100.00
PS Toll Road Private Limited	February 09, 2010	0.01	1,414.90	3,621.38	2,206.47	-	346.91	-136.28	-25.48	-110.80	74.00
KM Toll Road Private Limited	February 04, 2010	3.41	413.40	1,626.51	1,209.69	-	91.60	-48.49	-17.40	-31.09	100.00
HK Toll Road Private Limited	May 19, 2010	3.71	299.07	1,905.68	1,602.90	-	145.25	-83.75	-43.69	-40.06	100.00
DA Toll Road Private Limited	May 26, 2010	9.02	823.03	2,447.40	1,615.35	95.41	635.55	2.57	3.27	-0.70	100.00
Nanded Airport Private Limited	September 29, 2009	2.85	-10.79	19.42	27.35	-	0.41	-9.12	@	-9.12	74.24
Baramati Airport Private Limited	September 29, 2009	2.13	12.99	24.96	9.84	-	0.47	-0.31	@	-0.31	74.24
Latur Airport Private Limited	September 29, 2009	0.83	2.98	6.13	2.32	0.02	0.07	-0.38	@	-0.38	74.24
Yavatmal Airport Private Limited	September 29, 2009	0.34	1.27	3.25	1.64	-	0.02	-0.29	@	-0.29	74.24
Osmanabad Airport Private Limited	September 29, 2009	0.80	5.19	9.26	3.27	-	0.01	-0.43	@	-0.43	74.24
Reliance Airport Developers Limited (erstwhile Reliance Airport Developers Private Limited)	September 25, 2009	7.14	63.66	83.03	12.23	-	0.06	-0.10	@	-0.10	65.21
CBD Tower Private Limited	May 21, 2008	190.44	-3.88	665.95	479.40	-	@	@	@	@	89.00
Reliance Energy Trading Limited	December 31, 2007	2.00	11.56	14.02	0.46	-	0.70	0.38	0.09	0.29	100.00
Reliance Cement Corporation Private Limited *	September 05, 2009	0.13	-9.45	0.01	9.33	-	@	-0.01	@	-0.01	100.00
Reliance Electric Generation and Supply Limited *	January 19, 2009	0.05	-43.84	1,500.14	1,543.93	-	@	-47.48	@	-47.48	100.00
Utility Infrastructure and Works Private Limited	December 28, 2010	0.69	6.10	6.80	@	-	@	@	@	@	100.00
Reliance Defence Systems Private Limited	December 22, 2014	0.01	1,429.52	1,460.26	30.73	1,428.26	2.94	-30.07	@	-30.07	100.00

Name of entity	Date from which they became subsidiary company	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investment	Turnover ##	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	% of shareholding
Reliance Defence Technologies Private Limited *	December 22, 2014	0.01	-0.01	0.01	0.01	-	@	@	@	@	100.00
Reliance Defence and Aerospace Private Limited *	December 22, 2014	0.01	-0.05	0.01	0.05	-	@	@	@	@	100.00
Reliance Defence Limited	Mar 28, 2015	0.05	-0.60	4.95	5.50	0.49	0.79	-18.32	1.11	-19.43	100.00
Reliance Defence Infrastructure Limited *	April 27, 2015	0.05	-0.01	0.04	@	0.04	@	@	@	@	100.00
Reliance SED Limited *	May 2, 2015	0.05	-0.01	0.04	@	0.04	@	@	@	@	100.00
Reliance Propulsion System Limited *	April 27, 2015	0.05	-0.01	0.04	@	0.04	@	@	@	@	100.00
Reliance Defence Systems and Tech Limited * (erstwhile Reliance Space Limited)	April 27, 2015	0.05	-2.87	0.16	2.98	0.03	@	-2.22	@	-2.22	100.00
Reliance Helicopters Limited *	April 27, 2015	0.05	-0.01	0.04	@	@	@	@	@	@	100.00
Reliance Land Systems Limited *	April 27, 2015	0.05	-0.02	0.03	@	0.02	@	@	@	@	100.00
Reliance Naval Systems Limited *	May 2, 2015	0.05	-0.02	0.03	@	0.02	@	@	@	@	100.00
Reliance Unmanned Systems Limited *	April 27, 2015	0.05	-0.01	0.04	@	0.03	@	@	@	@	100.00
Reliance Aerostructure Limited *	April 27, 2015	0.05	-5.67	84.26	89.88	@	@	@	@	@	100.00
Reliance Cruise and Terminals Limited *	February 22, 2016	0.05	@	@	@	@	@	@	@	@	100.00
Dassault Reliance Aerospace Limited *	February 10, 2017	13.75	-3.97	49.75	39.97	-	0.63	-3.97	@	-3.97	51.00
Reliance Rafael Defence Systems Private Limited *	December 16, 2016	0.01	@	0.01	@	-	@	@	@	@	100.00
North Karanpura Transmission Company Limited	May 20, 2010	0.64	-1.06	19.10	20.15	-	@	-0.31	@	-0.31	100.00
Talcher II Transmission Company Limited	April 27, 2010	0.74	-1.01	18.65	19.66	-	@	-0.29	@	-0.29	100.00
Reliance Toll Road Trust	April 01, 2015	9.35	@	9.35	@	-	@	@	@	@	100.00
Reliance Delhi Metro Trust	April 01, 2015	0.01	@	0.01	-0.01	-	@	@	@	@	100.00
Reliance Smart Cities Limited *	August 06, 2015	0.05	-0.01	0.04	@	-	@	-0.01	@	-0.01	100.00
Reliance E-Generation and Management Private Limited *	March 31, 2016	0.01	@	0.01	@	-	@	@	@	@	100.00
Reliance Energy Limited *	January 07, 2016	0.05	-0.01	0.04	@	-	@	-0.01	@	-0.01	100.00
Western Transco Power Limited ^	December 26, 2016	-	-	-	-	-	@	1.84	@	1.84	100.00
Western Transmission (Gujarat) Limited ^	December 26, 2016	-	-	-	-	-	@	3.01	@	3.01	100.00
Reliance Property Developers Private Limited * (erstwhile Reliance Infra Solutions Private Limited)	June 02, 2016	0.01	@	0.01	@	-	@	@	@	@	100.00
Reliance Armaments Limited *	November 16, 2017	0.05	@	0.05	@	-	@	@	@	@	100.00
Reliance Ammunition Limited *	November 29, 2017	0.05	@	0.05	@	-	@	@	@	@	100.00
Reliance Velocity Limited *	February 17, 2018	0.01	-	0.01	-	-	-	-	-	-	100.00

## including rate regulated income / (expenses) and other income. ^ Sold during the year, \* yet to commence business, @ figures below 50,000/-

## Statement containing salient features of the financial statements of Subsidiaries/Associates/Joint Ventures

### Part "B" : Associates and Joint Ventures

Name of Associates/Joint Ventures	Date from which they became associates company	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on year end			Networth attributable to shareholding as per latest audited Balance Sheet	Profit/ (Loss) for the year		Description of how there is significant influence	Reasons why the associate/ Joint venture is not consolidated
			No. of equity shares	Amount of Investments in Associates/ Joint Ventures	Extend of Holding %		Considered in Consolidated	Not Considered in Consolidation		
Associates										
Reliance Power Limited	June 13, 2016	31.03.2018	1,21,19,98,193	2,849.77	43.22	9,716.62	447.24	-	Note - A	-
Reliance Naval and Engineering Limited (erstwhile Reliance Defence and Engineering Limited)	January 08, 2016	31.03.2018	22,01,03,025	1,428.26	29.84	967.04	(311.37)	-	Note - A	-
Metro One Operation Private Limited	April 01, 2009	31.03.2018	3,000	@	30	1.14	0.66	-	Note - A	-
Reliance Geo Thermal Power Private Limited	January 17, 2015	31.03.2018	2,500	@	25	-	@	-	Note - A	-
RPL Photon Private Limited	June 16, 2016	31.03.2018	5,000	0.01	50	-	@	-	Note - A	-
RPL Sun Technique Private Limited	June 16, 2016	31.03.2018	5,000	0.01	50	-	@	-	Note - A	-
RPL Sun Power Private Limited	June 16, 2016	31.03.2018	5,000	0.01	50	-	@	-	Note - A	-
Joint Ventures										
Utility Powertech Limited	November 23, 1995	31.03.2018	7,92,000	0.40	19.80	19.95	4.03	-	Note - B	-

Note A- There is significant influence due to percentage(%) of Share Capital.

Note B- There is significant influence as per share holding agreement.

For and on behalf of the Board

**Anil D Ambani**  
**S Seth**  
**S S Kohli**  
**K Ravikumar**  
**V R Galkar**  
**Shiv Prabhat**

Chairman  
Vice Chairman  
Directors

Chief Executive Officer  
Chief Financial Officer  
Company Secretary

**Lalit Jalan**  
**Sridhar Narasimhan**  
**Aashay Khandwala**

Date : April 23, 2018  
Place : Mumbai





**PLEASE SIGN AND SEND THIS TO KARVY COMPUTERSHARE PRIVATE LIMITED**

**FORM FOR UPDATION OF RECORDS**

**Reliance Infrastructure Limited**  
**H Block, 1st Floor**  
**Dhirubhai Ambani Knowledge City**  
**Navi Mumbai 400 710**

Dear Sir(s),

**Sub.: Updation of Permanent Account Number (PAN) and bank account details**

This has reference to circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 issued by the Securities and Exchange Board of India (**SEBI**), regarding mandatory updation of Permanent Account Number (PAN) and bank account details.

I / we furnish the following information for your reference and record:

Folio Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**A. Bank account details**

Mobile no. of the sole / first holder																			
---------------------------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

E-mail ID.


Name of bank


Branch name

Branch address  
with PIN code

Account Number

(as appearing in  
the cheque leaf)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Account type

**Saving**

**Current**

Please place a tick mark (✓) in the appropriate box

9 Digit Code No.  
of Bank / Branch  
as appearing on  
MICR cheque  
issued by the bank

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

(9 Digit Code Number appearing on the MICR Bank of the Cheque supplied by the bank)

Please attach original cancelled cheque leaf with names of shareholders / bank passbook showing names of shareholders, duly attested by an authorised bank official.

11 Digit Indian  
Financial System  
Code (IFSC)

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**B. Permanent Account Number (PAN) details**

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\_\_\_\_\_  
**(Sole / First Holder)**

\_\_\_\_\_  
**(Second Holder)**

\_\_\_\_\_  
**(Third Holder)**

I / We confirm that whatever stated hereinabove is true and correct and that the documents being furnished by me / us are valid and in force and may be used by Karvy Computershare Private Limited to update records of all companies as mentioned in this letter and for all communication and disbursement of any dividend in future.

\_\_\_\_\_  
**(Sole / First Holder)**  
**Signature**

\_\_\_\_\_  
**(Second Holder)**  
**Signature**

\_\_\_\_\_  
**(Third Holder)**  
**Signature**

Encl. : as above

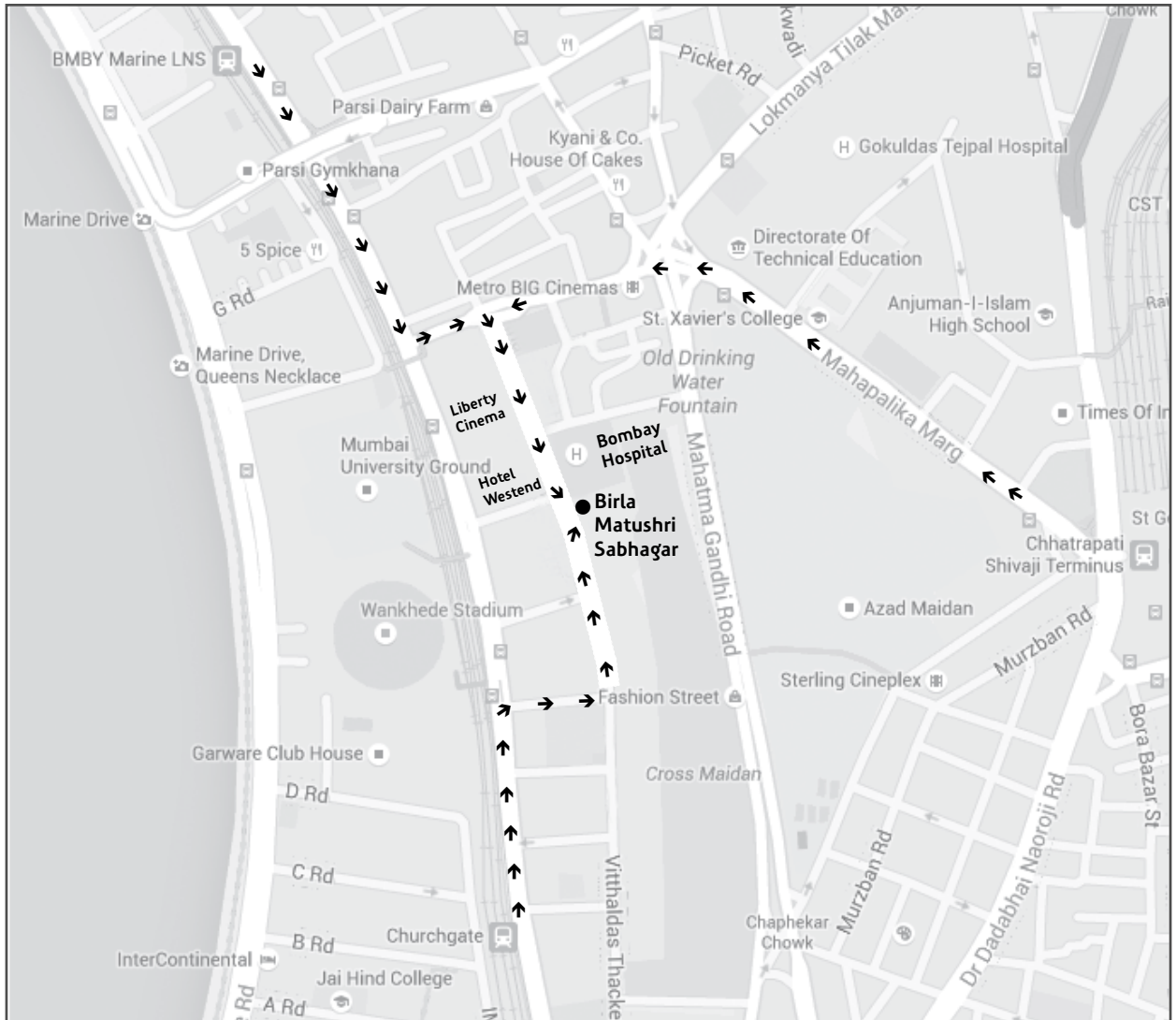
Date :

Place :

## Notes

## Route Map to the AGM Venue

Venue : Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020



**Landmark : Next to Bombay Hospital**

**Distance from Churchgate Station : 1 km**

**Distance from Chhatrapati Shivaji Terminus : 1.2 km**

**Distance from Marine Lines Station : 0.8 km**

**RELIANCE****Infrastructure****Reliance Infrastructure Limited**

Registered Office: H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710  
 Tel: +91 22 3303 1000 Fax: +91 22 3303 3664  
 Website: www.rinfra.com E-mail: rinfra@karvy.com  
 CIN:L75100MH1929PLC001530

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

**ATTENDANCE SLIP**

*DP Id.		Name & Address of the registered shareholder
Regd. Folio No./*Client Id.		
No. of Share(s) held		

(\*Applicable for Members holding Shares in electronic form)

I hereby record my presence at the **89<sup>th</sup> ANNUAL GENERAL MEETING** of the Members of Reliance Infrastructure Limited held on Tuesday, September 18, 2018 at 10.45 a.m. or soon after the conclusion of the Annual General Meeting of Reliance Communication Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020,

Member's/Proxy's Signature

TEAR HERE

**PROXY FORM****RELIANCE****Infrastructure****Reliance Infrastructure Limited**

Registered Office: H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710  
 Tel: +91 22 3303 1000 Fax: +91 22 3303 3664  
 Website: www.rinfra.com E-mail: rinfra@karvy.com  
 CIN:L75100MH1929PLC001530

**FORM NO. MGT-11**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
E-mail Id:	
*DP Id.	
Regd. Folio No./*Client Id.	

(\*Applicable for Members holding Shares in electronic form)

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

- (1) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him;
- (2) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him;
- (3) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 89<sup>th</sup> Annual General Meeting of the members of the Company, to be held on Tuesday, September 18, 2018 at 10.45 a.m. or soon after the conclusion of the Annual General Meeting of Reliance Communication Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions are indicated below:

Resolution No.	Matter of Resolution	For	Against
1.	To consider and adopt, a) the audited standalone financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon and b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2018 and the report of the Auditors thereon.		
2.	To declare dividend on equity shares.		
3.	To appoint a Director in place of Shri Shiv Prabhat (DIN 07319520), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment.		
4.	To confirm holding of office by M/s Pathak H.D. & Associates, Chartered Accountants, as Auditor for remaining term.		
5.	To confirm holding of office by M/s B S R & Co. LLP, Chartered Accountants, as Auditor for remaining term.		
6.	To approve Private Placement of Non Convertible Debentures and / or other Debt Securities		
7.	To consider and approve payment of remuneration to Cost Auditors for the financial year ending March 31, 2019.		

Signed this ..... day of ..... 2018.

Signature of Shareholder(s) : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Affix  
Revenue  
Stamp

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

If undelivered please return to :

**Karvy Computershare Private Limited**  
**(Unit: Reliance Infrastructure Limited)**

Karvy Selenium Tower – B, Plot No. 31 & 32,  
Survey No. 116/22, 115/24, 115/25,  
Financial District, Nanakramguda, Hyderabad 500 032.  
Tel.: +91 40 6716 1500 Fax : +91 40 6716 1791  
Email : [rinfra@karvy.com](mailto:rinfra@karvy.com), Website: [www.karvy.com](http://www.karvy.com)