

**ReLIANCE**

Infrastructure

# Annual Report 2018-19



**Padma Vibhushan**  
**Shri Dhirubhai H. Ambani**  
(28<sup>th</sup> December, 1932 – 6<sup>th</sup> 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, metro rail and airport in the infrastructure space and in the defence sector.

RInfra is a major player in providing Engineering and Construction (E&C) services for developing power, infrastructure, metro projects.

## 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.

# Reliance Infrastructure Limited

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Key Managerial Personnel		
Shri Sridhar Narasimhan – Chief Financial Officer		
Shri Paresh Rathod – Company Secretary		
Auditors		
M/s. Pathak H.D. & Associates		
Registered Office		
Reliance Centre, Ground Floor		
19, Walchand Hirachand Marg,		
Ballard Estate, Mumbai 400 001		
CIN : L75100MH1929PLC001530		
Tel. : +91 22 4303 1000		
Fax : +91 22 4303 3664		
Email : rinfra.investor@relianceada.com		
Website: www.rinfra.com		
Registrar and Transfer Agent		
Karvy Fintech Private Limited		
Karvy Selenium, Tower – B, Plot No. 31 & 32		
Survey No. 116/22, 115/24, 115/25		
Financial District, Nanakramguda		
Hyderabad 500 032.		
Website: www.karvyfintech.com		
Investor Helpdesk		
Toll free no (India) : 1800 4250 999		
Tel. no. : +91 40 6716 1500		
Fax no. : +91 40 6716 1791		
Email : rinfra@karvy.com		

**90<sup>th</sup> Annual General Meeting on Monday, September 30, 2019 at 11.15 A.M. or soon after conclusion of the AGM of Reliance Capital Limited convened on the same day, whichever is later, at Rama & Sundri Watumull Auditorium, Vidyasagar, Principal K M Kundhani Chowk, 124, Dinshaw Wachha Road, Churchgate, Mumbai – 400020**

*This Annual Report can be accessed at [www.rinfra.com](http://www.rinfra.com).*

## Notice

Notice is hereby given that the 90<sup>th</sup> Annual General Meeting of the Members of **Reliance Infrastructure Limited** will be held on Monday, September 30, 2019 at 11.15 A.M. or soon after the conclusion of the Annual General Meeting of Reliance Capital Limited convened on the same day, whichever is later, at Rama & Sundri Watumull Auditorium, Vidyasagar, Principal K M Kundnani Chowk, 124, Dinshaw Wachha Road, Churchgate, 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, 2019 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, 2019 and the report of the Auditors thereon.
2. To appoint a Director in place of Shri S. Seth (DIN:00004631), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To confirm M/s. Pathak H.D. & Associates, Chartered Accountants (Firm Registration no. 107783W) continuing as sole Statutory Auditors of the Company 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 Sections 139 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s. Pathak H.D. & Associates, Chartered Accountants (Firm Registration no. 107783W), who have been appointed as the Auditors to hold office till the conclusion of the 91<sup>st</sup> Annual General Meeting, be and is hereby confirmed as the sole Statutory Auditors of the Company."

### Special Business:

#### 4. Appointment of Shri Punit Garg as an Executive Director

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the provisions of the Articles of Association of the Company and as per the terms and conditions of the Agreement executed with him and any other applicable provisions of law and based on the recommendation of the Nomination and Remuneration Committee of the Board, Shri Punit Garg (DIN:00004407) who was appointed by the Board as an

Additional Director and designated as Executive Director and Chief Executive Officer by the Board of Directors of the Company on April 6, 2019, and who holds office as such up to the date of ensuing Annual General Meeting pursuant to the provisions of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** in accordance with the recommendation of the Nomination and Remuneration Committee of the Board of Directors and pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Act and the Rules and Regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company and subject to such sanctions / consents / approvals as may be necessary, consent of the Members be and is hereby accorded to the appointment of Shri Punit Garg as a Whole-time Director designated as an Executive Director of the Company for a period of three years commencing from April 6, 2019, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of Directors, the Board may have constituted or hereinafter constitute to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said appointment and / or remuneration payable to him during the tenure of his appointment subject to such increase being within the limits specified in the Act read with Schedule V to the Act.

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary contained hereinabove, in the event of loss or inadequacy of profit in any financial year during his tenure, the remuneration of ₹ 233 lakhs per annum inclusive of Performance Linked Incentive shall be paid to Shri Punit Garg as minimum remuneration.

**RESOLVED FURTHER THAT** the Board based on the recommendation of the Nomination and Remuneration Committee of the Board, be and is hereby authorised to provide annual increment / performance linked incentive payable to the Executive Director during tenure of his appointment in accordance with the Policy for appointment and remuneration of Directors, KMP and Senior Management adopted by the Board, and subject to the same being in line with the limits set out under the Act, read with Schedule V thereto as amended from time to time and as approved by the shareholders.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be deemed necessary, proper, desirable or expedient in its absolute discretion for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard without requiring the Board to seek any further consent or approval of the Members or otherwise to the

## Notice

end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

### 5. Appointment of Ms. Manjari Kacker as an Independent Director

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Manjari Kacker (DIN:06945359), who was appointed as an Additional Director by the Board pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing her candidature for appointment as a Director and in accordance with the recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from June 14, 2019."

### 6. Re-appointment of Ms. Ryna Karani as an Independent Director

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149(10) and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), as amended from time to time, Ms. Ryna Karani (DIN:00116930), whose term expires on September 19, 2019, as an Independent Director, who has given her consent for the appointment and has submitted a declaration that she meets the criteria for independence under Section 149 of the Act and the Listing Regulations and is eligible for re-appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing her candidature for appointment as a Director and in accordance with the recommendation of the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director for second term of five years to hold office from September 20, 2019 to September 19, 2024."

### 7. Re-appointment of Shri S. S. Kohli as an Independent Director

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149(10) and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), as amended from time to time, Shri S. S. Kohli (DIN:00169907), whose term expires on September 19, 2019, as an Independent Director, who has given his consent for the appointment and has also submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the Listing Regulations and is eligible for re-appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for appointment as a Director, and who shall attain the age of seventy five years on April 10, 2020, and in accordance with the recommendation of the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director for second term of five years to hold office from September 20, 2019 to September 19, 2024."

### 8. Re-appointment of Shri K. Ravikumar as an Independent Director

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149(10) and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), as amended from time to time, Shri K. Ravikumar (DIN:00119753), whose term expires on September 19, 2019, as an Independent Director, who has given his consent for the appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the Listing Regulations and is eligible for re-appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for appointment as a Director and in accordance with the recommendation of the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director for second term of five years to hold office from September 20, 2019 to September 19, 2024."

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### 9. Private placement of Non Convertible Debentures (NCDs) 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"), and the relevant Rules made there under, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), 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, including for refinancing of existing debt 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 be and is hereby authorized in its absolute discretion to determine, negotiate, modify and finalise the terms of issue including the class of investors to whom NCDs / other debt securities are to be issued, time of issue, securities to be offered, the number of NCDs / other debt securities, 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 consequential and to sign, execute and amend any deeds / documents / undertakings / agreements / papers / writings and to settle any questions arising therefrom, as may be required in this regard."

### 10. 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 ("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 thereunder, 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, 2020, be paid remuneration of ₹ 25,000 (Rupees twenty five thousand only) plus applicable taxes and out of pocket expenses, if any.

**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

Paresh Rathod  
Company Secretary

### Registered Office:

Reliance Centre, Ground Floor  
19, Walchand Hirachand Marg,  
Ballard Estate, Mumbai 400 001  
CIN:L75100MH1929PLC001530  
Website:www.rinfra.com  
August 30, 2019

### Notes :

- Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") relating to items of Special Business to be transacted at the Annual General Meeting ("the Meeting") is annexed hereto.
- 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 herself / himself, and the proxy need not be a Member of the Company. The instrument appointing the Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before commencement of the Meeting.**
- A 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 a proxy for any other shareholder. The holder of proxy shall prove his identity at the time of attending the meeting.
- 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.
- Attendance slip, proxy form and the route map of the venue of the meeting are annexed hereto.
- Members/Proxies are requested to bring their duly filled attendance slip sent herewith, along with their copy of the Annual Report to the Meeting.

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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 share(s) in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their folio number 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 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. 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 Company's Registrar and Transfer Agent, Karvy Fintech Private Limited ("Karvy") cannot change Bank Particulars or Bank Mandates for shares held in electronic form.
11. Non-Resident Indian Members are requested to inform Karvy 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.
12. Confirmation of continuation of M/s. Pathak H.D. & Associates, Chartered Accountants (Firm Registration no. 107783W) as sole Statutory Auditor:  
 Subsequent to resignation of M/s. BSR & Co. LLP as one of the Statutory Auditors, M/s. Pathak H. D. & Associates, Chartered Accountants confirmed to continue as sole Statutory Auditors of the Company. Accordingly, resolution set out at item no 3 seeking confirmation of members is proposed as an abundant caution.
13. Re-appointment and appointment of Directors:  
 At the ensuing Annual General Meeting, Shri S. Seth, 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 S. Seth are furnished hereunder.  
 Shri S. Seth, 63 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 Defence Limited, Reliance Defence and Aerospace Private Limited, Reliance Defence Systems Private Limited and Reliance Defence Technologies Private Limited.  
 He was a Member of the Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee of Reliance Power Limited till June 07, 2019. He is a Member of the Corporate Social Responsibility Committee of Reliance Telecom Limited and a Member of Stakeholders Relationship Committee of Board of the Company.  
 As on March 31, 2019, Shri S. Seth does not hold any shares of the Company. He does not hold any relationship with other Directors and Key Managerial Personnel of the Company.  
 At the ensuing Annual General Meeting, Shri Punit Garg is being appointed as a Director to be designated as Executive Director. Ms. Ryna Karani, Shri S. S. Kohli and Shri K. Ravikumar are being re-appointed as Independent Directors and Ms. Manjari Kacker is being appointed as an Independent Director.  
 The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended their respective appointments. The details pertaining to them pursuant to the requirements of Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings are furnished in statement pursuant to Section 102(1) of the Act accompanying this Notice and in the Corporate Governance Report forming part of this Annual Report.
14. Members are advised to refer to the section titled "Investor Information" provided in this Annual Report.
15. **Securities and Exchange Board of India (SEBI) has decided that securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form.**
16. Members are requested to fill in and submit online the Feedback Form provided in the 'Investor Relations' section on the Company's website i.e. [www.rinfra.com](http://www.rinfra.com) in order to aid the Company in its constant endeavour to enhance the standards of service to the investors.
17. 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 Statement. Any Member interested in obtaining a copy of the full Annual Report, may write to the Company or Karvy.
18. 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.



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19. Members holding shares in electronic mode:
  - a. are requested to submit their PAN and bank account details to their respective Depository Participants (DPs) 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.
20. With a view to address the difficulties in transfer of shares, faced by non-residents and foreign nationals, the SEBI vide its circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2019/30 dated February 11, 2019, has decided to grant relaxation to non-residents from the requirement to furnish PAN and permit them to transfer equity shares held by them in listed entities to their immediate relatives subject to the following conditions:
  - a. The relaxation shall only be available for transfers executed after January 1, 2016.
  - b. The relaxation shall only be available for non-commercial transactions, i.e. the transfer by way of gift among immediate relatives.
  - c. The non-resident shall provide copy of an alternate valid document to ascertain identity as well as the non-resident status.
21. 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.
22. The Annual Report 2018-19, the Notice of the Meeting and instructions for e-voting, along with the Attendance Slip and Proxy Form, in physical form are being sent to those shareholders whose e-mail addresses are not registered with the Company and by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless a Member has requested for a physical copy of the documents. All the above documents are also available on the website of the Company at [www.rinfra.com](http://www.rinfra.com).
23. In compliance with the provisions of Section 108 of the Act read with Rules made thereunder and Regulation 44 of the Listing Regulations, the Company is offering e-voting facility to all Members of the Company through Notice dated August 30, 2019 (remote e-voting). A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date i.e. Monday, September 23, 2019 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 10.00 A.M. on Thursday, September 26, 2019 to 5.00 P.M. on Sunday, September 29, 2019. At the end of remote e-voting period, the facility shall forthwith be blocked. The Members shall 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 on the website of Karvy at [www.karvyinfotech.com](http://www.karvyinfotech.com).

**Statement pursuant to Section 102 (1) of the Companies Act, 2013 to the accompanying Notice dated August 30, 2019**

**Item No. 4: Appointment of Shri Punit Garg as an Executive Director**

The Board of Directors at its meeting held on April 6, 2019 has appointed Shri Punit Garg as an Additional Director designated as an Executive Director and Chief Executive Officer for a period of three years effective from April 6, 2019. The appointment and his remuneration is based on the recommendation of the Nomination and Remuneration Committee of the Board. The Board has approved the same subject to approval of the Members and other approvals as may be required.

As per provisions of the Act, as an Additional Director, Shri Garg holds office upto the date of ensuing Annual General Meeting. Shri Garg has given his consent for the appointment and has also confirmed that he is not in any way disqualified from the appointment as per provisions of Section 164 of the Act.

The Company has received a notice in writing from a Member under Section 160 of the Act, proposing the candidature of Shri Punit Garg for the office of a Director of the Company.

Shri Garg is functioning in a professional capacity and he does not have any interest in the capital of the Company or in any of its subsidiary companies (except holding 1500 equity shares of the Company) either directly or indirectly or through any other statutory structures. He is not related to the Directors, Promoters or Key Managerial Personnel of the Company or any of its subsidiaries at any time during last two years before his appointment.

Shri Garg fulfils the conditions for eligibility of the appointment as contained in Part I of Schedule V of the Act. The Company has obtained approval from the lenders as required under Schedule V of the Act.

In view of the above and pursuant to the provisions of Schedule V to the Act, the following information is provided in connection with the special resolution proposed to be passed in respect of the appointment of and remuneration payable to Shri Garg.

# Reliance Infrastructure Limited

## Statement pursuant to Section 102 (1) of the Companies Act, 2013 to the accompanying Notice dated August 30, 2019

The details pertaining to Shri Garg pursuant to the requirements of Schedule V of the Act, Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings are given as under:

### General Information

- (i) **Nature of industry** – Infrastructure
- (ii) **Date of commencement of commercial production** – 23.11.1929
- (iii) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus** – Not Applicable
- (iv) **Financial performance based on given indicators**

₹ in crore

Particulars (Consolidated Financials)	2017- 18	2016-17	2015-16
Total Income	28,428.81	28,222.02	19,002.29
Profit before Tax	1006.21	911.27	1,749.06
Provision for Tax	(151.47)	(174.11)	346.31
Profit After Tax (after share of associates and non controlling interest)	1,339.50	1,425.18	1,974.56

- (v) **Foreign investments or collaborations, if any** – None. The foreign shareholding was 32.34% as on March 31, 2019.

### Information about the appointee

#### (i) Background details

Shri Punit Garg, aged 55 years, a qualified Engineer, is part of senior management team of Reliance Group since 2001 and is involved in taking a number of strategic decisions. Shri Garg has previously served as an Executive Director on the Board of Reliance Communications Limited. With rich experience of over 34 years, Shri Garg has created and led billion dollar businesses. As a visionary, strategist and team builder he has driven profitable growth through innovation and operational excellence.

#### (ii) Past remuneration

In the financial year 2017-18, the total remuneration paid to Shri Garg was NIL.

#### (iii) Recognition or awards

Shri Punit Garg was recognised among the top 25 CEOs of the world in its annual list of top 100 business leaders from telecom industry across the world by Global Telecom Business Magazine in the year 2008.

#### (iv) Job profile and his suitability

Shri Garg's job profile is controlling and managing the affairs of Reliance Infrastructure Limited (RInfra) and manage and superintend the business of RInfra Group Companies including all subsidiaries, associates and joint ventures. As Shri Garg has the requisite professional qualification and experience, he is eminently suited for the position.

#### (v) Remuneration proposed

The proposed remuneration is ₹ 233 lakh per annum is fixed pay. This has been approved by the Board based on the recommendation of the Nomination and Remuneration Committee of the Board under Section 178 of the Act. Shri Punit Garg is entitled for annual increment / performance linked incentive, as may be decided by the Board pursuant to recommendation of the Nomination and Remuneration Committee based on his performance and the performance of the Company and as per the Company Policy.

In addition, Shri Garg is also entitled for Company owned/ Leased Accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses and/or allowances for utilization of gas, electricity, water, furnishing and repairs, medical reimbursements, leave travel concession for self and his family including dependents, medical insurance. The said perquisites and allowances shall be evaluated wherever applicable as per the provisions of the Income Tax Act, 1961 or any Rules made thereunder including any statutory modification(s) thereto, for the time being in force. The Company's contribution to Provident Fund, Superannuation or Annuity Fund to the extent these singly or together are not taxable under the Income Tax Act, 1961 and gratuity payable and encashment of leave at the end of the tenure as per Rules of the Company shall not be included in the computation of the limits of the remuneration.

- (vi) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

The remuneration proposed to be paid to Shri Garg is comparable with persons holding similar positions in the industry. The proposed remuneration is commensurate with the size and operation of the Company.

- (vii) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any** – None

### Other information

- (i) **Reasons of loss or inadequate profits** – During the year, the Company has sold its integrated Mumbai Power Distribution Business which was its substantial business to Adani Transmission Limited (ATL).
- (ii) **Steps taken or proposed to be taken for improvement** The Company is currently focusing on Engineering and Construction (E&C) and defence business, which are 'asset light' and 'high growth'. The Company is moving towards 'debt free' scenario by monetizing its assets. The Company is in the process of exiting from the roads business.
- (iii) **Expected increase in productivity and profits in measurable terms** – In line with the Government's Policy of investing in infrastructure growth, the Company expects to grow its E&C order book and business relationship in defence business.
- (iv) Particulars of remuneration to Shri Punit Garg in terms of Schedule V has been provided under the Corporate Governance report forming part of this Annual Report.

**Statement pursuant to Section 102 (1) of the Companies Act, 2013 to the accompanying Notice dated August 30, 2019****Disclosures**

The disclosures required under Schedule V of the Act have been incorporated in the Directors' Report under Corporate Governance section.

Shri Garg is also a Director in BSES Rajdhani Power Limited and BSES Yamuna Power Limited, subsidiaries of the Company.

Shri Garg is a member of the Audit Committee, Risk Management Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Board of the Company.

Shri Garg will be liable to retire by rotation in accordance with the provisions of the Act.

The relatives of Shri Garg may be deemed to be interested in the resolution set out in Item No. 4 of the Notice, to the extent of their equity shareholding interest, if any, in the Company.

Save and except Shri Punit Garg, none of the Directors, Key Managerial Personnel of the Company and their relatives are, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board accordingly recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

**Item No. 5: Appointment of Ms. Manjari Kacker as an Independent Director**

Pursuant to the provisions of Section 161 of the Act and as per the recommendations of Nomination and Remuneration Committee, the Board of Directors appointed Ms. Manjari Kacker as Additional Director in the capacity of Independent Director of the Company for a term of 5 (five) consecutive years effective from June 14, 2019 subject to the approvals of Members. Pursuant to the provisions of Section 161 of the Act, Ms. Manjari Kacker will hold office up to the date of this Meeting.

Ms. Manjari Kacker is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given consent to act as Independent Director. The Company has also received declaration from Ms. Manjari Kacker that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Listing Regulations.

In the opinion of the Board, Ms. Manjari Kacker fulfills the conditions for appointment as Independent Director as specified in the Act and Listing Regulations and she is independent of management. Keeping in view the above, it is proposed to seek approval of the Members to appoint Ms. Manjari Kacker as an Independent Director on the Board of the Company, not liable to retire by rotation.

As required under Section 160 of the Act, the Company has received notice in writing from a Member proposing the candidature of Ms. Manjari Kacker for the office of the Director of the Company.

Copy of draft letter of appointment of Ms. Manjari Kacker as an Independent Director of the Company setting out the terms and conditions of appointment is available for inspection by the Members at the Company's registered office.

Ms. Manjari Kacker, 67 years, holds a Master's degree in Chemistry and a diploma in Business Administration. She has more than 40 years of experience in taxation, finance, administration

and vigilance. She was in the Indian Revenue Service batch of 1974. She held various assignments during her tenure in the tax department and was also a member of the Central Board of Direct Taxes. She has also served as the Functional Director (Vigilance and Security) in Air India and has also represented India in international conferences. Ms. Manjari Kacker is also a Director in Dhanvarsha Finvest Limited, Reliance Communications Limited, EGK Foods Private Limited, Water Systems & Infrastructure Development Services Private Limited, Hindustan Gum and Chemicals Limited and Zaffiro Learning Private Limited.

Ms. Manjari Kacker is not related to any other Director and Key Managerial Personnel of the Company. She does not hold any share in the Company.

The relatives of Ms. Manjari Kacker may be deemed to be interested in the resolutions set out at Item No. 5 of the Notice, to the extent of their equity shareholding interest, if any, in the Company.

Save and except Ms. Manjari Kacker, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

In the opinion of the Board, the above named persons proposed to be re-appointed as Independent Directors fulfil the conditions specified in the Companies Act, 2013 and Rules made thereunder and that the proposed Directors are independent of the Management.

**Item Nos. 6, 7 and 8: Re-appointment of Independent Directors**

Ms. Ryna Karani, Shri S. S. Kohli and Shri K. Ravikumar were appointed as Independent Directors on September 20, 2014 for a period of five consecutive years. The said period of five years expires on September 19, 2019. They are eligible for re-appointment as Independent Directors for another term of five consecutive years, subject to meeting criteria of independence and passing of a special resolution by the shareholders of the Company to that effect as required under the Act and the Listing Regulations.

Considering the performance evaluation of respective Directors, their consents and necessary disclosures to continue as an Independent Director of the Company and that they continue to meet criteria of Independence and based on the recommendations of Nomination and Remuneration Committee, the Board of Directors, on May 30, 2019, had approved their re-appointment as Independent Directors of the Company for the second term from September 20, 2019 to September 19, 2024, subject to approval of the shareholders. During their tenure of appointment, they shall not be liable to retire by rotation as provided under Section 152 (6) of the Act.

In the opinion of the Board, the above named persons proposed to be re-appointed as Independent Directors fulfil the conditions specified in the Companies Act, 2013 and Rules made thereunder and that the proposed Directors are independent of the Management.

# Reliance Infrastructure Limited

Statement pursuant to Section 102 (1) of the Companies Act, 2013 to the accompanying Notice dated August 30, 2019

**Brief profiles of the aforesaid Directors are given below:**

## **Ms. Ryna Karani**

Ms. Ryna Karani, 51 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 Communications Limited, Prime Urban Development India Limited and INEOS Styrolution India Limited.

Ms. Ryna Karani held 100 equity shares of the Company.

## **Shri S. S. Kohli**

Shri S. S. Kohli, 74 years, 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), 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/Chairman 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 22<sup>nd</sup> 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, BSES Yamuna Power Limited, Seamec Limited, Asian Hotels (West) Limited, BSES Rajdhani Power Limited, S V Creditline Limited, Indian Technocrat Limited and BLS International Services Limited.

## **Shri K. Ravikumar**

Shri K. Ravikumar, 69 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 9<sup>th</sup> in terms of market capitalization in India during his tenure at BHEL. He had handled a variety of assignments during his long career 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, Tamil Nadu 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.

The Company has received notices from a Member under section 160 of the Act proposing the candidature of the above named persons for the office of Director of the Company. A copy of draft letter of appointment of the Independent Directors of

## Statement pursuant to Section 102 (1) of the Companies Act, 2013 to the accompanying Notice dated August 30, 2019

the Company setting out the terms and conditions of their re-appointment is available for inspection by the Members at the Company's Registered Office during the office hours on all working days till the date of the Annual General Meeting.

Shri S. S. Kohli will attain the age of seventy five years on April 10, 2020 and pursuant to amended Regulation 17 of the Listing Regulations, continuation of office as Independent Director beyond the age of seventy five years would require the approval of Members by a Special Resolution. In view of the above, it is proposed to seek approval of the Members for continuation of directorship of Shri S. S. Kohli as Independent Director till the completion of his proposed term up to September 19, 2024.

Ms. Ryna Karani, Shri S. S. Kohli and Shri K. Ravikumar are interested in the resolutions set out respectively at Item Nos. 6 to 8 of the Notice in regard to their respective appointments. The relatives of Ms. Ryna Karani, Shri S. S. Kohli and Shri K. Ravikumar may be deemed to be interested in the resolutions set out respectively at Item Nos. 6 to 8 of the Notice, to the extent of their equity shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board accordingly recommends the Special Resolutions set out at Item Nos. 6 to 8 of the accompanying Notice for approval of the Members.

### Item No. 9: Private placement of Non Convertible Debentures (NCDs) and/or other Debt Securities

As per provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules made thereunder, a Company offering or making an invitation to subscribe to secured/ unsecured/ redeemable / non redeemable Non Convertible Debentures (NCDs) and other debt securities on a private placement basis is required to obtain the prior 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 such 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 to meet the ongoing funding requirements for the Company's business activities, and refinancing of the existing debt obligations of the Company.

The Board of Directors at its meeting held on June 14, 2019 considered the possibility of the Company being required to make an offer or invitation, to subscribe to securities through private placement, subject to the shareholders' approval at the ensuing Meeting.

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 / other debt securities, interest, repayment, security, use of proceeds 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. The Board would act on the basis of the enabling resolution 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, 71 and other applicable provisions, if any, of the Act and its Rules made thereunder as set out in Item No. 9 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 accordingly recommends the Special Resolution set out at Item No. 9 of the accompanying Notice for approval of the Members.

### Item No. 10: Remuneration to the Cost Auditors for the financial year ending March 31, 2020

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, 2020, at a remuneration of ₹ 25,000 (Rupees twenty five 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.10 of the Notice.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 10 of the accompanying Notice for approval of the Members.

By Order of the Board of Directors

Paresh Rathod  
Company Secretary

### Registered Office:

Reliance Centre, Ground Floor  
19, Walchand Hirachand Marg,  
Ballard Estate, Mumbai 400 001  
CIN:L75100MH1929PLC001530  
Website:www.rinfra.com  
August 30, 2019



# Reliance Infrastructure Limited

## Directors' Report

Dear Shareowners,

Your Directors present the 90<sup>th</sup> Annual Report and the audited financial statements for the financial year ended March 31, 2019.

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

The standalone financial performance of the Company for the financial year ended March 31, 2019 is summarised below:

Particulars	Financial year ended March 31, 2019		* Financial year ended March 31, 2018	
	₹ in crore	** US \$ Million	₹ in crore	** US \$ Million
Total Income	3,581	518	3,261	493
Gross Profit before depreciation	1,185	171	526	81
Depreciation	82	12	99	15
Exceptional Items-(Expenses)/Income	(6181)	(894)	284	44
Profit/(Loss) before taxation	(5078)	(734)	711	109
Tax expenses (Net) (including deferred tax and tax for earlier years)	(191)	(28)	(83)	(13)
Net profit from discontinuing operation	3974	575	870	134
Profit/(Loss) after taxation	(913)	(132)	1,664	256
Balance of profit brought forward from previous year	626	96	377	58
Other comprehensive income recognised directly in retained earnings	6	1	19	3
Add: Transfer on Scheme of Amalgamation	-	-	-	-
Profit available for appropriations	(281)	(35)	2,060	316
Dividend paid out on equity shares during the year (including tax on dividend) (Net)	297	43	284	42
Transfer to General Reserve	-	-	1,000	153
Transfer to Debenture Redemption Reserve	97	14	150	23
Balance carried to Balance Sheet	(675)	(92)	626	96

\*Figures of previous year have been regrouped and reclassified wherever required. Figures for the previous year pertaining to Mumbai Power Business have been considered as part of discontinued operation.

\*\* @ ₹ 69.1550= US \$ 1 Exchange rate as on March 31, 2019 (₹ 65.1750= US \$ 1 Exchange rate as on March 31, 2018).

### Financial Performance

During the year under review, your Company earned an income of ₹ 3,581 crore against ₹ 3,261 crore in the previous year. The Company incurred a loss of ₹ 913 crore for the year as compared to profit of ₹ 1,664 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

During the year under review, the Board of Directors has not recommended any dividend on the equity shares of the Company. The Dividend Distribution Policy of the Company is annexed herewith as Annexure E to this Report.

### Business Operations

The Company is amongst the leading player in the country in the Engineering and Construction (E&C) 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.

### Sale of Mumbai Power Business

During the year under review, a Scheme of Arrangement between the Company and Reliance Electric Generation and Supply Limited (REGSL) and their respective shareholders (the 'Scheme') already 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, was approved by Maharashtra Electricity Regulatory Commission (MERC) and the lenders. The Scheme was given effect to on August 29, 2018 effective from April 1, 2018.

As per the Share Purchase Agreement executed with the Adani Transmission Limited (ATL) in December 2017, the Company successfully completed the sale of its 100% shareholding in REGSL to ATL. The Company's Integrated Mumbai Power Distribution Business was transferred to ATL for a total transaction value of ₹ 18,800 crore which includes Regulatory Assets Under Approval of about ₹ 5,000 crore which will flow directly to the Company. Entire proceeds from the transaction was used for reduction of debt.

### Management Discussion and Analysis

The Management Discussion and Analysis for the year under review as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing

## Directors' Report

Regulations), is presented in a separate section forming part of this Annual Report.

### Issue and redemption of Non-Convertible Debentures

During the year under review, the Company had issued Secured Redeemable Non-Convertible Debentures aggregating to ₹ 385 crore (Series 29) on Private Placement basis to financial institutions. These Debentures are listed on the National Stock Exchange of India Limited. During the year, the Company has redeemed Non-Convertible Debentures aggregating to ₹ 2,021.50 crore upto March 31, 2019.

### 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, 2019.

### Particulars of Investments

Pursuant to Section 186 of the Act, details of the Investments made by the Company 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 Global Limited became a subsidiary of the Company and Reliance Electric Generation and Supply Limited ceased to be a subsidiary of the Company.

The operation 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 statement.

The Policy for determining material subsidiary company, as approved by the Board, may be accessed on the Company's website at [https://www.rinfra.com/documents/1142822/1190917/Policy\\_for\\_Determining\\_Material\\_Subsiary.pdf](https://www.rinfra.com/documents/1142822/1190917/Policy_for_Determining_Material_Subsiary.pdf).

### Standalone and Consolidated Financial Statements

The audited financial statements of the Company are drawn up, both on standalone and consolidated basis, for the financial year ended March 31, 2019, in accordance with the requirements of the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) notified under Section 133 of the Act, read with relevant rules and other accounting principles. The Consolidated Financial Statements have been prepared in accordance with Ind-AS and relevant provisions of the Act based on the financial statements received from subsidiaries, associates and joint ventures, as approved by their respective Board of Directors.

### Directors

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

During the year, Dr. V K Chaturvedi, Non Executive Director and Shri V R Galkar, Independent Director ceased to be Directors of the Company upon attaining the age of 75 years. Shri Shiv Prabhat, Non Executive Director resigned from the Board with effect from March 7, 2019 and Shri B C Patnaik and Ms. Manjari

Kacker were appointed as Additional Directors on March 7, 2019 and June 14, 2019 respectively to hold office up to the date of ensuing Annual General Meeting. Shri Punit Garg was appointed as an Additional Director and designated as Executive Director and Chief Executive Officer by the Board of Directors of the Company on April 6, 2019, subject to shareholders' approval at the ensuing Annual General Meeting.

The Board places on record its appreciation for the valuable contribution made by Dr. V K Chaturvedi, Shri V R Galkar and Shri Shiv Prabhat during their tenure as Director of the Company.

The terms of appointment of the Independent Directors Ms. Ryna Karani, Shri S. S. Kohli and Shri K. Ravikumar would expire on September 19, 2019 and the proposal for their re-appointment for a second term of five years are included in the notice to the Annual General Meeting for approval of the shareholders.

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 [https://www.rinfra.com/documents/1142822/1182645/Familiarisation\\_programme.pdf](https://www.rinfra.com/documents/1142822/1182645/Familiarisation_programme.pdf). In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Act and the Rules made thereunder, and are independent of the management. Based on the report of performance evaluation of the Independent Directors and recommendation of the Nomination and Remuneration Committee, the Board had approved Ms. Ryna Karani, Shri S. S. Kohli and Shri K. Ravikumar's re-appointment as Independent Directors of the Company for the second term from September 20, 2019 to September 19, 2024, subject to approval of the shareholders.

A brief profile of Shri S. Seth, Ms. Manjari Kacker, Shri Punit Garg, Ms. Ryna Karani, Shri S. S. Kohli and Shri K. Ravikumar along with requisite details as stipulated under Regulation 36(3) of the Listing Regulations is provided in this Annual Report.

### Key Managerial Personnel

Shri Aashay Khandwala, Company Secretary and Compliance Officer, superannuated from the service of the Company with effect from November 5, 2018. Shri Anil C. Shah was appointed as Company Secretary and Compliance Officer of the Company with effect from February 5, 2019. For the interim period, Ms. Srilatha T G was appointed as Dy. Company Secretary and Acting Compliance Officer effective from November 5, 2018 to February 4, 2019.

Shri Lalit Jalan, Chief Executive Officer, superannuated from his services and Shri Punit Garg was appointed as an Executive Director and Chief Executive Officer of the Company with effect from April 6, 2019.

The Board, at its meeting held on August 13, 2019 has approved the appointment of Shri Paresh Rathod as the Company Secretary and Compliance Officer from August 16, 2019, to be effective after the superannuation of Shri Anil C. Shah.

### Evaluation of Directors, Board and Committees

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

## Directors' Report

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 Board performance was evaluated based on inputs received from all the Directors after considering the criteria such as Board Composition and structure, effectiveness of Board / Committee processes and information provided to the Board etc.

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

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 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 statement for the financial year ended March 31, 2019, 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, 2019 and of the loss 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, 2019, 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 on an arm's length basis 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.

During the year, the Company has not entered into any contract/ arrangement/transaction with related parties which could be considered material in accordance with the policy of Company on materiality of related party transactions.

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/related-party-transactions>. Your Directors draw attention of the Members to Note No. 34 to the standalone financial statement which sets out related party disclosures pursuant to Ind-AS.

### **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 financial year, ten Board Meetings were held. Details of the meetings held and attended by each Director are given in the Corporate Governance Report forming part of this Annual Report.

### **Audit Committee**

The Audit Committee of the Board of Directors comprises of majority of Independent Directors namely Ms. Manjari Kacker, Shri S. S. Kohli, Shri K. Ravikumar and Ms. Ryna Karani, and Shri Punit Garg, Executive Director and Chief Executive Officer. Ms. Manjari Kacker, Independent Director, is the Chairman of the 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 for a term of 4 (four) consecutive years at the 87<sup>th</sup> Annual General Meeting of the Company held on September 27, 2016 until the conclusion of the 91<sup>st</sup> Annual General Meeting of the Company. The Company has received confirmation from M/s. Pathak H.D. & Associates, Chartered Accountants that they are not disqualified from continuing as Auditors of the Company. M/s. B S R & Co. LLP, Chartered Accountants who were appointed as statutory



## Directors' Report

auditors of the Company at the 88<sup>th</sup> Annual General Meeting of the Company, vide their letter dated August 9, 2019, have resigned as one of Statutory Auditors of the Company with effect from August 9, 2019. The other duly appointed Statutory Auditor, M/s Pathak H.D. & Associates, who are Statutory Auditors of the Company since last 9 financial years i.e. from financial year 2011 and whose term is valid until conclusion of the Annual General Meeting for the year ended March 31, 2020, are continuing as the sole Statutory Auditors of the Company.

The Auditors in their report to the members have given a Disclaimer of Opinion for the reasons set out in the para titled Basis of Disclaimer of Opinion. The relevant facts and the factual position have been explained in Note 40 of the Notes on Accounts. It has been explained that the Reliance Group of companies of which the Company is a part, supported an independent company in which the Company holds less than 2% of equity shares ("E&C Company") to *inter alia* undertake contracts and assignments for the large number of varied projects in the fields of Power (Thermal, Hydro and Nuclear), Roads, Cement, Telecom, Metro Rail, etc. which were proposed and/or under development by the Group. To this end along with other companies of the Group the Company funded E&C Company by way of E&C advances, subscription to debentures and intercorporate deposits.

The activities of E&C Company have been impacted by the reduced project activities of the companies of the Group. While the Company is evaluating the categorisation of the nature of relationship; if any, with the independent E&C Company, based on the analysis carried out in earlier years, the E&C Company has not been treated as related party. Given the huge opportunity in the E&C field particularly considering the Government of India's thrust on infrastructure sector coupled with increasing project and E&C activities of the Reliance Group, the E&C Company with its experience will be able to achieve substantial project activities in excess of its current levels, thus enabling the E&C Company to meet its obligations. The Company is reasonably confident that the provision will be adequate to deal with any contingency relating to recovery from the E&C 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 the Engineering and Construction Division & Wind Power Generation Division of the Company for the financial year ending March 31, 2020, 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 has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

### Secretarial Audit and Annual Secretarial Compliance Report

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed

M/s. Ashita Kaul & Associates, Practicing Company Secretaries, 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 Auditors for the financial year ended March 31, 2019 is attached hereto as Annexure B.

Pursuant to Circular No.CIR/CFD/CMD1/27/2019 dated February 08, 2019, issued by SEBI, the Company has also obtained Annual Secretarial Compliance Report from M/s. Ashita Kaul & Associates, Practicing Company Secretaries, on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder and the copy of the same has been submitted with the Stock Exchanges within the prescribed due date.

### Annual Return

As required under Section 134(3)(a) of the Act, the Annual Return for the year 2017-18 and 2018-19 is put up on the Company's website and can be accessed at <https://www.rinfra.com/web/rinfra/annual-return>.

### 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, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are provided in the Annual Report.

Disclosures 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, also forms part of this Annual Report.

However, having regard to the provisions of first proviso to Section 136(1) of the Act, the Annual Report, excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. 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. Any member interested in obtaining the same may write to the Company Secretary and the same will be furnished on request.

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

The particulars as required to be disclosed in terms of Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 are given in Annexure C forming part of this Report.

### Corporate Governance

The Company has adopted the "Reliance Group-Corporate Governance Policies and Code of Conduct" which sets out the systems, processes and policies conforming to the international standards. The report on Corporate Governance as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations is presented in a separate section forming part of this Annual Report.

A certificate from M/s. Ashita Kaul & Associates, Practicing Company Secretaries confirming compliance to the conditions of Corporate Governance as stipulated under Para E of Schedule V

## Directors' Report

of the Listing Regulations, is enclosed to this Report.

### Whistle Blower Policy (Vigil Mechanism)

In accordance with Section 177 of the Act and the Listing Regulations, the Company has formulated a Vigil Mechanism to address the genuine concerns, if any, of the directors and employees. The details of the same have been stated in the Report on Corporate Governance and 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 of the Company. The details of the Committee and its terms of reference, etc. are set out in the Corporate Governance Report forming part of this Report.

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance 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 risk trend, exposure and potential impact analysis at a Company level as also separately for business segment. The risks are assessed for each project and mitigation measures are initiated both at the project as well as at the corporate level. 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 Management 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 under review, 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 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 Corporate Social Responsibility Committee has formulated a Corporate Social Responsibility Policy ("CSR policy") indicating the activities to be undertaken by the Company. There has not been any change during the current year. The CSR policy may be accessed on the Company's website at the link: <http://www.rinfra.com/web/rinfra/corporate-governance-policies>.

The CSR Committee of the Board consists of Ms. Ryna Karani as Chairperson, Shri S. S. Kohli, Shri K. Ravikumar and Shri Punit Garg as the Members.

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

### 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 of the Company and its 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 financial year, such controls were tested and no reportable material weakness in the design or operations were observed.

### Business Responsibility Report

Business Responsibility Report for the year under review as stipulated under the 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 resulting in the satisfactory performance of the Company during the year.

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

**Anil Dhirubhai Ambani**  
Chairman

Place: Mumbai  
Date : August 30, 2019

**Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Employees**

**1 Objective**

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

- 1.1.1 To attract highly competent talent to sustain and grow the Company's business;
- 1.1.2 To build a high performance culture by aligning individual performance with business objectives and infusing performance differentiation;
- 1.1.3 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 has to be recommended by the Nomination and Remuneration Committee and approved by the Board.

**3.2 Key Managerial Personnel and Senior Management Employees**

- 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 AOP
- Setting of Individual KRAs and 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
- 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, 2019

[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, 1<sup>st</sup> 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, 2019 ('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 the Company for the financial year ended on March 31, 2019 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 thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
- (v) The Electricity Act, 2003 and amendments made thereunder;
- (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 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 Meetings, Board and Committee Meetings (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.

**Directors' Report**

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

**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 13, 2019  
Place : Mumbai**

#### Disclosure under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014

##### A. Conservation of Energy

The steps taken or impact on conservation of energy

The steps taken by the company for utilizing alternate sources of energy

The capital investment on energy conservation equipments

The Company is making all efforts to conserve energy by monitoring energy costs and periodically reviewing the consumption of energy. It also takes appropriate steps to reduce the consumption through efficiency in usage and timely maintenance / installation / upgradation of energy saving devices.

Various steps taken by the company and its subsidiaries are provided in detail in the Business Responsibility Report which is part of this Annual Report.

##### B. Technology Absorption, Adoption and Innovation

(i) The efforts made towards technology absorption

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a. The details of technology imported

b. The year of import

c. Whether technology has been fully absorbed

d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof

The Company uses latest technology and equipments in its business. Further the Company is not engaged in any manufacturing activity.

(iv) The expenditure incurred on Research and Development

The Company has not spent any amount towards research and developmental activities and has been active in harnessing and tapping the latest and best technology in the industry.

##### C. Foreign Exchange Earnings and Outgo

a. Total Foreign Exchange Earnings

₹ 1.23 crore

b. Total Foreign Exchange Outgo

₹ 0.84 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 & 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 –

<https://www.rinfra.com/documents/1142822/1182645/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. | Shri Punit Garg               | Executive Director   |

**3. Average Net Profit of the Company for last three financial years : ₹ 848.40 crore**
**4. Prescribed CSR Expenditure (2 per cent of the average net profit) : ₹ 16.97 crore**
**5. Details of CSR spent during 2018-19**

- |    |  |                |
|----|--|----------------|
| a. | Total Amount spent for the financial year  | : ₹17.00 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 the reporting period*	8. Amount spent: Direct/ through implementing agency
1.	Daycare Oncology Centres	Health Care	Maharashtra	16.85	16.85	116.85	Through Mandke Foundation, a non-profit Organisation specialized in the provision of health care
2.	Activities on Education and Rural Transformation	Promoting education, rural development	Goa and Bhubaneshwar, Orissa	0.15	0.15	0.50	Direct
3.	Other Activities thru Mumbai Power Business**	Promoting education, environment Sustainability, rural development and Health Care	Mumbai and Dahanu, Maharashtra	-	-	9.11	Direct
	<b>Total</b>			<b>17.00</b>	<b>17.00</b>	<b>126.46</b>	

\* Includes the amount spent during the financial year 2014-15 to 2018-19

\*\* Not applicable for the current year due to sale of Company's Mumbai Power Business in the year

**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.

**Punit Garg**

Executive Director and Chief Executive Officer

**Ryna Karani**

Chairperson, CSR Committee

Date: August 13, 2019



### 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"), the Dividend Distribution Policy ("the Policy") of the Company is as under:

#### 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. In such event the Board will provide rationale in the Annual Report

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

Dividends 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.



## 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 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 "RIInfra" 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", "RIInfra", "Reliance" or "Reliance Infrastructure" are to Reliance Infrastructure Limited and its subsidiary companies and associates.

### Macroeconomic Overview

#### Indian Economic Environment

Global growth concerns weigh on the Indian economy after recovering from the transient impact of demonetization 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 GDP growth was revised from 6.7 per cent to 7.2 per cent in 2017-18 and grew by 6.8 per cent in 2018-19 as against expectation of 7 per cent per cent. Considering the multiple micro-macro factors, growth for 2019-20 has been revised downwards from 7.2 per cent to 7 per cent. In the union budget of 2019-20, the government has cited a further recapitalisation and consolidation of Public Sector banks, which shall subside the current crisis in the banking sector. In addition, Government continued with major reforms particularly in the field of corporate insolvency resolution via National Company Law Tribunal (NCLT route). Over 1000 cases have been referred to NCLT for faster resolution since its inception.

Inflation continued with its downtrend, with CPI averaging 3.4 per cent in 2018-19 versus 3.6 per cent in 2017-18. Lower food prices, decreasing core inflation and stabilisation in fuel prices have led to a softer inflation print. The country's reforms agenda has been showing external results as well. India has jumped 23 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 2018. Moody's retained India's Sovereign rating to Baa2 with a stable economic outlook.

### About Reliance Infrastructure Limited

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 and Construction (E&C) 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 2018-19 are furnished hereunder:

- Total Income of ₹ 21,910 crore (US\$ 3.15 billion)
- Net Loss of ₹ 2,427 crore (US\$ 348.95 million) Post one time exceptional items
- EBITDA of ₹ 6,792 crore (US\$ 976.55 million)
- Cash profit of ₹ 4,068 crore (US\$ 584.90 million)
- Consolidated Net Worth of ₹ 14,176 crore (US\$ 2.04 billion)

In order to optimise shareholder value, the Company continues to focus on in-house opportunities as well as selective large external projects for its E&C and Contracts Division. The E&C and Contracts Division (the E&C Division) order book position is at ₹ 28,640 crore (US\$ 4,117.85 million).

### 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 Act.

The Company's total consolidated income for the year ended March 31, 2019 was ₹ 21,910 crore (US\$ 3.15 billion) as compared to ₹ 20,613 crore (US\$ 2.96 billion) in the previous financial year.

The total income includes earnings from sale of electrical energy of ₹ 16,300 crore (US\$ 2.34 billion) as compared to ₹ 15,513 crore (US\$ 2.23 billion) in the previous financial year.

During the year, interest expenditure decreased to ₹ 4,571 crore (US\$ 657.22 million) as compared to ₹ 5,204 crore (US\$ 748.23 million) in the previous year.

The capital expenditure during the year was ₹ 1,447 crore (US\$ 208.06 million), incurred primarily on modernizing and strengthening of the transmission and distribution network as also on road projects.

The total PPE as at March 31, 2019 stood at ₹ 9,366 crore (1.35 billion).

# Reliance Infrastructure Limited

## Management Discussion and Analysis

With a net worth of about ₹ 14,176 crore (US\$ 2.04 billion), Reliance Infrastructure is ranked as one of the top performing Indian Company amongst private sector infrastructure companies of India.

### Details of significant changes in Key Financial Ratios and Return on Network

Pursuant to giving effect to the scheme of Arrangement for transfer of the Company's Mumbai Power Business with effect from April 1, 2018, the figures of the previous periods / year has been restated excluding the figures pertaining to Mumbai Power Business. Accordingly, the key financial ratios and return on net worth of the previous year are not comparable with the current financial year.

### 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. Upon receipt of requisite approvals from regulatory authorities and the lenders, the Scheme was given effect to on August 29, 2018 and, the Mumbai Power Business of the Company comprising integrated business of generation, transmission and distribution was vested in Reliance Electric Generation and Supply Limited (REGSL) with effect from April 1, 2018. Subsequently, pursuant to the Share Purchase Agreement the Company had entered into with Adani Transmission Limited (ATL), the sale of 100 per cent equity stake in REGSL to ATL was completed for a total transaction value of ₹ 18,800 crore. In this largest ever debt reduction for any company in power sector in India, out of the above deal proceeds, the Company reduced its overall debt by ₹ 13,800 crore.

#### ii. DA Toll Road

During the year, the Company has signed a binding Share Purchase Agreement with Cube Highways and Infrastructure III Pte Ltd. for its 100% stake in Delhi Agra (DA) toll road for an Enterprise Value of ₹ 3,600 crore including equity or equity linked instruments or debt of up to ₹ 1,700 crore. The entire sale proceeds would be utilized for debt reduction.

### Operational and Financial Performance of Businesses

We present hereunder detail report of various business divisions during 2018-19.

#### A. The E&C Business

The E&C Division is a leading service provider 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 E&C 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 E&C Division.

#### a. Bithnok TPP (1 x250 MW) &Barsingsar TPSE (1 x250 MW), Rajasthan (NLC)

RInfra has won a prestigious E&C order for ₹ 3,675 crore from NLC India Limited for setting up two lignite based CFBC thermal power projects with a capacity of 250 MW each on turnkey basis. The Letter of Award received on November 21, 2016 and Project Schedule is 40 months. Both plants are based on Circulating Fluidized Bed Combustion (CFBC) Technology.

#### b. 2 x 800 MW Uppur Thermal Power Project ( Balance of Plant Packages), Tamil Nadu

RInfra has won an E&C order from TANGEDCO for Design, Engineering, Manufacture, Supply, ETC of BOP Package and allied Civil Works for 2 x 800 MW Thermal Power project in the state of Tamil Nadu. The Letter of Award was received on February 21, 2018 and project is expected to be completed within 36 months.

#### c. Design & E&C of Common Services Systems, Structures & Component for Kudankulam Nuclear Power (KKNP) -3&4

E&C contract for common services systems, structures and components at KNPP Unit 3 &4 from Nuclear Power Corporation Ltd (NPCIL). The Letter of Award was received on April 05, 2018 and project is expected to be completed in 56 months.

#### d. Mumbai Metro Line 4- Packages 8, 10 & 12.

E&C contract for elevated viaduct for Mumbai Metro Rail Project (Wadala-Kasarvadavali 3 packages of Line-4 Corridor: CA-08 length 6.4 Km from Bhakti Park to Amar Mahal Junction , CA-10 length 6.7 Km from Gandhi Nagar to Sonapur& CA-12 length 6.8 Km from Kapurbawdi to Kasarvadavali). This project is a joint venture of RInfra with Astaldi. The Letter of Award was received on April 12, 2018 and project is expected to be completed in 30 months.

#### e. Versova- Bandra Sea Link

E&C contract for Design and Construction of Versova-Bandra Sea Link including development of connectors and improvement of proposed junction from Maharashtra State Road Development Corporation (MSRDC). This project is a joint venture of RInfra with Astaldi. The Letter of Award was received on May 5, 2018 and project is expected to be completed in 60 months. Reliance- Astaldi JV has signed an agreement with MSRDC on September 4, 2018 for construction of this prestigious Versova - Bandra Sea link.

## Management Discussion and Analysis

### f. PS Toll Road

National Highway Authority of India (NHAI) has awarded the contract for development, maintenance and management of Pune and Satara. The existing lane is 4 lane road which has to be widened to 6 lane covering length of 140 Km. RInfra is executing the contract for construction of PS Toll Road. Overall 97% financial progress has been achieved.

### g. DA Toll Road

NHAI has awarded the contract for development, maintenance and management of Delhi Agra section of National Highway (NH)-2 covering a length of 180 Km. RInfra is executing the contract for construction of DA Road. Overall 97% progress has been achieved.

### h. Vikkaravandi to Pinalur-Sethiyahopu section of NH-45C in the State of Tamil Nadu

The Project is awarded by NHAI for Improvement & Augmentation of Four Laning from Vikkaravandi to Pinalur-Sethiyahopu section of NH-45C in the State of Tamil Nadu under NHDP-IV. The length of road is 66 Km. The letter of award was received on March 24, 2017 and project is expected to be completed in 24 months.

### i. Six laning of highway from Aurangabad to Bihar-Jharkhand Border, Bihar

RInfra has won an E&C order from NHAI for "Six Laning of Highway from Aurangabad to Bihar-Jharkhand Border (Chordaha) section of NH-2 from 180.000 Km to 249.525 Km in the state of Bihar under NHDP Phase-V". The length of six laning of highway is 69.525 Km. The letter of Award received on January 25, 2018 and project is expected to be completed in 24 months.

### j. Six laning of highway from Bihar-Jharkhand Border to Gorhar, Jharkhand

RInfra has won an E&C order from NHAI for "Six Laning of Highway from Bihar-Jharkhand Border(Chordaha) to Gorhar section of NH-2 from 249.525 Km to 320.810 Km in the state of Jharkhand under NHDP Phase-V". The length of six laning of highway is 71.285 Km. The letter of Award was received on January 31, 2018 and project is expected to be completed in 30 months.

### k. Four laning and construction of twin tube six-lane tunnel at Kashedighat, Maharashtra

RInfra in JV with CAI-Ukraine has won an E&C order from MoRTH for "Rehabilitation and Upgradation of KashediGhat section of NH-17 (New NH-66) to four

lanes with paved shoulders from existing 148.0 Km to 166.600 Km including construction of twin tube six-lane tunnel in the state of Maharashtra on E&C Mode under NHDP-IV ". The Letter of Award was received on March 29, 2018 and project is expected to be completed in 30 months.

### l. Nagpur Mumbai Super communication expressway - Package 7

RInfra has won an E&C order from Maharashtra State Road Development Corporation (MSRDC) for construction of access controlled Nagpur - Mumbai Super Communication Expressway (Maharashtra SamruddhiMahamarg) in the state of Maharashtra on E&C mode for package 07, from 296.000 Km to 347.190 Km (section - village Banda to village Sawargaon mal) in district Buldhana. The Letter of award was received on August 30, 2018.

### B. 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) serving East and Central Delhi (Delhi Discoms).

During the year, Delhi Discoms registered an aggregate income of ₹ 16,244 crore (BRPL ₹ 10,335 crore and BYPL ₹ 5,909 crore) against ₹ 15,344 crore in the previous year (BRPL ₹ 9,684 crore and BYPL ₹ 5,660 crore), which is an increase of 5.9 percent over last year. Overall aggregate power purchase cost during the year increased to ₹ 11,407 crore (BRPL ₹ 7,558 crore and BYPL ₹ 3,849 crore) from ₹ 10,394 crore (BRPL ₹ 6,927 crore and BYPL ₹ 3,467 crore), an increase of 9.7 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. The aggregate capital expenditure incurred during the year amounted to ₹ 972 crore (BRPL ₹ 685 crore and BYPL ₹ 287 crore) for up-gradation, strengthening and modernization of the distribution system. The aggregate net block including Capital Work in Progress stood at ₹ 6,720 crore (BRPL ₹ 4,387 crore and BYPL ₹ 2,333 crore).

The total number of customers in Delhi grew by 3 per cent to 42.5 lakh (BRPL 25.6 lakh and BYPL - 16.9 lakh) in 2018-19 from 41.2 lakh (BRPL- 24.7 lakh and BYPL - over 16.5 lakh) in 2017-18. During the year, Delhi Discoms delivered the System Reliability of over 99.9 per cent. The AT&C loss declined to 8.06 per cent from 9.42 per cent last year for BRPL and 8.98 per cent from 10.41 per cent last year for BYPL. Corresponding Transmission and Distribution (T & D) loss for the year stood at 8.30 per cent and 9.31 per cent respectively.

During the year, the Delhi Discoms serviced the peak demand of 4,642 MW

BRPL			BYPL			BSES Combined		
2018-19	2017-18	Growth	2018-19	2017-18	Growth	2018-19	2017-18	Growth
3,081	2,745	12%	1,561	1,459	7%	4,642	4,204	10%

# Reliance Infrastructure Limited

## Management Discussion and Analysis

The following are the key regulatory updates:

Delhi Electricity Regulatory Commission (DERC) vide its tariff order dated 28.03.2018 done true-up of FY 2016-17 and approved tariff schedule for 2018-19. The key highlights of the tariff order include rationalization of tariff by increasing the fixed charges and reducing the energy charges, allowance of suo-moto levy of PPAC at 4.50% with requirement of prior approval only for PPAC exceeding 5 per cent for any quarter, increase of Pension trust surcharge to 3.80 per cent from earlier 3.70 per cent, retaining 8% RA Surcharge towards recovery of accumulated deficit and Implementation of part Appellate Tribunal Judgments.

### C. Power Transmission Business

**a. Parbati Koldam Transmission Company Limited (PKTCL)**– 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 is utilized by 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 Central Electricity Regulatory Commission (CERC) which has 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 99.75 per cent for 2018-19. PKTCL has maintained AA+/Stable Rating on Company's Term Loan. The Company is in advance stages of transferring its 74 per cent stake in the project to Adani Transmission Limited, subject to necessary approvals.

**b. North Karanpura and Talcher II Transmission Companies** – 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. 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. Talcher II Transmission Company Limited is on build, own, operate and maintain basis which involves construction of three 400 kV double circuit transmission lines of 670 Km. 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. Because of the delay in receipt of enabling regulatory clearances to start construction in both the above projects, the Companies had filed a petition with CERC seeking compensation based on force majeure events and relief measures in terms of tariff escalation and time extension for project

completion. The CERC order in the matter was challenged by the Companies in 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 petition filed by Power Grid Corporation of India Limited against license revocation order of CERC was disposed off by APTEL and the Companies was directed to go back to CERC for a fresh treatment – including (but not limited to) the aspect of the very necessity of the project. NKTCL filed a petition in CERC for redressal of grievances and a stay order for no coercive action against the BGs has been granted by CERC.

### D. IT Projects

#### a. Bihar State Power Holding Co. Ltd (BSPHCL)

RInfra has been appointed as IT implementing agency (ITIA) under part-A of R-APDRP to provide solutions for 17 modules covering project area of 71 towns in Bihar. As on date, all the 67 towns (excluding 4 DF towns) has been declared live Facility Management Support (FMS) for 5 years has already begun and Third Party Independent Evaluation Agency (TPIEA) audit has successfully been completed. Utility has closed the project with PFC for conversion of loan to grant.

Bihar State Power (Holding) Company Ltd. & RInfra as an SI (System Integrator) have been declared as winners of the "SAP ACE award 2016" under the category "Nation Building through SAP Solution" in recognition of exemplary innovative solution for the implementation of "SAP IS-U and mobile phone- based spot billing" for Government of India's Restructured Accelerated Power Development and Reforms Programme (R-APDRP) in Bihar State.

#### b. Chattisgarh State Power Distribution Co. Ltd (CSPDCL)

RInfra has been appointed as IT implementing agency (ITIA) under part-A of R-APDRP to provide solutions for 14 modules covering project area of 20 towns in Chattisgarh.

All the 20 towns in scope have been declared live and currently we are in the 4<sup>th</sup> year of Facility Management Support (FMS). TPIEA (Third Party Independent Evaluation Agency) Audit is also successfully completed.

### E. Roads Projects

All road 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.

#### a. NK Toll Road Limited

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

Management Discussion and Analysis

**b. 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 373.275 Km (Start of flyover at Dindigul bypass) to 426.6 Km (Samyanallore) on NH-7 in Tamil Nadu, is in operation since September 2009.

**c. 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.

**d. TK Toll Road Private Limited**

TK Toll Road Project was for strengthening and maintenance of the existing carriageway from 135.80 Km to 218.00 Km, 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.

**e. SU Toll Road Private Limited**

SU Toll Road project was envisaged to strengthen and maintain the existed carriageway from 0.31 Km to 136.67 Km, 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 3<sup>rd</sup> 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.

**f. GF Toll Road Private Limited**

GF was engaged to upgrade the existing road from 0.00 Km to 24.31 Km on the section of the Gurgaon – Faridabad road, 0.00 Km to 6.10 Km of the section of the MCF road, 0.00 Km to 3.10 Km of the section of the Crusher Zone road, 0.00 Km to 28.58 Km of the section of the Ballabhgarh – Lukhawas junction road and 0.00 Km to 4.10 Km of the section of the Pali – Bhakri road.

**g. JR Toll Road Private Limited**

JR Toll Road project was set up with the objective to design, build and operate 52.65 Km long 4 lane NH11 road connecting Reengus in northern part of Rajasthan to the State's Capital, Jaipur.

**h. HK Toll Road Private Limited**

HK Toll Road project was envisaged for Strengthening and widening of the 59.87 Km stretch (from 33.130 Km to 93.000 Km) 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.

**i. PS Toll Road Private Limited**

PS Toll Road project was envisaged to expand the

725.00 Km to 865.35 Km, 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.

**j. DA Toll Road Private Limited**

DA Toll Road project envisaged to expand a portion of the NH 2 in Haryana and Uttar Pradesh from 20.500 Km to 200.00 Km, 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.

**F. 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 5<sup>th</sup> year of commercial operation and continues to provide world class public infrastructure to city of Mumbai and has served more than 546 million customers from inception. Currently, on weekdays an average of over 4.3 lakh commuters per day use services of the metro, making it the busiest metro in India and 8<sup>th</sup> densest metro in the world.

MMOPL has continued to achieve excellence in the field of public transport operation. It has been achieving near 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 One 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 22 seconds in peak hours. This year, MMOPL carried 134.1 million passengers as against 118.4 million in the previous year, with corresponding number of train trips of 1,32,790 and 1,25,894 respectively, thus improving the utilization by 7.4 per cent.

Metro one 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 one is pushing up its non fare revenue through major initiatives such as station branding rights (SBR), telecom infrastructure development, retail area



development, train wraps, payment alliances etc. Station branding rights for Ghatkopar as Vivo Ghatkopar station and Andheri as Bank of Baroda Andheri station are already pumping into the non fare revenue stream of the company. During the year, station branding work of Marol Naka station has been also successfully executed.

MMOPL launched a unique loyalty program for its passengers, by which travelers can earn points for the distance travelled in metro and redeem the same for offers. Travelers are offered free accidental insurance of ₹ 4.5 Lacs and exclusive discount offers from retailers and big brands along metro alignment. This year, MMOPL also launched a cash back scheme for passengers on recharge of 'Store Value Pass', making Mumbai metro one the first metro in the country to do so.

For its customer centricity and incessant pursuit to enhance customer experience, MMOPL was awarded by reputed industry body with "Customer Obsession Award 2018" in the "Active Customer Engagement" category.

### G. Major Associate Company – Reliance Power Limited

Reliance Power Limited (RPower), an associate company in which the Company holds 29 per cent of the total equity stake, has one of India's largest portfolios 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 highest ever Plant Load Factor (PLF) of 95 per cent in its fourth year of full operations since its commercial operations date, vis-a-vis previous year PLF of 92 per cent. Coal production from Moher and Moher – Amlohri captive mines in 2018-19 was 18 million tonnes. RPower also owns and operates the 1,200 MW Rosa power plant in Uttar Pradesh and the 600 MW Butibori power plant in Maharashtra. Rosa generated 4341 million units and Butibori generated 2213 million units in FY19. 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.

### 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 led our organization to evolving a work environment that nurtures empowerment, meritocracy, transparency and ownership. As on March 31, 2019, the Reliance Infrastructure Group had nearly 6,000 employees on roll.

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 E&C 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

## Management Discussion and Analysis

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 E&C business, most of the ongoing projects are nearing completion or are already completed. The Company has to expand the E&C 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.

### Opportunities

#### The Infrastructure Sector

Infrastructure sector plays an important role in the growth and development of Indian economy. The Government has set investment target of ₹ 100 trillion over next 5 years in the infrastructure space which could trigger a massive rebound in this sector.

### Threats

Main threat is continuing slowdown in the economy, underscoring the need for coordinated monetary and fiscal policy actions. Further constrained government revenue streams may curtail planned investment in infrastructure. Looming trade wars could result in depreciating Indian Rupee and lower foreign direct investments.

### 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:

#### 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 in FY 19.
- **Green Highways:** The Union Ministry of Road Transport and Highways has framed the Green Highways (Plantation, Transplantation, Beautification and 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 Km of area under avenue plantation and approximately 500 Km 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.

#### Delhi Power Business

- Women Literacy Centers for literacy enhancement in low income residential clusters.
- Vocational Training Centers.
- Health Camps including Eye checkup, Blood Donation, Tobacco De-addiction etc. Renovation of toilets in Government schools.

## Management Discussion and Analysis

- Energy conservation awareness program in schools.
- Maintenance activity such as White- wash & painting job at Crematoria areas
- Clothes Donation

### Daycare Oncology Centres

With a mission to bridge every gap in the healthcare delivery system in Mumbai and Western India, 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, chemotherapy and surgical oncology to rural populace who have remained outside the ambit of cancer care because of financial and geographic obstacles in a phase wise manner. During the year, the Company launched the Oncology centre at Akola in December 2018 which was inaugurated by Hon'ble Chief Minister of Maharashtra, Shri Devendra Fadnavis. 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.

### Outlook

The economy is witnessing a slowdown with indicators of industrial production, auto sales and exports having shown sluggishness. We believe Indian economy would gain traction in the latter part of 2019-20.

While the Indian economy has regained the tag of the 'fastest growing economy', factors such as balancing forces on the economic front, corporate earnings recovery, visible benefits from recent government-initiated reforms, uptick in rural consumption and digitization would help in reviving the growth.



## Business Responsibility Report

### Section A: General Information about the Company

Corporate Identity Number	L75100MH1929PLC001530
Name of the Company	Reliance Infrastructure Limited
Registered Address	Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001
Website	www.rinfra.com
E-mail ID	rinfra.investor@relianceada.com
Financial Year reported	2018-19
Sector(s) that the Company is engaged in (industrial activity code-wise)	Engineering and Construction (E&C) segment of the power and infrastructure sectors  (Industrial Group 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)	E&C Contracts
Total number of locations where business activity is undertaken by the Company	
• Number of international locations	Nil
• Number of national locations	Execution of E&C contracts at various locations in India in Rajasthan, Tamil Nadu, Maharashtra, Uttar Pradesh, etc.
Markets served by the Company	N A

### Section B: Financial Details of the Company

Paid up Capital	₹ 263 crore
Total Turnover	₹ 3,581 crore
Total Loss	₹ 913 crore
Total spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax (%)	Not Applicable. [₹ 17.00 crore on CSR activities which is 2% of the average profit for last three financial years as per Section 135 of the Companies Act, 2013 ("the Act")]
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, 2019
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 Personnel of the Company who are responsible in general for BR Activities of the Company are as under :  Shri Punit Garg, Executive Director and CEO Shri Sridhar Narasimhan, Chief Financial Officer Shri Paresh Rathod, Company Secretary

# Reliance Infrastructure Limited

## 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 policy is in line with the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011 (NVGs) and updated in terms of the National Guidelines on Responsible Business Conduct (NGRBC) dated March 13, 2019. They also conform to international standards like OHSAS 18001 (Standard for Occupational Health And Safety Management System), ISO 14001 (Environment Management).

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 displaying on the Company 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 policies 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?	Yes. The BRR is published annually and is available on the website of the Company at the link - <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.

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

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

The Company received 106 Complaints from the shareholders during 2018-19 and there were no complaints pending as on March 31, 2019. The details of this are provided in the section on Investor Relations.

Business Responsibility Report

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 is one of the leading service providers for Engineering and Construction services providing services in integrated design, engineering, and project management services for undertaking turnkey contracts including coal-based thermal projects, nuclear power projects, gas-power projects, metro rail and road projects.

Through its Special purpose vehicles, the Company is into infrastructure business covering toll roads and Mumbai Metro and also in power distribution.

In the construction of highways & structures, following are some of the initiatives taken by the company to achieve cost efficiency and reduce the consumption of energy and other raw materials:

- i. Use of Fly Ash in high embankment to help reduce air pollution.
- ii. Deployment of adequate capacity plants and crushers to enhance productivity.
- iii. Using crushed sand in lieu of natural sand where ever cost of natural sand is very high.
- iv. Execution of large span structures with precast Members.
- v. Using Reinforced wall construction instead of RCC retaining wall, leading to large economy in construction cost.

In case of Mumbai Metro, the following initiatives are taken.

1. Rooftop solar power generation – This product is used to meet our auxiliary power requirement where we reduced the non-renewable energy by 12.72% of total electricity consumption.
2. IT tools – These tools are being used internally to maintain our database, by which we reduced the paper consumption by almost 25 to 30%.
3. Water harvesting and recycling, reduced the 8 to 10 % of water requirement.

**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.**

Yes, the Company has procedures in place for sustainable sourcing. In fact, the company encourages its vendors,

contractors and suppliers for effective implementation of the same by including Environmental, Health & Safety and Sustainability clauses in all its Purchase Orders and Work Orders.

As part of sourcing strategy, our priority is to source local raw materials like sand, stone aggregates etc. for construction of Roads, Structures and Toll Plazas. In addition, we strive to design and construct sustainable projects which incorporate conservation measures, continuous monitoring of environment and use of resources that are environment friendly, adoption of green technologies and deployment of fuel efficient plants and machineries. Our aim is to make efficient use of natural resources, eliminating waste, recycling and reusing the material to the extent possible without compromising quality and safety. Our priority is to use locally available raw materials and engage local labour for construction and O&M activities.

At Mumbai Metro, we are sourcing the 12.72% of electricity consumption from our in-house rooftop solar power. In addition, saving of 6% in electricity consumption is achieved by fitting the LED lights.

**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.

The Engineering and Construction (E&C) 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. We procure locally available goods suitable for construction of project facilities and engage local contractors for Housekeeping and Security services. In addition, employment to local youth is provided in various functions in all our Regional Offices and Toll Plazas. At our project sites, we deploy manpower from the local community and smaller contracts are awarded to local contractors. We are regularly interacting with vendors and educating them about Quality standards and their importance to enhance their approach and understanding of support functions. We also provide bigger opportunities to enhance the capability of local contractors / service providers.

**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%).**

Through Environment Management System ISO 14001, the E&C 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 CO2 emissions.

All the wastage at Reliance Centre Santacruz are either reused or recycled. For example, Food wastes are reused by converting into manure through in-house vermicompost machine. Other wastes such as paper/ cardboard, hazardous wastes, electronic wastes are disposed through authorized recyclers.

Our philosophy is to reduce waste and make efficient use of raw materials during construction of roads and other E&C Projects. We use recycled bitumen aggregates (amounts to about <5%), while we do not compromise on high quality standards and safety of roads.

At Mumbai Metro, there is a system of selling the scarp and waste to approved vendors who can recycle the products and waste. Also, about 4 lakh litres of water is recycled from total water consumed for train washing.

### Principle 3

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

Total number of employees	507
Total number of employees hired on temporary / contractual / casual basis	Nil
The number of permanent women employees	57
The number of permanent employees with disabilities	Nil
Do you have an employee association that is recognized by management?	No
What percentage of your permanent employees is Members of this recognized employee association?	NA
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 received 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 Labour	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	55 per cent
Permanent Women Employees	47 per cent
Casual/Temporary/Contractual Employees	NA
Employees with Disabilities	NA

### 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.**

At Reliance Centre Santacruz, we have several provisions for Specially-abled employees such as non-slippery ramps to the main entrance of the building and reception, dedicated car parking next to the lift lobby, dedicated washrooms at all floors etc.

Our Mumbai Metro provides a number of facility to cater to the special needs of the disadvantaged, vulnerable and marginalized customers. Escalators have been provided from the road level to the concourse levels and from the concourse level to platform level for the convenience of passengers. Elevators have been provided at all the metro stations, especially for senior citizens, differently abled passengers etc. Tactile paths are provided for the visually impaired passengers which will guide them from entering the metro station to boarding the train and vice versa. Ramps are provided which will be located right next to the elevators to help passengers on wheelchairs to access the elevators.

### 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 Company does not employ any forced labour and child labour and is committed to promoting the general equality among the employees.

**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 2018-19.

Business Responsibility Report

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 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.

Reliance Centre Santacruz is an IGBC certified Green Building under "IGBC GOLD" Rating category for existing buildings (with 74 points) – #EB 19 0033. Reliance Centre is only one of the 5 buildings in Mumbai to have achieved this prestigious feat.

Reliance Centre Santacruz is also certified under ISO 14001:2014 (Environmental Management System, which demonstrate the commitment of Management towards environment related issues and concerns.

At Mumbai Metro, we have a water treatment plant to recycle water which is used to wash rakes/ metro trains wherein four lakh litres of water is recycled every day. We have installed solar panels on all 12 Metro Stations and one at the Metro Depot for the Versova- Andheri – Ghatkopar Metro One corridor to meet our power needs. We have also installed a rain water harvesting plant in depot for conservation of rain water and reuse of the same. The details of the above are provided at the link: <https://www.reliancemumbaimetro.com/web/reliance-mumbai-metro/green-promise>

- 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 14001:2014. 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. HIRA (Hazards Identification and Risk Assessment) Register has been prepared to identify process/activity-wise Hazards and their Risk Impacts. Accordingly, the Risks are Analysed, Evaluated and Treated.

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

No

- 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 implemented a technology of Integrated Power Management, which is a software installed in systems (including laptops and desktops) of employees, and that reduces the consumption of electricity by the system.

We are in process of obtaining Solar Energy for Reliance Centre Santacruz, through M/s. Indigo Generation India Pvt. Ltd., under Group Captive scheme. Once implemented, we will be having 1,80,00,000 Mega Joules/PA of Solar Energy in the building and hence the consumption of Coal Power Electricity will reduce by almost 70% of our total annual consumption.

The Company's material Subsidiaries BSES Rajdhani Power Limited and BSES Yamuna Power Limited (Delhi Discoms) have initiated a number of Energy saving initiatives including installation of Roof Top Solar power generation systems where consumers can generate solar power for with a capacity of ~62 MWp, conducting Solar awareness campaigns, promotion of energy efficient LED bulb, LED tube lights, Fans, induction cook top and super energy efficient ACs, Installation of EV chargers at 9 locations, Establishment of micro sub stations etc.

The green initiatives of our Mumbai Metro are provided in the link <https://www.reliancemumbaimetro.com/web/reliance-mumbai-metro/green-promise>

- 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?**

Yes.

- 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**

Nil.

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
- b. Indian Merchants' Chamber,
- c. National Highways Builders Federation
- d. Confederation of Indian Industry
- e. Federation of Indian Chambers of Commerce and Industry

**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 infrastructure sector 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 2018-2019:

**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. The Company 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.

The Company's Subsidiaries, through NGOs are contributing in the field of education through Adult Literacy Centers, Mahila Shiksha Kendra – Women Literacy Centers for literacy enhancement in low income residential clusters, vocational training facilities, Awareness programme on Road Safety to highways to create awareness on road safety, book distribution for under privileged children in remote areas, etc.

**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 non profit accredited organisation.

Initiatives involving health camps, Eye Screening camps and other preventive care medical camps are organized by Delhi Discoms and Toll companies in and around their locations. Health checkup camps with a major focus on eye screening were organized at schools in the nearby villages and at some of the toll plazas.

A number of Blood donation camps were organized by the Company as well as its subsidiaries during the year. Pulse Polio Immunization programs were organized at toll plazas on the highway stretch.

With a mission to bridge every gap in the healthcare delivery system in Mumbai and Western India, 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, chemotherapy and surgical oncology to rural populace who have remained outside the ambit of cancer care because of financial and geographic obstacles in a phase wise manner. During the year, the Company launched the Oncology centre at Akola in December 2018 which was inaugurated by Hon'ble Chief Minister of Maharashtra, Shri Devendra Fadnavis.

**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



Business Responsibility Report

include the local community as a critical stakeholder in the inclusive measures initiated by the Company.

During the year, the CSR interventions undertaken by the company and its subsidiaries under this thematic area covers Tobacco De-addiction program, Self defence training program for school girls, various activities for women empowerment like Mahila Panchayat, environment cleanliness, literacy, domestic violence etc.

**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 behavioural 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. Cleanliness drives were conducted around the neighboring localities with an objective to create a clean and healthy work place. At the toll plazas, 'project highway' was initiated for creating awareness on 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. Other sanitation activities conducted include Renovation of toilets in Government schools, Maintenance activity and upgrading the sanitation facilities at Crematoria areas etc.

**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 5R 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 across the business, we give due impetus to the need to green the ecosphere in which we operate thereby sequestering carbon emissions by planting saplings.

Energy conservation awareness programs are conducted in schools to sensitize the young kids about energy conservation. The Company reaches out to consumers from various societies, slums, colleges through Energy Conservation Workshops through interactive sessions.

The Union Ministry of Road Transport and Highways has framed the Green Highways (Plantation, Transplantation, Beautification and 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. The Company's 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.

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 and 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.

**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 ₹ 17.00 crore as direct contribution to community development projects under healthcare in addition to the contribution by its subsidiaries through various CSR initiatives under the thematic heads viz. Education, Healthcare, Rural transformation, Swachh Bharat Abhiyan and Environment. 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.

**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?**

Not applicable to the Company's nature of Business.

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

The Company does not deal in any specific branded product.

**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.**

No.

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

The Company and its Subsidiaries take various initiatives for ensuring customer satisfaction. The Delhi Discoms conduct various customer meets like 'Utkrishe Sahabhagi Meet', 'Aapke Dwar Meet' to ensure one to one contact with the customers to understand their needs in a better manner. It also provides upgraded call centre facility, mobile and whatsapp services, Chat Bot on the website of their respective Companies and other social media to ensure customer feedback.

Feedbacks from commuters are obtained at all our Toll Plazas and we strive to improvise our services based on the feedback received.

The Company's Registrar and Transfer Agent Karvy Fintech Private Limited 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 Chairman's supervisory role from the Executive Management

In line with the best global practices, we have adopted the policy to ensure that the Chairman of the Board shall be a non-executive director.

#### E. Policy on Prohibition of Insider Trading

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 personal action.

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

#### H. Environment Policy

The Company is committed to achieve excellence in environmental performance, preservation and promotion of a clean environment. These are the fundamental concerns in all our business activities.

#### I. Risk management

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

#### J. 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 functions of the Board and its 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 (SEBI) (Listing Obligations and Disclosure Requirements) Regulation, 2015 (the "Listing Regulations"), the Board has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility (CSR) Committee and Risk Management 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 or whenever there is any change in the circumstances which may affect her

/ his status as an Independent Director, provides a declaration that she / he 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, as amended from time to time.

**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 facilitated to get 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 on the website of the Company at the link [http://www.rinfra.com/documents/1142822/1182645/Familiarisation\\_programme.pdf](http://www.rinfra.com/documents/1142822/1182645/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 executive sessions, the Independent Directors have access to Members of management and other advisors, as they may deem fit.

**h. Subsidiaries**

All the subsidiaries of the Company are managed by their respective boards. Their Boards have the rights and obligations to manage their companies in the best interest of their stakeholders. The Company monitors performance of subsidiary companies.

**i. Commitment of Directors**

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.

**K. 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.

**L. Independent Statutory Auditors**

The Company's Financial Statements for the year 2018-19 have been 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.

With effect from August 9, 2019, M/s. B S R & Co. LLP have resigned as one of the Statutory Auditors of the Company for the reasons included in the Basis of Disclaimer in their audit report dated June 14, 2019 for the financial year 2018-19.

The other duly appointed Statutory Auditor, M/s. Pathak H. D. & Associates, who are Statutory Auditors of the Company since last 9 financial years i.e. from financial year 2011 and whose term is valid until conclusion of the Annual General Meeting (AGM) for the year ended March 31, 2020, have confirmed that they will continue as the sole Statutory Auditor of the Company.

**M. 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.

**N. Compliance with the Listing Regulations**

During the year, 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 as follows:

**I. Board of Directors**

**1. Board Composition - Board strength and representation**

The Board consists of eight Members. The composition and category of directors on the Board of the Company are as under:

**Corporate Governance Report**

Sr. No.	Names of Directors	DIN	Category
1	Shri Anil D Ambani, Chairman	00004878	Promoter, Non-Executive and Non-Independent Director
2	Shri Punit Garg <sup>1</sup>	00004407	Executive Director and Chief Executive Officer
3	Shri S Seth, Vice Chairman	00004631	Non-Executive and Non-Independent Directors
4	Shri B C Patnaik	08384583	
5	Shri S S Kohli	00169907	Independent Directors
6	Shri K Ravikumar	00119753	
7	Ms Ryna Karani	00116930	
8	Ms. Manjari Kacker <sup>2</sup>	06945359	

<sup>1</sup> Appointed w.e.f April 6, 2019

<sup>2</sup> Appointed w.e.f June 14, 2019

**Notes:**

- None of the directors is related to any other director and 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.
- Shri S. S. Kohli, Shri K. Ravikumar and Ms. Ryna Karani, the Independent Directors shall complete their term of appointment on September 19, 2019 and the Board, on recommendation of Nomination and Remuneration Committee has proposed their reappointment for fresh term of five years, subject to approval of the Members at the ensuing AGM.

All the Independent Directors of the Company furnish a declaration at the time of their appointment and also annually that they meet the criteria of independence as provided under law. The Board reviews the same and is of the opinion, that the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

**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 minimum 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 key 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, its committees and individual directors.
- Review the policy on materiality of Related Party Transactions and threshold limits, and update accordingly.

**3. Board meetings**

The Board held ten meetings during the financial year 2018-19 on the following dates:

April 23, 2018, May 14, 2018, August 1, 2018, August 21, 2018, August 27, 2018, August 29, 2018, November 05, 2018, November 14, 2018, February 5, 2019 and February 9, 2019.

The maximum time gap between any two meetings was 82 days and the minimum gap was 1 day.

### 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 non compliance are escalated and reported for remedial action.

A compliance report pertaining to the laws applicable to the Company 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 2018-19 and at the last AGM held on September 18, 2018 and the details of Directorships (as per the provisions of Section 165 of the Act), Committee Chairmanship and Memberships held by the directors as on March 31, 2019 were as under:

Names of Directors	Number of Board meetings attended out of ten meetings held	Attendance at the last AGM held on September 18, 2018	Number of directorships (including RInfra)	Committee Chairmanship / Membership (including RInfra)	
				Membership	Chairmanship
Shri Anil D Ambani	9	Present	12	None	None
Shri S Seth	10	Present	7	3	None
Shri S S Kohli	6	Present	11	6	2
Dr V K Chaturvedi*	6	-	None	None	None
Shri K Ravikumar	6	Present	4	6	3
Shri V R Galkar*	6	Present	3	1	None
Ms. Ryna Karani	9	Present	8	9	2
Shri Shiv Prabhat*	6	Present	None	None	None
Shri B C Patnaik**	-	-	1	1	None

\* Dr. V K Chaturvedi, Shri V R Galkar and Shri Shiv Prabhat were ceased as Directors with effect from November 14, 2018, February 15, 2019 and March 7, 2019 respectively.

\*\* Shri B C Patnaik was appointed as a Director with effect from March 7, 2019.

#### 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.
- None of the Directors hold directorships in more than 8 listed entities.
- 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.
- None of the Director has been appointed as Alternate Director for Independent Director.
- No Independent Director of the Company holds the position of Independent Director in more than 7 listed companies as required under the Listing Regulations.
- 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.

g. The Committee Memberships and Chairmanships above exclude Memberships and Chairmanships in private companies, foreign companies and in Section 8 companies.

h. 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 Members of Management. One meeting of Independent Directors was held during the financial year.

### 6. Details of directors

The abbreviated resumes of all directors are furnished hereunder:

**Shri Anil D. Ambani**, 60 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 and Reliance Communications Limited.

As on March 31, 2019, Shri Anil D. Ambani held 1,39,437 equity shares of the Company.

## Corporate Governance Report

**Shri S. Seth**, 63 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 Defence Limited, Reliance Defence and Aerospace Private Limited, Reliance Defence Systems Private Limited and Reliance Defence Technologies Private Limited.

He was a Member of the Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee of Reliance Power Limited till June 07, 2019. He is a Member of the Corporate Social Responsibility Committee of Reliance Telecom Limited and a Member of Stakeholders Relationship Committee of Board of the Company.

As on March 31, 2019, Shri S. Seth did not hold any shares of the Company.

**Shri S. S. Kohli**, 74 years, 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), 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/chairman 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 22<sup>nd</sup> 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, BSES Yamuna Power Limited, Seamec Limited, Asian Hotels (West) Limited, BSES Rajdhani Power Limited, S V Creditline Limited.

As on March 31, 2019, Shri S. S. Kohli did not hold any shares of the Company.

**Shri K. Ravikumar**, 69 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 9<sup>th</sup> in terms of market capitalization in India during his tenure at BHEL. He had handled a variety of assignments during his long career 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, Tamil Nadu 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 Nomination and Remuneration Committee and Member of the Audit Committee, Risk Management Committee and CSR Committee of Board of the Company.

As on March 31, 2019, Shri K. Ravikumar did not hold any shares of the Company.

**Ms. Ryna Karani**, 51 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 Communications Limited, Prime Urban Development India Limited and INEOS Styrolution India Limited.

She is the Chairperson of the CSR Committee and Risk Management Committee and also member of the Audit Committee, and Stakeholder Relationship Committee of the Board of the Company.

As on March 31, 2019, Ms. Ryna Karani held 100 equity shares of the Company.

**Shri B C Patnaik**, 56 years, has done his Master's in Political Science. He is also a fellow of the Insurance Institute of India. He has also been exposed to institutes of repute such as ISB, Hyderabad, IIM, Lucknow and NIA Pune. He joined the LIC of India as a direct recruit officer, AAO (Class 1) in the year 1986 and at present is an Executive Director of the Corporation. He has wide experience in the field of Marketing, Finance, Personnel, CRM, Risk Management and General Administration. He has

been in charge of two divisions of LIC. He has also managed the Bancassurance channel of a Zone. He has been instrumental in vastly improving the customer service in Uttar Pradesh as in charge of CRM in the Zone as Chief of CRM in Central Office, he introduced LIC E-Services, NACH and On line Loans in the country. He was also in charge of Marketing for Maharashtra, Gujarat and Goa and succeeded in registering the highest ever record of New Business First Premium Income during 2017-18. He has achieved great success in all his assignments and has got first hand experience of eleven states of the country. More than 50% of the divisions in the country were covered.

**Ms. Manjari Kacker**, 67 years, holds a master's degree in Chemistry and a diploma in Business Administration. She has more than 40 years of experience in taxation, finance, administration and vigilance. She was in the Indian Revenue Service batch of 1974. She held various assignments during her tenure in the tax department and was also a member of the Central Board of Direct Taxes. She has also served as the Functional Director (Vigilance and Security) in Air India and has also represented India in international conferences. Ms. Manjari Kacker is also a Director in Dhanvarsha Finvest Limited, Reliance Communications Limited, EGK Foods Private Limited, Water systems & Infrastructure Development Services Private Limited, Hindustan Gum and Chemicals Limited, Water Systems & Infrastructure Development Services Private Limited and Zaffiro Learning Private Limited.

She is the Chairperson of the Audit Committee and also member of the Stakeholder Relationship Committee, Nomination and Remuneration Committee and Risk Management Committee of the Board of the Company. Ms. Manjari Kacker does not hold any shares of the Company.

**Shri Punit Garg**, aged 55 years, a qualified Engineer, is part of senior management team of Reliance Group since 2001 and is involved in taking a number of strategic decisions. Shri Garg has previously served as an Executive Director on the Board of Reliance Communications Limited. With rich experience of over 34 years, Shri Garg has created and led billion dollar businesses. As a visionary, strategist and team builder he has driven profitable growth through innovation and operational excellence.

He is the Member of the Audit Committee, Stakeholder Relationship Committee, CSR Committee and Risk Management Committee of the Board of the Company. Shri Punit Garg holds 1500 equity shares of the Company.

### **Core Skills, Expertise and Competencies available with the Board**

The Board comprises highly qualified Members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.



## Corporate Governance Report

The Board of the Company has identified Business Strategy, Policy, Business Development, Risk Management, Legal, Commercial, Project Management, Procurement, Engineering, Finance and Human Resource as the core skills/ expertise/

competencies required in the Board in the context of the Company's Businesses and sectors for it to function effectively. The current Board of Directors of the Company possesses all the above identified skills and competencies.

### Directorships in other Listed Entities

The details of the directorships held by the Directors in other listed entities as on March 31, 2019 are as follows:

Name of Director	Name of the Listed Entities	Category
Shri Anil D Ambani	Reliance Power Limited	Chairperson – Promoter, Non Executive Non Independent Director
	Reliance Communications Limited	Chairperson – Promoter, Non Executive Non Independent Director
	Reliance Capital Limited	Chairperson – Promoter, Non Executive Non Independent Director
Shri S Seth	Reliance Power Limited	Non Executive Non Independent Director
Shri S S Kohli	BLS International Services Limited	Non-Executive – Independent Director
	Asian Hotels (West) Limited	Non-Executive – Independent Director
	Seamec Limited	Non-Executive – Independent Director
	IDFC Limited	Non-Executive – Independent Director
	ACB (India) Limited	Non-Executive – Independent Director
Ms. Ryna Karani	Ineos Styrolution India Limited	Non-Executive – Independent Director
	Reliance Communications Limited	Non-Executive – Independent Director
	Prime Urban Development India Limited	Non-Executive – Independent Director
Shri K Ravikumar	SPEL Semiconductor Limited	Non-Executive – Independent Director
	Reliance Naval And Engineering Limited	Chairperson – Non-Executive – Independent Director
	Reliance Power Limited	Non-Executive – Independent Director
Shri B C Patnaik	None	-

### 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 / officers of the Company and its subsidiary companies.

### The terms of reference, *inter alia*, comprises the following:

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 Section 134(3)(c) 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;

## II. Audit Committee

The Audit Committee of the Board, constituted in terms of Section 177 of the Act and the Listing Regulations and duly reconstituted during the year to give effect to the changes in the Board Composition. The re-constituted Audit Committee of the Board of Directors as on date comprises of majority of Independent Directors namely Ms. Manjari Kacker, Shri S S Kohli, Shri K Ravikumar, Ms. Ryna Karani, Independent Directors and Shri Punit Garg, Executive Director and Chief Executive Officer. Ms. Manjari Kacker, Independent Director, is the Chairman of the Committee. 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.

- 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. Modified opinions 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) in the form of specific approval or omnibus approval including subsequent modifications thereto is obtained and reviewed on quarterly basis, of RPTs entered into by the Company pursuant to respective omnibus approval given as above;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the Company, wherever it is necessary;
  11. Review the Company's established system and processes of internal financial controls and risk management systems;
  12. Reviewing with the Management, performance of statutory and internal auditors, adequacy of internal control systems;
  13. 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;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. 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;
  16. 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;
  17. 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;
  18. To review the functioning of the Whistle Blower mechanism;
  19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
  20. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.
  21. Reviewing the compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall also verify that the systems for internal control are adequate and are operating effectively; and
  22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 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.

Corporate Governance Report

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 2018-19**

The Audit Committee held four meetings during the year on April 23, 2018, August 1, 2018, November 14, 2018 and February 5, 2019. The maximum gap between any two meetings was 104 days and the minimum gap was 82 days.

Members	Number of meetings	
	held during the year/ tenure	attended
Shri S S Kohli	4	4
Shri K Ravikumar	4	4
Shri V R Galkar (ceased on 05.02.19)	4	4
Ms. Ryna Karani	4	3
Shri Shiv Prabhat (ceased on 07.03.19)	4	4
Shri B C Patnaik (appointed on 07.03.19)	-	-

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.

The Company Secretary acts as 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 were placed and discussed at the Audit Committee Meeting.

**III Nomination and Remuneration Committee**

The Nomination and Remuneration Committee, constituted in terms of Section 178 of the Act and the Listing Regulations, duly reconstituted during the year to give effect to the changes in the Board Composition, comprises of Shri K Ravikumar as Chairman and Shri S S Kohli and Ms. Manjari Kacker as Members as on date.

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:**

- a) 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;
- b) to formulate the criteria for evaluation of the performance of the Independent Directors, the Board and the committees thereof and to carry out evaluation of every director's performance;
- c) to devise a policy on board diversity;
- d) to identify persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend their appointment to and/or removal from the Board;
- e) to formulate a process for selection and appointment of new directors and succession plans;
- f) to recommend to the Board from time to time, a compensation structure for Directors and the Senior Management Personnel.
- g) to review and recommend to the Board whether to extend or continue the term of appointment of Independent Director on the basis of the report of performance evaluation of the Independent Directors.

## Corporate Governance Report

- h) 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.
- i) to recommend to the Board all the remunerations in whatever form payable to the senior management of the Company.

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 18, 2018.

The Members at the 86<sup>th</sup> 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 meetings during the year on April 23, 2018 and February 5, 2019.

**Attendance at the meeting of the Nomination and Remuneration Committee held during the financial year 2018-19 is as follows:**

Members	Number of meetings held during the year/ tenure	Number of meetings attended
Shri V R Galkar (ceased on 05.02.19)	2	2
Shri S S Kohli	2	2
Shri Shiv Prabhat (ceased on 07.03.19)	2	2
Shri K Ravikumar (appointed on 05.02.19)	-	-
Shri B C Patnaik (appointed on 07.03.19)	-	-

**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.

### Details of Sitting Fees and Commission paid to the Non-Executive Directors:

During the year ended March 31, 2019, the following payments were made to Non-Executive Directors:

(Amount ₹ in lakh)

Sr. No.	Names	Sitting Fees	Commission
1.	Shri Anil D Ambani	3.60	550.00
2.	Shri S Seth	5.20	8.00
3.	Shri S S Kohli	7.20	8.00
4.	Dr V K Chaturvedi (Ceased on 14.11.2018)	2.80	8.00
5.	Shri K Ravikumar	8.00	8.00
6.	Shri V R Galkar (ceased on 05.02.19)	8.00	8.00
7.	Ms. Ryna Karani	6.40	8.00
8.	Shri Shiv Prabhat (ceased on 07.03.19)	6.40	8.00
9.	Shri B C Patnaik (appointed on 07.03.19)	-	-

### Notes:

- a. Remuneration by way of commission to non executive directors was paid for the financial year 2017-18.
- 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.

### Details of payment to Executive Director:

Disclosures as required under Schedule V of the Act with respect to the appointment of Shri Punit Garg are as under:

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions etc of all directors  
Annual Salary of ₹ 233 lakhs
- (ii) Details of fixed component and performance linked incentives along with the performance criteria  
Fixed component - ₹ 233 lakh  
Performance linked incentive - as may be determined by the Board pursuant to the recommendation of the Nomination and Remuneration Committee
- (iii) Service contracts - No  
Notice period - 3 months  
Severance fees - No
- (iv) Stock Option details, if any - Not applicable

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**IV. Stakeholders Relationship Committee**

The reconstituted Stakeholders Relationship Committee, as on date, comprises of Shri K. Ravikumar as Chairman and Shri S. Seth, Shri Punit Garg, Ms. Manjari Kacker and Ms. Ryna Karani as Members.

During the year, the Stakeholders Relationship Committee was reconstituted to give effect to the changes in the Board Composition. 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*, includes the following:

- To consider and resolve the grievances of the security holders of the Company including complaints relating to transfer/transmission of shares, non receipt of annual reports, new/duplicate certificates and non receipt of declared dividends;
- To review and approve the transfer, transmission and transposition of securities of the Company or to sub delegate such powers;
- To approve the issue of new/duplicate certificates for shares/debentures or such other securities;
- To review the transfer of amount and shares to the Investor Education and Protection Fund;
- To review periodical reports which may be in the interest of the stakeholders of the Company;
- To review measures taken for effective exercise of voting rights by shareholders;
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders; and
- To carry out such other functions as may be delegated by the Board.

During the year 2018-19, the Stakeholders Relationship Committee held four meetings during the year on April 23, 2018, August 1, 2018, November 14, 2018 and February 5, 2019. The maximum gap between any two meetings was 104 days and the minimum gap was 82 days. The Company Secretary is the Secretary to the Committee.

**Attendance at the meeting of the Stakeholders Relationship Committee held during 2018-19 is as follows:**

Members	Number of meetings held during the year/ tenure	Number of meetings attended
Shri V R Galkar (ceased on 05.02.19)	4	4
Shri K Ravikumar	4	4
Shri V K Chaturvedi (ceased on 14.11.18)	3	3
Shri S Seth	1	1
Ms. Ryna Karani (Appointed on 05.02.19)	-	-

**V. Corporate Social Responsibility (CSR) Committee**

The reconstituted Corporate Social Responsibility (CSR) Committee, as on date consists of Ms Ryna Karani as Chairperson with Shri K. Ravikumar, Shri Punit Garg and Shri S. S. Kohli as other Members. The Company Secretary is the Secretary to the Committee. During the year, the CSR Committee was reconstituted to give effect to the changes in the Board Composition. 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 meet with the requirements of the Act.

During the year, Corporate Social Responsibility Committee held two meetings i.e. on April 23, 2018 and August 1, 2018.

**Attendance at the meeting of the Corporate Social Responsibility Committee held during the financial year 2018-19 is as follows:**

Members	Number of meetings held during the year/ tenure	Number of meetings attended
Ms. Ryna Karani	2	1
Shri K Ravikumar	2	2
Shri V K Chaturvedi (ceased on 14.11.18)	2	1
Shri S S Kohli	2	2

**VI. Risk Management Committee**

The Risk Management Committee, as on date comprises of Ms. Ryna Karani as Chairperson and Shri B C Patnaik, Shri S. S. Kohli, Shri Punit Garg, Ms. Manjari Kacker and Shri K. Ravikumar as Members. The Committee has also Shri Sridhar Narasimhan, Chief Financial Officer as member and Shri Amit Agarwal, General Manager (Internal Auditor), as Member Secretary. During the year, the Risk Management Committee was duly reconstituted to give effect to the changes in the Board Composition. The Committee held four meetings during the financial year 2018-19 on April 23, 2018, August 1, 2018, November 14, 2018 and February 5, 2019.

**Attendance at the meeting of the Risk Management Committee held during the financial year 2018-19 is as follows:**

Members	Number of Meetings held during the year/ tenure	Number of Meetings attended
Shri V R Galkar (ceased on 05.02.19)	4	4
Shri S S Kohli	4	4
Shri K Ravikumar	4	4
Ms. Ryna Karani	4	3
Shri Shiv Prabhat (ceased on 07.03.19)	4	4
Shri B C Patnaik (appointed on 07.03.19)	-	-

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.
- To review and monitor the risk management plan, Cyber Security and related risks.

The minutes of the meetings of all the Committees of the Boards of Directors are placed before the Board. During the year, the Board has accepted all the recommendations of all Committees.

### VII. Compliance Officer

Shri Aashay Khandwala, Company Secretary and Compliance Officer, superannuated from the service of the Company with effect from November 5, 2018. Shri Anil C. Shah was appointed as Company Secretary and Compliance Officer of the Company with effect from February 5, 2019. For the interim period, Ms. Srilatha T.G was appointed as Dy. Company Secretary and Acting Compliance Officer effective from November 5, 2018 to February 4, 2019. The Compliance Officer is entrusted with the role of 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.

The Board, at its meeting held on August 13, 2019 has approved the appointment of Shri Paresh Rathod as the Company Secretary and Compliance Officer from August 16, 2019, to be effective after the superannuation of Shri Anil C. Shah.

### VIII. 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 or not
2017-18	September 18, 2018 at 10:45 a.m.	Yes. Private Placement of Non Convertible Debentures (NCD) and/or other Debt Securities
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

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

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. A Special Resolution for Issue of securities through Qualified Institutional Placement on a private placement basis to Qualified Institutional Buyers ("QIBs") was fast with 85.55 percent of valid votes cast in favour of the resolution.

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.

The above resolution was 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.

### IX. Details of Utilisation

During the year, the Company has not raised any funds through preferential allotment or Qualified Institutional Placement as specified under Regulation 32 (7A) of the Listing Regulations.

### X. 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 at [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.

#### 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



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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, Management Discussion and Analysis and Corporate Governance Report 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 soft copy of the Annual Report to all those Members whose e-mail Ids are available with the Company / depositories or its Registrar and Transfer Agent.

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

The NEAPS is a web based system designed by NSE for corporates. The Shareholding Pattern, Corporate Governance Report, Corporate Announcements, Media Releases, Financial Results, Annual Report 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, Annual Report 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 e-mail id:**

The Company has also designated e-mail 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.

**XI 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.

**XII Subsidiaries**

All the subsidiary companies are managed by their respective Boards. Their Board has 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: [https://www.rinfra.com/documents/1142822/1190917/Policy\\_for\\_Determining\\_Material\\_Subsiary.pdf](https://www.rinfra.com/documents/1142822/1190917/Policy_for_Determining_Material_Subsiary.pdf).

One of the Independent Directors is nominated on the Board of the subsidiaries as and when a subsidiary becomes an "unlisted material subsidiary" within the meaning of the above expression in accordance with Regulation 24, read with Regulation 16, of the Listing Regulations. The Independent Directors of the Company have been appointed on the Boards of "unlisted material subsidiary" viz. Ms. Ryna Karani and Shri S S Kohli on the Board of BSES Yamuna Power Limited and BSES Rajdhani Power Limited.

All the unlisted material subsidiaries have undergone Secretarial Audit by a practicing Company Secretary and the secretarial audit report is annexed to their annual report.

### XIII Disclosures

- a. There has been no non-compliance by the Company on any matter related to capital markets during the last three financial 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 2018-19, 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 Financial statements. The policy on dealing with Related Party Transactions is placed on the Company's website at web link: <http://www.rinfra.com/documents/1142822/1182645/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. The Accounting Policies followed by the Company to the extent relevant are set out elsewhere in the Annual Report.

**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 Executive Director and 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 2018-19."

Sd/-

**Punit Garg**  
Executive Director and CEO

**e. CEO and CFO certification**

Shri Punit Garg, Executive Director and Chief Executive Officer and Shri Sridhar Narasimhan, Chief Financial Officer of the Company have provided certification on financial reporting and internal controls to the Board as required under Regulation 17(8) 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, 2019 have been prepared as per the applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

**g. Certificate from a Company Secretary in Practice**

Pursuant to the provisions of the Schedule V of the Listing Regulations, the Company has obtained a certificate from M/s. Ashita Kaul and Associates, Practicing Company Secretaries confirming that none of the directors of the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI /Ministry of Corporate Affairs or any other statutory authority.

### XIV Policy on prohibition of insider trading

The Company has formulated the "Reliance Infrastructure Limited - Code of Practices and Procedures and Code of Conduct to regulate, monitor and report trading in securities and Fair Disclosure of Unpublished Price Sensitive Information" (Code) in accordance with the guidelines specified under the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

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.

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Trading window for dealing in the securities of the company by the designated persons shall remain closed during the period from end of every quarter / year till the expiry of 48 hours from the declaration of quarterly / yearly financial results of the company.

**Corporate Governance Report**
**XV Compliance of Regulation 34 (3) and Para F of Schedule V of the Listing Regulations**

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, 2019 were as under:

Sr. No.	Particulars	No of shareholders	No of shares
(a)	Aggregate number of shareholders and the outstanding shares lying in suspense account as on April 1, 2018	3217	51016
(b)	Number of shareholders who approached listed entity for transfer of shares from suspense account during April 1, 2018 to March 31, 2019	37	872
(c)	Number of shareholders to whom shares were transferred from suspense account during April 1, 2018 to March 31, 2019	37	872
(d)	Number of Shares transferred to IEPF	344	4907
(e)	Aggregate number of shareholders and the outstanding shares lying in suspense account as on March 31, 2019	2836	45237

The voting rights on the shares outstanding in the 'Reliance Infrastructure Limited - Unclaimed Suspense Account' as on March 31, 2019 shall remain frozen till the rightful owner of such shares claims the shares.

Wherever shareholders have claimed the share(s), after proper verifications, share(s) were credited to the respective beneficiary account.

**XVI. Fees to Statutory Auditors**

The details of fees paid to M/s. Pathak H. D. and Associates, Chartered Accountants, Statutory Auditors and M/s. B S R & Co. LLP by the Company and its subsidiaries during the year ended March 31, 2019 are as follows:

(₹ In Lakhs)			
Sr. No.	Particulars	Pathak H. D. and Associates	B S R & Co. LLP
1	Audit Fees	84,05,000	77,55,000
2	Certification Charges	41,44,500	3,30,000
3	Other Matters	-	2,40,588
<b>Total</b>		<b>1,21,99,500</b>	<b>83,25,588</b>

**XVII. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

As reported by Internal Complaint Committee, the details of complaints are as under:

Sr. No.	Particulars	Details
1	No. of complaints filed during the financial year	Nil
2	No. of complaints disposed off during the financial year	Nil
3	No. of complaints pending as on end of the financial year	Nil

**XVIII Compliance with non mandatory requirements**
**a. The Board**

Our chairman is a non executive chairman and 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 Punit Garg is the Executive Director and Chief Executive Officer of the Company.

**c. Audit Qualifications**

The qualification and management response to it are mentioned in the Director's Report and are also forming part of this report.

**d. Reporting of Internal Auditor**

The internal auditor reports directly to the Audit Committee of the Company.

**XIX 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.

**Practicing Company Secretary's certificate on corporate governance**

Certificate by M/s. Ashita Kaul & Associates, practicing company secretaries, 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.

# Reliance Infrastructure Limited

## Corporate Governance Report

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>
	Maximum Number of Directorships	17A	Yes	<ul style="list-style-type: none"> <li>• Directorships held in Listed Entities</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 &amp; Meetings</li> <li>• Quorum</li> <li>• Role of the Committee</li> </ul>
4.	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>• Composition &amp; Meetings</li> <li>• Role of the Committee</li> </ul>
5.	Risk Management Committee	21	Yes	<ul style="list-style-type: none"> <li>• Composition &amp; Meetings</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> <li>• Disclosure to Stock Exchange &amp; on Website</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>
	Secretarial Audit	24A	Yes	<ul style="list-style-type: none"> <li>• Secretarial Audit of material unlisted subsidiaries</li> </ul>
9.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>• No Alternate Director for Independent Director</li> <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> <li>• Declaration by Independent Directors</li> <li>• Directors &amp; Officers Insurance</li> </ul>

**Corporate Governance Report**

Sr. No.	Particulars	Regulation	Compliance Status	Compliance Observed
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>

**Practising Company Secretary's Certificate Regarding Compliance of Conditions of Corporate Governance**

**To**  
**The Members of Reliance Infrastructure Limited**

We have examined the compliance of the conditions of Corporate Governance by Reliance Infrastructure Limited ('the Company') for the year ended on March 31, 2019, as stipulated under regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended on March 31, 2019.

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

This certificate is solely issued for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For M/s. Ashita Kaul & Associates**  
Practising Company Secretaries

**Proprietor**  
FCS 6988/ CP 6529

Place : Mumbai  
Date : August 13, 2019

# Reliance Infrastructure Limited

## Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,**  
**The Members**  
**Reliance Infrastructure Limited**  
H Block, 1<sup>st</sup> Floor,  
Dhirubhai Ambani Knowledge City,  
Navi Mumbai 400710

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Reliance Infrastructure Limited having CIN : L75100MH1929PLC001530 and having registered office at H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

### List of Directors of Reliance Infrastructure Limited:

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Cessation
1.	Mr. Anil D. Ambani	00004878	18/01/2003	-
2.	Mr. S Seth	00004631	24/11/2000	-
3.	Mr. S S Kohli	00169907	14/02/2012	-
4.	Mr. K Ravikumar	00119753	14/08/2012	-
5.	Ms. Ryna Karani	00116930	20/09/2014	-
6.	Mr. B C Patnaik	08384583	07/03/2019	-
7.	Mr. Shiv Prabhat	07319520	04/11/2015	07/03/2019
8.	Mr. V R Galkar	00009177	20/09/2014	15/02/2019
9.	Mr. Punit Garg	00004407	06/04/2019	-
10.	Ms. Manjari Kacker	06945359	14/06/2019	-
11.	Mr. V K Chaturvedi	01802454	21/04/2012	14/11/2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/s. Ashita Kaul & Associates**  
Practising Company Secretaries

**Proprietor**  
FCS 6988/ CP 6529

Place : Mumbai  
Date : August 13, 2019



## Investor Information

### Important Points

Investor should hold securities in dematerialised form as transfer of shares in physical form is no longer permissible.

**As mandated by SEBI, with effect from April 1, 2019, request for transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository except for transmission and transposition of securities.**

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

- a. **Self attested copy of the 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.**

Holding securities in dematerialised form is beneficial to the investors in the following manner:

- A safe and convenient way to hold securities;
- Elimination of risk(s) 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/bank account details as change with Depository Participants (DPs) gets registered with all companies in which investor holds securities electronically;
- Easier transmission of securities as the same done by DPs 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.

### Electronic Payment Services

Investors should avail 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 frequent 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.

### Register for SMS alert facility

Investor should register with DPs for the SMS alert facility. Both Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) alert investors through SMS of the debits and credits in their demat account.

### 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.

### 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 DPs in case of shares held in dematerialised form.

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 DPs directly, as per the form prescribed by the DPs.

### 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 the Company's RTA.

### Register e-mail address

Investors should register their email address with the Company/ DPs. 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.

# Reliance Infrastructure Limited

## Investor Information

Prescribed form for registration may please be downloaded from the Company's website.

### Course of action for revalidation of dividend warrant for previous years

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. The RTA would request the concerned shareholder to execute an indemnity before processing the request. As per a 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 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)

SEBI has stated that all the DPs 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 90<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Monday, September 30, 2019 at 11.15 A.M. or soon after the conclusion of the Annual General Meeting of Reliance Capital Limited convened on the same day, whichever is later, at Rama & Sundri Watumull Auditorium, Vidyasagar, Principal K. M. Kundani Chowk, 124, Dinshaw Wachha Road, Churchgate, Mumbai – 400020.

### E-voting

The Members can cast their votes online from 10.00 a.m. on Thursday, September 26, 2019 to 5.00 p.m. on Sunday, September 29, 2019.

### 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 separate 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

Karvy Fintech Private Limited  
(Formerly 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  
Tel : +91 40 6716 1500  
Fax : +91 40 6716 1791  
Toll Free No. (India) : 1800 4250 999  
Website: [www.karvyfintech.com](http://www.karvyfintech.com)  
Email : [rinfra@karvy.com](mailto:rinfra@karvy.com)  
Post your request: <http://kcpl.karvy.com/adag>  
Karvy Computershare Private Limited (KCPL), the erstwhile Registrar and Transfer Agent of the Company has transferred its operations to Karvy Fintech Private Limited (KFPL), with effect from November 17, 2018, pursuant to a composite Scheme of Arrangement and Amalgamation *inter alia* between KCPL and KFPL.

Shareholders/Investors are requested to forward share transfer documents, dematerialisation requests through their 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 not recommended any dividend for the financial year 2018-19.

### Share transfer system

With a view to address the difficulties in transfer of shares, faced by non-residents and foreign national, the Securities and Exchange Board of India vide its circular no. SEBI/ HO/MIRSD/ DOS3/CIR/P/2019/30 dated February 11, 2019, has decided to grant relaxations to non-residents from the requirement to furnish PAN and permit them to transfer equity shares held by them in listed entities to their immediate relatives subject to the following conditions:

- The relaxation shall only be available for transfer executed after January 1, 2016.
- The relaxation shall only be available to non-commercial transactions. i.e. transfer by way of gift among immediate relatives.
- The non-resident shall provide copy of an alternate valid document to ascertain identity as well the non-resident status.

### Permanent Account Number (PAN) for transfer of securities mandatory

SEBI has stated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company's RTA for registration of transfer of securities.

However, with a view to address the difficulties in transfer of shares, faced by non-residents and foreign nationals, the Securities and Exchange Board of India vide its circular no. SEBI/ HO/MIRSD/ DOS3/CIR/P/2019/30 dated February 11, 2019, has decided to grant relaxations to non-residents from the requirement to furnish PAN and permit them to transfer equity shares held by them in listed entities to their immediate relatives,

**Investor Information**

subject to the following conditions:

- The relaxation shall only be available for transfers executed after January 01, 2016.
- The relaxation shall only be available to non-commercial transactions, i.e. transfer by way of gift among immediate relatives.
- The non-resident shall provide copy of an alternate valid document to ascertain identity as well as the non-resident status.

**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 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:

Financial year ended	Dividend per share (₹)	Date of declaration	Due for transfer on	Outstanding unclaimed dividend as on March 31, 2019 (in ₹)
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
2017-18	9.50	September 18, 2018	October 25, 2025	22,945,188

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 Fintech Private Limited immediately.

The Company shall transfer to IEPF within the stipulated period (a) the unpaid or unclaimed dividend for the financial year 2011-12; (b) the shares on which dividend has not been claimed or encashed for last seven consecutive years or more.

The Company has individually communicated to the concerned shareholders whose shares are liable to be transferred to the IEPF, to enable them to take appropriate action for claiming the unclaimed dividends and shares, if any, by due date, failing which the Company would transfer the aforesaid shares to the IEPF as per the procedure set out in the Rules.

Members are requested to note that no claims shall lie against the Company in respect of their shares or the amounts so transferred

The Company has transferred the dividend for the years 1996-97 to 2010-11 remaining unclaimed for seven years from the date of declaration to IEPF.

During the year under review, the Company has transferred ₹ 1,62,31,064/- from the unclaimed dividend account to the Investor Education and Protection Fund, pertaining to the year 2010-11 pursuant to the provisions of the Companies Act, 2013.

During the year, the Company has also transferred to the IEPF Authority 1,59,979 shares of ₹ 10 each, pertaining to the year 2010-11 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. November 03, 2018.

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: <https://www.rinfra.com/web/rinfra/unpaid-unclaimed-shares>. 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)

to IEPF and no payment shall be made in respect of any such claim. Any shareholder whose shares and unclaimed dividends and sale proceeds of fractional shares has been transferred to the Fund, may claim the shares or apply for claiming the dividend transferred to IEPF by making an application in Form IEPF 5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) along with the applicable fee.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 18, 2018 (date of last Annual General Meeting) and the details of such shareholders and shares due for transfer on the website of the Company ([www.rinfra.com](http://www.rinfra.com)), as also on the website of the Ministry of Corporate Affairs.

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

# Reliance Infrastructure Limited

## Investor Information

### Shareholding Pattern

Sr. No.	Category of shareholders	As on 31.03. 2019		As on 31.03. 2018	
		Number of Shares	%	Number of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
(i)	Indian	10,63,58,031	40.44	12,71,77,036	48.36
(ii)	Foreign	-	-	-	-
	<b>Sub Total (A)</b>	<b>10,63,58,031</b>	<b>40.44</b>	<b>12,71,77,036</b>	<b>48.36</b>
(B)	Public shareholding				
(i)	Institutions:				
	Insurance Companies	128,22,227	4.87	2,32,33,141	8.83
	Foreign Institutional Investors (FII) /	797,53,471	30.33	6,50,13,321	24.72
	Foreign Portfolio Investors (FPI)				
	Mutual Funds	36,69,201	1.40	88,82,322	3.38
	Financial Institutions/Banks	57,31,669	2.18	8,91,132	0.34
	Others	1,31,208	0.05	1,31,212	0.05
(ii)	Non-institutions	5,06,04,868	19.24	3,09,46,361	11.77
	<b>Sub Total (B)</b>	<b>15,27,12,644</b>	<b>58.07</b>	<b>12,90,97,489</b>	<b>49.09</b>
(C)	Shares held by Custodian and against which Depository Receipts have been issued -	34,69,325	1.32	62,65,475	2.38
	<b>Sub Total (C)</b>	<b>34,69,325</b>	<b>1.32</b>	<b>62,65,475</b>	<b>2.38</b>
(D)	ESOS Trust	4,50,000	0.17	4,50,000	0.17
	<b>Sub Total (D)</b>	<b>4,50,000</b>	<b>0.17</b>	<b>4,50,000</b>	<b>0.17</b>
	<b>Grand Total (A) + (B) + (C) + (D)</b>	<b>26,29,90,000</b>	<b>100.00</b>	<b>26,29,90,000</b>	<b>100.00</b>

\* 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.

### Distribution of shareholding

Number of shares	Number of Shareholders as on 31.03.2019		Total shares as on 31.03.2019		Number of Shareholders as on 31.03. 2018		Total shares as on 31.03.2018	
	Number	%	Number	%	Number	%	Number	%
1 - 500	7,86,161	98.71	1,99,83,828	7.60	8,51,419	99.27	1,84,83,699	7.03
501 - 5,000	9,290	1.17	1,20,48,074	4.58	5,702	0.66	69,51,994	2.64
5,001 - 1,00,000	819	0.10	1,54,57,297	5.88	445	0.05	92,06,858	3.50
1,00,001 and above	156	0.02	21,55,00,801	81.94	133	0.02	22,83,47,449	86.83
<b>Total</b>	<b>7,96,426</b>	<b>100.00</b>	<b>26,29,90,000</b>	<b>100.00</b>	<b>8,57,699</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, 2019, 98.84 per cent of the Company's equity shares are held in dematerialised form.

**Investor Information**
**Investors' Grievances attended**

Received From	Received during April to March		Redressed during April to March		Pending as on	
	2018-19	2017-18	2018-19	2017-18	31.03.2019	31.03.2018
Securities and Exchange Board of India	72	22	72	22	0	0
Stock Exchanges	11	14	11	14	0	0
NSDL/CDSL/ROC	10	0	10	0	0	0
Direct from investors	13	2	13	2	0	0
<b>Total</b>	<b>106</b>	<b>38</b>	<b>106</b>	<b>38</b>	<b>0</b>	<b>0</b>

**Analysis of Grievances**

Particulars	Number		Percentage	
	2018-19	2017-18	2018-19	2017-18
Non-receipt of dividend warrants	26	19	24.53	50.00
Non-receipt of share certificates	0	0	0.00	0.00
Others	80	19	75.47	50.00
<b>Total</b>	<b>106</b>	<b>38</b>	<b>100.00</b>	<b>100.00</b>

There was no complaint pending as on March 31, 2019.

**Notes:**

- 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.
- The queries and grievances received during 2018-19 correspond to 0.013 per cent (Previous Year 0.004 per cent) of the number of Members.

**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.

**Equity History (For the past 10 years)**

Sr. No.	Dates	Particulars	Price per equity Shares (₹)	No of Shares	Cumulative Total
1	01.04.2008	Outstanding equity shares			23,65,30,262
2	01.04.2008	Extinguishment of shares consequent to Buy-back <sup>1 &amp; 2</sup>	N.A	- 1,12,60,000	22,52,70,262
3	31.03.2010	Allotment of shares on conversion of warrants <sup>3</sup>	928.89	+1,96,00,000	24,48,70,262
4	07.01.2011	Allotment of shares on conversion of warrants <sup>3</sup>	928.89	+ 2,25,50,000	26,74,20,262
5	21.04.2011 to 13.02.2012	Extinguishment of shares consequent to Buy-Back <sup>4</sup>	N.A	- 44,30,262	26,29,90,000
6	31.03.2019	Total Number of outstanding equity shares			26,29,90,000

**Notes:**

- 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.

# Reliance Infrastructure Limited

## Investor Information

4. 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

Financial Year 2018-19 Month	BSE Limited			National Stock Exchange of India Limited		
	High ₹	Low ₹	Volume Nos.	High ₹	Low ₹	Volume Nos.
April 2018	466.70	424.35	38,05,480	467.15	426.05	4,06,94,323
May 2018	460.50	375.25	59,90,881	460.50	375.10	6,33,06,888
June 2018	446.15	387.75	37,70,165	446.60	387.10	4,04,66,504
July 2018	413.55	364.25	42,27,228	413.95	364.65	4,55,74,207
August 2018	480.00	371.35	83,67,365	481.40	371.05	8,34,91,218
September 2018	488.50	286.00	1,14,38,174	489.55	285.20	9,52,71,441
October 2018	360.20	274.50	98,68,829	360.40	275.10	8,31,13,145
November 2018	380.60	324.35	67,80,710	380.75	324.05	6,41,22,105
December 2018	339.00	280.80	96,11,655	339.10	279.25	10,36,96,061
January 2019	325.10	252.50	80,96,971	325.00	252.35	8,70,20,069
February 2019	278.90	99.10	6,26,96,041	279.05	96.55	65,42,45,015
March 2019	145.80	121.40	2,87,69,291	146.05	121.10	24,66,06,534

GDRs were issued on March 8, 1996 and each GDR represents 3 equity shares. Issue price per GDR was US\$ 14.40.

US\$ = 69.1550 as on March 31, 2019.

### Stock Exchange listings

The Company's equity shares are actively traded on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

### An Index Scrip:

Equity Shares of the Company are included in the indices viz. BSE-500, BSE-Power, S&P BSE GREENEX, BSE Dollex, CNX Infrastructure, CNX Service Sector, Nifty Midcap 50

### Listings on Stock Exchanges

#### BSE Limited (BSE)

Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai 400001  
Website: www.bseindia.com

#### National Stock Exchange of India Limited (NSE)

Exchange Plaza, 5<sup>th</sup> Floor  
Plot No C /1, G Block  
Bandra-Kurla Complex  
Bandra (East),  
Mumbai 400 051  
Website: www.nseindia.com

### Stock codes

BSE Limited : 500390  
National Stock Exchange of India Limited : RELINFRA

### ISIN

ISIN for equity shares: INE036A01016

### Global Depositary Receipts (GDRs)

London Stock Exchange (LSE), 10, Paternoster Square

London EC4M 7 LS, United Kingdom,

Website : 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.

#### 1. Depositary bank for GDR holders

The Bank of New York Mellon Corporation,  
101 Barclay Street,  
22<sup>nd</sup> Floor  
New York NY 10286 USA

#### 2. Domestic Custodian

ICICI Bank Limited, Securities Market Services  
Empire Complex, F7/E7 1<sup>st</sup> Floor  
414 Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013

### Security Codes of GDRs

	Master Rule 144A GDRs	Master Regulations GDRs
CUSIP	75945E109	Y09789119
ISIN	US75945E1091	USY097891193
Common Code	6099853	6099853



## Investor Information

### Outstanding GDRs of the Company, conversion date and likely impact on equity

Outstanding GDRs as on March 31, 2019 represent 34,69,325 equity shares constituting 1.32 per cent of the paid-up equity share capital of the Company. Each GDR represents 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	IDBI Trusteeship Services Limited
Axis House C-2	Asian Building, Ground Floor
Wadia International Centre	17 R Kamani Marg
Pandurang Budhkar Marg	Ballard Estate
Worli, Mumbai 400 025	Mumbai 400 001
Website: www.axistrustee.com	Website: www.idbitrustee.com

### Payment of Listing Fees and Depository Fees

Annual Listing fees for the year 2019-20 has been paid by the Company to the stock exchanges and annual custody/issuer fees for the year 2019-20 has been paid to NSDL and CDSL.

### Share Price Performance in comparison with broad based indices – BSE Sensex and NSE Nifty

Period	RInfra (%)	Sensex (%)	Nifty (%)
FY2018-19	-67.95	17.30	14.93
2 years	-75.91	30.56	26.71
3 years	-74.33	52.60	50.21

### 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 2019-20

Unaudited results for the First Quarter ended June 30, 2019	: On or before August 14, 2019
Unaudited results for the Second Quarter and half year ending September 30, 2019	: On or before November 14, 2019
Unaudited results for the Third Quarter ending December 31, 2019	: On or before February 14, 2020
Audited results for the Financial Year 2019-20	: On or before May 30, 2020

### 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, 4<sup>th</sup> and 5<sup>th</sup> Floors, Kamala Mills Compound, Lower Parel, Mumbai 400 013, website: www.nsdl.co.in or Central Depository Services (India) Limited, Unit No. A-2501, A Wing, Marathon Futurex, 25<sup>th</sup> Floor, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (E), Mumbai 400 013 website: www.cdslindia.com

### 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.

### 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.

### Investors' 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 Fintech Private Limited at the below mentioned address for speedy response:

Karvy Fintech Private Limited  
(Formerly 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  
Website: www.karvyfintech.com

### Shareholders/Investors may send the above correspondence at the following address:

Queries relating to financial statement of the Company may be addressed to:	Correspondence on investor services may be addressed to:
Chief Financial Officer Reliance Infrastructure Limited Reliance Centre, Ground Floor 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001 Tel : +91 22 4303 1000 Fax : +91 22 4303 3664 Email : rinfra.investor@relianceada.com	The Company Secretary Reliance Infrastructure Limited Reliance Centre, Ground Floor 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001 Tel : +91 22 4303 1000 Fax : +91 22 4303 3664 Email : rinfra.investor@relianceada.com

### Plant Locations

- 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.

# Reliance Infrastructure Limited

## Independent Auditor's Report on the Standalone Financial Statements

To the Members of Reliance Infrastructure Limited

### Report on the Audit of the Standalone Financial Statements

#### Disclaimer of Opinion

We were engaged to audit the accompanying standalone financial statements of Reliance Infrastructure Limited ("the Company"), which comprise the standalone balance sheet as at 31 March, 2019, the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

We do not express an opinion on the accompanying standalone financial statements of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements.

#### Basis for Disclaimer of Opinion

We refer to Note 40 to the standalone financial statements which describes that the Company has investments in and has various amounts recoverable from a party aggregating ₹ 7,082.96 crore (net of provision of ₹ 3,972.17 crore) (₹ 10,936.62 crore as at 31 March 2018, net of provision of ₹ 2,697.17 crore) comprising inter-corporate deposits including accrued interest / investments / receivables and advances. In addition, the Company has provided corporate guarantees during the year aggregating to ₹ 1,775 crore (net of corporate guarantees aggregating to ₹ 5,010.31 crore cancelled subsequent to the balance sheet date) in favour of the aforesaid party towards borrowings of the aforesaid party from various companies including certain related parties of the Company.

According to the Management of the Company, these amounts have been mainly given for general corporate purposes and towards funding of working capital requirements of the party which has been engaged in providing Engineering, Procurement and Construction (EPC) services primarily to the Company and its subsidiaries, its associates and its joint venture. We were unable to obtain sufficient appropriate audit evidence about the relationship of the aforementioned party with the Company, the underlying commercial rationale/purpose for such transactions relative to the size and scale of the business activities with such party and the recoverability of these amounts. Accordingly, we were unable to determine the consequential implications arising therefrom and whether any adjustments, restatement, disclosures or compliances are necessary in respect of these transactions, investments and recoverable amounts in the standalone financial statements of the Company.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 41 to the standalone financial statements. The factors, more fully described in the aforesaid Note, relating to losses incurred during the year and certain loans for which the Company is guarantor indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

#### Emphasis of matter

- a. We draw attention to Note 38 to the standalone 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 Honorable High Court of Judicature at Bombay vide its order dated 30 March 2011, wherein the Company, as determined by the Board of Directors is permitted to adjust foreign exchange gain credited to the standalone statement of profit and loss by a corresponding credit to general reserve which overrides the relevant provisions of Indian Accounting Standard 1 *Presentation of financial statements*. Pursuant to the Scheme, foreign exchange gain of ₹ 192.24 crore for the year ended 31 March 2019 has been credited to standalone statement of profit and loss and an equivalent amount has been transferred to general reserve.
- b. We draw attention to Note 39 to the standalone 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 Company, which was subsequently amalgamated with the Company with effect from 1 April 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 Indian Accounting Standard 1 *Presentation of financial statements*. The Board of Directors of the Company in terms of the aforesaid Scheme, determined an amount of ₹ 6,616.02 crore for the year ended 31 March 2019 as exceptional items comprising various financial assets amounting to ₹ 5,354.88 crore and loss on sale of shares of Reliance Power Limited, (RPower), an associate company pursuant to invocation of pledge of ₹ 1,261.14 crore. The aforesaid amount of ₹ 6,616.02 crore for the year ended 31 March 2019 has been debited to the standalone statement of profit and loss and an equivalent amount has been withdrawn from general reserve.  
  
Had the accounting treatment described in paragraphs (a) and (b) above not been followed, loss before tax for the year ended 31 March 2019 would have been higher by ₹ 6,423.78 crores and General Reserve would have been higher by an equivalent amount.
- c. We draw attention to Note 7(a) to the standalone financial statements which describes the impairment assessment performed by the Company in respect of its investment of ₹ 5,231.18 crore and amounts recoverable aggregating to ₹ 1,219.63 crore in RPower as at 31 March 2019 in accordance with Indian Accounting Standard 36

## Independent Auditor's Report on the Standalone Financial Statements

Impairment of assets / Indian Accounting Standard 109 Financial Instruments. This assessment involves significant management judgment and estimates on the valuation methodology and various assumptions used in determination of value in use/fair value by independent valuation experts / management as more fully described in the aforesaid note. Based on management's assessment and the independent valuation reports, no impairment is considered necessary on the investment and the recoverable amounts.

Our opinion is not modified in respect of the above matters.

### Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act 2013 ("Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our responsibility is to conduct an audit of the standalone financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements.

We are independent of the Company in accordance with the Code of Ethics and provisions of the Act that

are relevant to our audit of the standalone financial statements in India under the Act, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Act.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, and except for the possible effects, of the matter described in the Basis for Disclaimer of Opinion section, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by section 143(3) of the Act, we report that:
  - a) As described in the Basis for Disclaimer of Opinion section, we were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) Due to the effects / possible effects of the matter described in the Basis for Disclaimer of Opinion section, we are unable to state whether 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) Due to the effects / possible effects of the matter described in the Basis for Disclaimer of Opinion section, we are unable to state whether the financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
  - e) The matter described in the Basis for Disclaimer of Opinion section and going concern matter described in the material uncertainty related to going concern may have an adverse effect on the functioning of the Company.
  - f) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of section 164(2) of the Act.
  - g) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer Opinion section.
  - h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

# Reliance Infrastructure Limited

## Independent Auditor's Report on the Standalone Financial Statements

- (B) With respect to the other matters to be included in the Auditors' 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:
- Except for the possible effects of the matter described in the Basis for Disclaimer of Opinion section, the Company has disclosed the impact of pending litigations as at 31 March, 2019 on its financial position in its standalone financial statements – Refer Note 32 to the standalone financial statements.
  - Except for the possible effects of the matter described in the Basis for Disclaimer of Opinion section, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - Other than for dividend amounting to ₹ 0.05 crore pertaining to the financial year 2010-2011 which could not be transferred on account of pendency of various investor legal cases, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - The disclosures 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 in these standalone financial statements since they do not pertain to the financial year ended 31 March, 2019.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No:  
101248W /W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

Date : June 14, 2019  
Place : Mumbai

For **Pathak H.D. & Associates**  
Chartered Accountants  
Firm's Registration No:107783W

**Vishal D. Shah**  
Partner  
Membership No:119303

Date : June 14, 2019  
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 financial statements for the year ended March 31, 2019

- The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - 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 assets were noticed on such verification.
  - According to the information and explanations given to us and on the basis of our 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, 2019 (₹ Crore)	Net Block as on March 31, 2019 (₹ 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 the Company.

**Annexure A to Auditors' Report**

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 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, 2019 (₹ Crore)	Net Block as on March 31, 2019 (₹ 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 MIDC	1	0.02	0.01	Lease agreement is not available with the Company.

- (ii) The inventory has been physically verified by the management during the year. 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, except for the matter referred to in the Basis for Disclaimer of Opinion section in the audit report in respect of which we are unable to comment for the reasons described therein, 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.
- (iv) Based on the information and explanations given to us in respect of loans, investments, guarantees and securities, except for the matter referred to in the Basis for Disclaimer of Opinion section in the audit report in respect of which we are unable to comment for the reasons described therein, 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 meaning the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of Generation of electricity services 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.
- (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, goods and services tax, duty of customs, cess and other material statutory dues as applicable except for dues towards tax deducted at source, electricity duty on consumption of electricity, and tax on sale of electricity where there have been significant delays in depositing such dues in a large number of cases. Further, the Company has not paid until date dividend distribution tax payable in respect of dividend declared during the year.
- (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, duty of customs, goods and services tax and cess as at March 31, 2019 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
Income-tax Act, 1961	Dividend Distribution Tax	50.48*	2017-18	September 18, 2018	Not yet paid

\*Including interest of ₹ 2.86 Crore

- (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, works contract tax, service-tax, duty of customs, duty of excise and value added tax as at March 31, 2019 which have not been deposited on account of a dispute are as follows:

## Reliance Infrastructure Limited

### 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
Delhi Sales Tax Act, 1975	Sales Tax	344.78 <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
West Bengal Value Added Tax Act, 2003	VAT	56.42 <sup>3</sup>	2010-2011	Appellate Additional Commissioner, Kolkata
West Bengal Value Added Tax Act, 2003	VAT	4.27 <sup>4</sup>	2008-2009	West Bengal Commercial Tax Appellate and Revisional Board, Kolkata
Madhya Pradesh Value Added Tax Act, 2002	VAT	3.12 <sup>5</sup>	2009-2010	Madhya Pradesh Commercial Tax Appellate Board, Bhopal
Central Sales Tax Act, 1956	Central Sales Tax	0.19 <sup>6</sup>	2009-2010	Madhya Pradesh Commercial Tax Appellate Board, Bhopal
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	0.24 <sup>7</sup>	2009-2010	Additional Commissioner Grade II, Appeals II, Noida
Central Sales Tax Act, 1956	Central Sales Tax	0.06 <sup>8</sup>	2010-2011	Additional Commissioner Grade II, Appeals II, Noida
Maharashtra Value Added Tax Act, 2002	Sales Tax	0.07 <sup>9</sup>	2008-2009	Joint Commissioner (Appeals) of Sales tax, Mumbai
Maharashtra Value Added Tax Act, 2002	VAT	14.49 <sup>10</sup>	2013-2014	Senior Joint Commissioner (Appeals), Maharashtra
Central Sales Tax Act, 1956	Central Sales Tax	0.17 <sup>11</sup>	2013-2014	Senior Joint Commissioner (Appeals), Maharashtra
Uttar Pradesh Value Added Tax Act, 2008	VAT	0.07 <sup>12</sup>	2011-2012	Additional Commissioner Grade II, Appeals II, Noida
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	0.24 <sup>13</sup>	2007-2008	Additional Commissioner Grade II, Appeals II, Noida
Central Sales Tax Act, 1956	Central Sales Tax	0.02 <sup>14</sup>	2011-2012	Additional Commissioner Grade II, Appeals II, Noida
Andhra Pradesh Value Added Tax Act, 2005	VAT	5.33 <sup>15</sup>	2011-2012	Andhra Pradesh VAT Appellate Tribunal, Vishakhapatnam
Bihar Value Added Tax Act, 2005	VAT	2.28 <sup>16</sup>	2013-2014, 2014-2015, 2015-2016 & 2016-17	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, 2001-2002, 2002-2003, 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



## Reliance Infrastructure Limited

### 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
Income Tax Act, 1961	Income Tax	82.79 (for which the tax authorities are the appellant)	A.Y. 2013-2014 & 2014-2015	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax Penalty	8.27	AY 2010-11	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	64.07 <sup>17</sup>	April 2012- January 2013 & 2013-2014	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Customs Act, 1962	Custom duty	9.39	2011-2012 & 2012-2013	Custom, Excise and Service Tax Appellate Tribunal, Hyderabad
Customs Act, 1962	Custom duty	3.21	2016-2017	Custom, Excise and Service Tax Appellate Tribunal, Hyderabad
Customs Act, 1962	Custom duty	0.09	2011-2012 & 2012-2013	Assistant Commissioner of Customs , Mumbai
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>18</sup>	2011-2012 2012-2013	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	92.41 <sup>19</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> ₹ 0.20 Crore, <sup>4</sup> ₹ 0.40 Crore, <sup>5</sup> ₹ 1.67 Crore, <sup>6</sup> ₹ 0.04 Crore, <sup>7</sup> ₹ 0.09 Crore, <sup>8</sup> ₹ 0.02 Crore, <sup>9</sup> ₹ 35,000, <sup>10</sup> ₹ 0.78 Crore, <sup>11</sup> ₹ 0.009 Crore, <sup>12</sup> ₹ 0.02 Crore, <sup>13</sup> ₹ 0.06 Crore, <sup>14</sup> ₹ 0.02 Crore, <sup>15</sup> ₹ 1.33 Crore, <sup>16</sup> ₹ 0.47 Crore, <sup>17</sup> ₹ 22.82 Crore, <sup>18</sup> ₹ 5.46 Crore and <sup>19</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 ₹ 214.82 Crore.

- (viii) According to the information and explanations given to us and based on examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or dues to debenture holders except for the following instances of defaults in repayment of principal and interest amount. The Company did not have any loans or borrowings from government during the year.

Name of the lenders	Amount of defaults as at 31 March 2019 (₹ Crores)	Period of default as at 31 March 2019 (days)
Jammu & Kashmir Bank	17.18	90
Axis Bank	34.48	90
Canara Bank	568.94	186
Yes Bank	70.57	60
Union Bank of India	37.28	111
IDFC Bank	127.08	106
Srei Equipment Finance Limited	0.93	59
Syndicate Bank	1.59	59

## Reliance Infrastructure Limited

### Annexure A to Auditors' Report

- (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, the term loans have been applied for the purposes for which they were raised.
- (x) According to the information and explanations given to us, except for the matter referred to in Basis for Disclaimer of Opinion section in the audit report, in respect of which we are unable to comment on any potential implications for the reasons described therein, no fraud by the Company or fraud on the Company by its officers and employees has been noticed or reported during the course of our audit.
- (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 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, except for the matter referred to in the Basis for Disclaimer of Opinion section in the audit report in respect of which we are unable to comment for the reasons described therein, transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of related party transactions as required by the applicable accounting standards have been disclosed in the standalone 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) According to the information and explanations given to us and based on our examination of the records of the Company, except for the matter referred to in Basis for Disclaimer of Opinion section in the audit report, in respect of which we are unable to comment on any potential implications for the reasons described therein, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (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. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No:

101248W /W-100022

**Bhavesh Dhupelia**

Partner

Membership No: 042070

Date : June 14, 2019

Place : Mumbai

For **Pathak H.D. & Associates**

Chartered Accountants

Firm's Registration No:

107783W

**Vishal D. Shah**

Partner

Membership No:119303

Date : June 14, 2019

Place : Mumbai

## Annexure B to Auditors' Report

Annexure B to the Independent Auditor's Report on the standalone financial statements of Reliance Infrastructure Limited for year ended 31 March 2019

### Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We were engaged to audit the internal financial controls with reference to standalone financial statements of Reliance Infrastructure Limited (hereinafter referred to as "the Company") as of 31 March 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date

#### Management's Responsibility for Internal Financial Controls

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal 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 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 Companies Act, 2013 (hereinafter referred to as "the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Because of the matter described in the Disclaimer of Opinion section below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to the standalone financial statements of the Company.

#### Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 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 financial statements.

#### Reliance Infrastructure Limited

Annexure B to the Independent Auditor's Report on the standalone financial statements of Reliance Infrastructure Limited for year ended 31 March 2019 (Continued)

#### Disclaimer of Opinion

As at 31 March 2019, the Company has investments in and amounts recoverable from a party aggregating to ₹ 7,082.96 crore (net of provision of ₹ 3,972.17 crore) as also corporate guarantees aggregating to ₹ 1,775 crore (net of corporate guarantees aggregating to ₹ 5,010.31 crore cancelled subsequent to the balance sheet date) given by the Company in favour of the aforesaid party towards borrowings of the aforesaid party from various companies including certain related parties of the Company. We were unable to obtain sufficient and appropriate audit evidence about the relationship of the aforementioned party, the underlying commercial rationale/purpose for such transactions relative to the size and scale of the business activities with such party and the recoverability of these amounts. Accordingly, we were unable to determine the consequential implications arising therefrom and whether any adjustments, restatement, disclosures or compliances are necessary in respect of these transactions, investments and recoverable amounts in the standalone financial statements of the Company.

Because of the above reasons, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls with reference to standalone financial statements and whether such internal financial controls were operating effectively as at 31 March 2019

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer has affected our opinion on the standalone financial statements of the Company and we have issued a Disclaimer of Opinion on the standalone financial statements of the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No:  
101248W /W-100022

**Bhavesh Dhupelia**

Partner

Membership No: 042070

Date : June 14, 2019

Place : Mumbai

For **Pathak H.D. & Associates**

Chartered Accountants

Firm's Registration No:107783W

**Vishal D. Shah**

Partner

Membership No:119303

Date : June 14, 2019

Place : Mumbai

# Reliance Infrastructure Limited

## Balance Sheet as at March 31, 2019

	Note	As at March 31, 2019	₹ Crore As at March 31, 2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	629.04	15,393.91
Capital Work-in-progress	3	26.01	217.01
Investment Property	4	502.41	528.70
Other Intangible Assets	5	0.82	11.86
Financial Assets			
Investments	7(a)	13,605.66	17,955.11
Trade Receivables	8	3.56	-
Loans	11	46.86	73.05
Other Financial Assets	12	87.47	22.86
Other Non - Current Assets	13	455.02	396.26
<b>Total Non-Current Assets</b>		<b>15,356.85</b>	<b>34,598.76</b>
<b>Current Assets</b>			
Inventories	6	7.50	335.67
Financial Assets			
Investments	7(b)	-	266.64
Trade Receivables	8	3,831.88	4,801.33
Cash and Cash Equivalents	9	70.89	86.22
Bank Balance other than Cash and Cash Equivalents above	10	200.94	499.47
Loans	11	6,064.79	13,652.39
Other Financial Assets	12	1,338.87	2,013.98
Other Current Assets	13	1,380.73	905.63
<b>Total Current Assets</b>		<b>12,985.60</b>	<b>22,561.33</b>
<b>Total Assets before Regulatory Assets</b>		<b>28,252.45</b>	<b>57,160.09</b>
Regulatory deferral account debit balances and related deferred tax balances	14	-	1,626.83
<b>Total Assets</b>		<b>28,252.45</b>	<b>58,786.92</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	15	263.03	263.03
Other Equity	16	14,027.85	21,721.63
<b>Total Equity</b>		<b>14,290.88</b>	<b>21,984.66</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	17	4,100.15	4,567.16
Financial Lease Obligations	47(b)	-	4,110.92
Trade Payables	19	-	-
- total outstanding dues of micro enterprises and Small Enterprises		17.53	8.79
- total outstanding dues of creditors other than micro enterprises and small enterprises		22.90	539.25
Other Financial Liabilities	20	161.43	364.73
Provisions	22	133.99	2,449.88
Deferred Tax Liabilities (Net)	23(d)	1,487.10	1,900.21
Other Non - Current Liabilities	21	5,923.10	13,940.94
<b>Total Non-Current Liabilities</b>		<b>5,923.10</b>	<b>13,940.94</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	18	910.00	3,437.48
Financial Lease Obligations	47(b)	-	58.68
Trade Payables	19	-	-
- total outstanding dues of micro enterprises and Small Enterprises		0.11	3.83
- total outstanding dues of creditors other than micro enterprises and small enterprises		3,043.25	5,292.15
Other Financial Liabilities	20	1,435.20	5,724.48
Other Current Liabilities	21	2,094.48	8,009.84
Provisions	22	51.44	34.22
Current Tax Liabilities (Net)		503.99	300.64
<b>Total Current Liabilities</b>		<b>8,038.47</b>	<b>22,861.32</b>
<b>Total Equity and Liabilities</b>		<b>28,252.45</b>	<b>58,786.92</b>

The accompanying notes form an integral part of the standalone financial statements (1 to 54).

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	Chairman
<b>S Seth</b>	DIN - 00004631	Vice Chairman
<b>S S Kohli</b>	DIN - 00169907	} Directors
<b>K Ravikumar</b>	DIN - 00119753	
<b>Ryna Karani</b>	DIN - 00116930	
<b>B C Patnaik</b>	DIN - 08384583	

**Punit Garg** Executive Director & Chief Executive Officer

**Sridhar Narasimhan** Chief Financial Officer  
**Anil C Shah** Company Secretary

Date : June 14, 2019  
Place : Mumbai

Date : June 14, 2019  
Place : Mumbai

Date : June 14, 2019  
Place : Mumbai

# Reliance Infrastructure Limited

## Statement of Profit and Loss for the year ended March 31, 2019

	Note	Year ended March 31, 2019	₹ Crore Year ended March 31, 2018
<b>Continuing Operations:</b>			
Revenue from Operations	24	986.08	1,075.54
Other Income	25	2,787.52	2,146.59
Less: Transfer to General Reserve	38	192.24	5.79
		<u>2,595.28</u>	<u>2,140.80</u>
<b>Total Income</b>		<b>3,581.36</b>	<b>3,216.34</b>
<b>Expenses</b>			
Construction Material Consumed and Sub-Contracting charges		578.12	402.27
Employee Benefit Expenses	27	168.75	187.09
Finance Costs	27	1,210.93	1,552.94
Depreciation and Amortisation Expense	3, 4 & 5	81.83	99.25
Other Expenses	28	438.38	565.68
Less: Transfer from General Reserve	38	-	17.47
		<u>438.38</u>	<u>548.21</u>
<b>Total Expenses</b>		<b>2,478.01</b>	<b>2,789.76</b>
<b>Profit from Continuing Operations before Exceptional Items and Tax</b>		<b>1,103.35</b>	<b>426.58</b>
<b>Exceptional Items (Net)</b>	39		
Income		-	284.19
Expenses		(12,797.36)	(411.50)
Less: Transfer from General reserve		6,616.02	411.50
		<u>(6,181.34)</u>	<u>284.19</u>
<b>(Loss)/Profit Before Tax from continuing operations</b>		<b>(5,077.99)</b>	<b>710.77</b>
Tax Expenses			
- Current Tax		-	-
- Deferred tax Credit (Net)		(27.00)	(83.02)
- Income tax for earlier years (Net)		(163.76)	-
		<u>(190.76)</u>	<u>(83.02)</u>
<b>Net (Loss)/Profit from Continuing Operations After Tax</b>		<b>(4,887.23)</b>	<b>793.79</b>
<b>Discontinued Operations</b>	42		
<b>Net Profit After Tax from Discontinued Operations</b>		<b>3,973.84</b>	<b>870.58</b>
<b>Net (Loss)/Profit After Tax</b>		<b>(913.39)</b>	<b>1,664.37</b>
<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		(8.62)	(5.57)
Income-tax relating to the above	23(e)	3.00	1.97
Other Comprehensive Income relating to Discontinued Operations		-	(15.53)
		<u>5.62</u>	<u>19.13</u>
<b>Total Comprehensive Income</b>		<b>(907.77)</b>	<b>1,683.50</b>
<b>Earnings per Equity Share (for Continuing Operations after exceptional Items)</b>	29		
(Face Value of ₹ 10 per share)			
Basic and Diluted (in Rupee)		(185.83)	30.18
<b>Earnings per Equity Share (for Continuing Operations before exceptional Items)</b>			
(Face Value of ₹ 10 per share)			
Basic and Diluted (in Rupee)		41.95	16.22
<b>Earnings per Equity Share (for Discontinued Operations)</b>			
(Face Value of ₹ 10 per share)			
Basic and Diluted (in Rupee)		151.10	33.11
<b>Earnings per Equity Share (before effect of withdrawal of scheme)</b>		<b>(278.99)</b>	<b>47.20</b>
(Face Value of ₹ 10 per share)			
Basic and Diluted (in Rupee)			
<b>Earnings per Equity Share (after effect of withdrawal of scheme)</b>			
(Face Value of ₹ 10 per share)			
Basic and Diluted (in Rupee)		(34.73)	63.29

The accompanying notes form an integral part of the standalone financial statements (1 to 54).

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>Ryna Karani</b>	DIN - 00116930	
<b>B C Patnaik</b>	DIN - 08384583	

**Punit Garg** Executive Director & Chief Executive Officer

**Sridhar Narasimhan** Chief Financial Officer  
**Anil C Shah** Company Secretary

Date : June 14, 2019  
Place : Mumbai

Date : June 14, 2019  
Place : Mumbai

Date : June 14, 2019  
Place : Mumbai

Statement of Changes in Equity

A. Equity Share Capital (Refer Note No. 15)

(` Crore)

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, 2018	263.03	-	263.03
<b>As at March 31, 2019</b>	<b>263.03</b>	-	<b>263.03</b>

B. Other Equity (Refer Note No. 16)

Particulars	Note	Reserves and Surplus							Total		
		Retained Earnings	Capital Reserve	Capital Redemption Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Other Reserves			
								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	-	-	-	-	-	-	-	-	<b>1,664.37</b>
<b>Other comprehensive income for the year</b>	43										
- Remeasurement gain / (loss) on defined benefit plans		5.57	-	-	-	-	-	-	-	-	<b>5.57</b>
- Income tax relating to above		(1.97)	-	-	-	-	-	-	-	-	<b>(1.97)</b>
- Other comprehensive income relating to discontinued operations		15.53	-	-	-	-	-	-	-	-	<b>15.53</b>
Total comprehensive income for the year		<b>1,683.50</b>	-	-	-	-	-	-	-	-	<b>1,683.50</b>
Addition to Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	3.19	-	<b>3.19</b>
Amortisation from Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	(2.99)	-	<b>(2.99)</b>
Transfer to Statement of Profit and Loss (Net)	38	-	-	-	-	-	(11.68)	-	-	-	<b>(11.68)</b>
Transfer to Statement of Profit and Loss	39	-	-	-	-	-	(411.50)	-	-	-	<b>(411.50)</b>
Debenture Redemption Reserve		(150.03)	-	-	-	150.03	-	-	-	-	<b>-</b>
Transfer to General Reserve from retained earnings		(1000.00)	-	-	-	-	1000.00	-	-	-	<b>-</b>
Transfer to General Reserve from Debenture redemption reserve		-	-	-	-	(248.17)	248.17	-	-	-	<b>-</b>
Provision for diminution in value of Treasury shares		-	-	-	-	-	-	-	-	6.45	<b>6.45</b>
<b>Transaction with owners in their Capacity as Owners</b>											
Dividend Paid (Including Tax on Dividend)	49 (b)	(283.43)	-	-	-	-	-	-	-	-	<b>(283.43)</b>
		<b>(1,433.46)</b>	-	-	-	<b>(98.14)</b>	<b>824.99</b>	-	<b>6.18</b>	<b>6.45</b>	<b>(693.98)</b>
<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>

₹ Crore



Particulars	Note	Reserves and Surplus							Total		
		Retained Earnings	Capital Reserve	Capital Redemption Reserve	Securities Premium	Debt Redemption Reserve	General Reserve	Other Reserves			
								Statutory Reserves @		Foreign Currency Monetary Item Translation Difference Account	Treasury Shares
<b>Balance as at April 01, 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>
Profit / (Loss) for the year		(913.39)	-	-	-	-	-	-	-	-	(913.39)
<b>Other comprehensive income for the year</b>											
- Remeasurements gain / (loss) on defined benefit plans	43	8.62	-	-	-	-	-	-	-	-	8.62
- Income tax relating to above		(3.00)	-	-	-	-	-	-	-	-	(3.00)
<b>Total comprehensive income for the year</b>		<b>(907.77)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(907.77)</b>
Additions to Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	39.52	-	39.52
Amortisation from Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	(12.22)	-	(12.22)
Transfer from Statement of Profit and Loss (Net)	38	-	-	-	-	-	192.24	-	-	-	192.24
Transfer to Statement of Profit and Loss	39	-	-	-	-	-	(6,616.02)	-	(105.07)	-	(6,721.09)
Debt Redemption Reserve	-	(96.84)	-	-	-	96.84	-	-	-	-	-
Transfer from/to Statutory Reserve		-	-	-	-	(460.05)	263.99	(263.99)	-	-	-
Transfer to General Reserve from Debt Redemption Reserve		-	-	-	-	-	460.05	-	-	-	-
Provision for diminution in value of Treasury shares		-	-	-	-	-	-	-	-	12.99	12.99
<b>Transaction with owners in their Capacity as owners</b>											
Dividend Paid (Including Tax on Dividend)	49 (b)	(297.45)	-	-	-	-	-	-	-	-	(297.45)
		<b>(394.29)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(363.20)</b>	<b>(5,699.75)</b>	<b>(263.99)</b>	<b>(77.77)</b>	<b>12.99</b>	<b>(6,786.01)</b>
<b>Balance as at March 31, 2019</b>		<b>(675.50)</b>	<b>5,179.97</b>	<b>130.03</b>	<b>8,825.09</b>	<b>165.02</b>	<b>409.38</b>	<b>-</b>	<b>-</b>	<b>(6.14)</b>	<b>14,027.85</b>

@ Statutory Reserves as at March 31, 2018 include Development reserve Account no 1 of ₹ 1.69 Crore, Development Reserve Account no 2 of ₹ 18.97 Crore, Debt Redemption Reserve of ₹ 2.30 Crore, Rural Electrification Scheme Reserve of ₹ 0.11 Crore, Reserve to augment production facilities of ₹ 0.04 Crore, Reserve for Power Project of ₹ 100 Crore and Development Reserve Account no 3 of ₹ 140.88 Crore

The above statement of changes in Equity should be read in conjunction with the accompanying notes (1 to 54).

As per our attached Report of even date

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101 248W/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

**Ryna Karani**

DIN - 00116930

**B C Patnaik**

DIN - 08384583

**Punit Garg**

**Sridhar Narasimhan**

**Anil C Shah**

Date : June 14, 2019

Place : Mumbai

Chairman

Vice Chairman

Directors

Executive Director &  
Chief Executive Officer

Chief Financial Officer  
Company Secretary

Date : June 14, 2019

Place : Mumbai

# Reliance Infrastructure Limited

## Cash Flow Statement for the year ended March 31, 2019

	Year ended March 31, 2019	₹ Crore Year ended March 31, 2018
<b>A. Cash Flow from Operating Activities :</b>		
(Loss)/Profit before Tax	(5,077.97)	710.77
Adjustments for :		
Depreciation and Amortisation Expenses	81.83	99.25
Net (Income) / Expenses relating to Investment Property	(31.61)	(34.85)
Interest Income	(1,356.31)	(1,754.06)
Fair value gain on Financial Instruments through FVTPL / Amortised Cost	(227.62)	(240.54)
Dividend Income	(34.19)	(23.53)
Net gain on sale of Investment	(16.62)	(300.80)
Finance Cost	1,210.93	1,552.94
Provision for Doubtful debts / Advances / Deposits	91.56	76.08
Provision for ECL	-	77.60
Provision/write off of Investment and ICDs - Exceptional Items	6,181.34	-
Excess Provisions written back	(235.95)	(190.26)
Loss on Sale / Discarding of Assets (Net)	1.97	79.38
Loss on sale of Investments	-	7.31
Bad Debts	4.16	0.75
Provision / (reversal) for Impairment of Assets	18.00	(31.05)
<b>Cash generated from Operations before Working Capital changes</b>	<b>609.52</b>	<b>31.83</b>
Adjustments for :		
(Increase) / Decrease in Financial Assets and Other Assets	(138.10)	454.26
Decrease in Inventories	13.60	5.22
Increase/(decrease) in Financial Liabilities and Other Liabilities	(3,169.47)	273.15
<b>Cash generated from / (used in) Operations</b>	<b>(2,684.45)</b>	<b>764.46</b>
Income Taxes paid (net of refund)	58.23	(122.27)
<b>Net Cash generated from/(used in) Operating Activities-Continuing Operations</b>	<b>(2,626.22)</b>	<b>642.19</b>
<b>Net Cash generated from Operating Activities-Discontinued Operations</b>	<b>-</b>	<b>3,582.57</b>
<b>Net Cash generated from/(used in) Operating Activities-Continuing &amp; Discontinued Operations</b>	<b>(2,626.22)</b>	<b>4,224.76</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)	(18.10)	3.21
Purchase of Investment Property	(3.79)	(1.45)
Proceeds from Disposal of Property, Plant and Equipment	1.37	10.94
Net Income relating to Investment Property	23.90	27.63
(Investment) / Redemption in Fixed Deposits with Banks	286.46	(408.22)
Investments in Subsidiaries / Joint Ventures / Associates	(1,643.12)	(710.75)
Investments in Others	(137.76)	8.58
Proceeds from disposal of Assets held for Sale	2,440.77	336.80
Sale of Investment in Subsidiaries/ Joint Ventures / Associates	292.42	569.12
Sale / Redemption of Investments in Mutual Fund	254.47	-
Sale / Redemption of Investments in Others	30.30	(0.14)
Advance/Loan against proposed sale of Mumbai Power Business loans given (Net)	-	4,102.00
Dividend Received	204.52	(2,253.34)
Interest Income	34.19	23.53
<b>Net Cash generated from Investing Activities</b>	<b>767.00</b>	<b>867.80</b>
<b>Net Cash generated from (used in) Investing Activities-Discontinued Operations</b>	<b>-</b>	<b>(482.82)</b>
<b>Net Cash generated from Investing Activities-Continuing &amp; Discontinued Operations</b>	<b>2,532.63</b>	<b>2,092.89</b>

## Reliance Infrastructure Limited

### Cash Flow Statement for the year ended March 31, 2019

	Year ended March 31, 2019	₹ Crore Year ended March 31, 2018
<b>C. Cash Flow from Financing Activities :</b>		
Proceeds from Long Term Borrowings	3,467.00	3,190.00
Repayment of Long Term Borrowings	(1,783.43)	(4,702.90)
Short Term Borrowings (Net)	246.05	(1,818.19)
Payment of Interest and Finance Charges	(1,602.11)	(1276.40)
Realised Gain on Derivative Instruments (Net)	-	0.02
Dividends paid to shareholders including tax	(249.25)	(282.30)
<b>Net Cash Generated from/ (used in) Financing Activities from Continuing Operations</b>	<b>78.26</b>	<b>(4,889.77)</b>
<b>Net Cash Generated used in Financing Activities from Discontinued Operations</b>	<b>-</b>	<b>(1,495.37)</b>
<b>Net Cash Generated from/ (used in) Financing Activities-Continuing &amp; Discontinued Operations</b>	<b>78.26</b>	<b>(6,385.14)</b>
<b>D. Effect of exchange differences on translation of foreign currency cash and cash equivalent</b>	<b>-</b>	<b>(0.01)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C+D)</b>	<b>(15.33)</b>	<b>(67.50)</b>
Cash and cash equivalents as at the beginning of the year	86.22	153.72
Cash and cash equivalents as at the end of the year	70.89	86.22
<b>Net Increase / (Decrease) as disclosed above</b>	<b>(15.33)</b>	<b>(67.50)</b>
<b>Cash and Cash Equivalents – Continuing Operations*</b>	<b>70.89</b>	<b>86.22</b>
<b>Cash and Cash Equivalents – Discontinued Operations</b>	<b>-</b>	<b>-</b>
<b>Components of Cash and Cash Equivalents (Refer Note No 9)</b>		

The above statement of cash flows should be read in conjunction with the accompanying notes (1 to 54).

\* Including balance in unpaid dividend account of ₹ 16.05 Crore (₹ 15.46 Crore) and balance in current account with banks of ₹ NIL (₹11.88 Crore as at March 31, 2018) lying in Escrow account with bank held as Security against borrowings. Refer Note No 30 for Disclosure pursuant to para 44 A to 44 E of Ind AS 7- Statement of Cash flows.

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 : June 14, 2019  
Place : Mumbai

**For Pathak H. D. & Associates**  
Chartered Accountants  
Firm Registration No. 107783W

**Vishal D. Shah**  
Partner  
Membership No. 119303

Date : June 14, 2019  
Place : Mumbai

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>Ryna Karani</b>	DIN - 00116930	
<b>B C Patnaik</b>	DIN - 08384583	

**Punit Garg** Executive Director & Chief Executive Officer

**Sridhar Narasimhan** Chief Financial Officer  
**Anil C Shah** Company Secretary

Date : June 14, 2019  
Place : Mumbai

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### 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 a leading utility having presence across the value chain of power business and also provides Engineering and Construction (E&C) 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, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710.

These standalone financial statements of the Company for the year ended March 31, 2019 were authorised for issue by the board of directors on June 14, 2019. 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 standalone 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 standalone 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 standalone 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 standalone financial statements have been prepared on a historical cost convention on accrual basis, except for the following:

- certain financial assets and liabilities 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

On March 30, 2019, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules") as described below. The amended rules are applicable for all accounting periods commencing on or after April 01, 2019. The Company is currently evaluating the effect of these amendments on the standalone financial statements.

##### Ind AS 116, 'Leases':

As per the amended rules, Ind AS 116 "Leases" will replace the existing leases standard, Ind AS 17 and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

Ind AS 12 Appendix C, "Uncertainty over Income Tax Treatments" is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition-

- i) Full retrospective approach-Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8-Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

### Amendment to Ind AS 12 Income taxes:

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

### Amendment to Ind AS 19- Plan amendment, curtailment or settlement:

The amendments are in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

### Amendment to Ind AS 109- Prepayment Features with Negative Compensation:

The amendment relates to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

### Amendment to Ind AS 23- Borrowing Cost:

The amendments clarify that if specific borrowings remains outstanding after the related assets is ready for its intended use or sale, that borrowing becomes part of the fund that an entity borrows generally when calculating the capitalization rate on general borrowing.

### Amendment to Ind AS 28- Long Term Interest in Associate and Joint Venture:

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The company does not currently have any such long-term interests in associates and joint ventures

### Amendment to Ind AS 103- Business Combination

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business.

### Amendment to Ind AS 111- Joint Arrangements

The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

## (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 making strategic decisions. The CEO has been identified as being the Chief Operating Decision Maker for corporate planning.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### (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**

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective from April 1, 2018. Ind AS 115 superseded Ind AS 11 "Construction Contracts" and IND AS 18 "Revenue". The Company has applied Ind AS 115 using cumulative catch-up transition method and the comparatives have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

The Company recognize revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied.

Further, specific criteria for revenue recognition followed for different businesses are as under-

#### (i) **Power Business**

**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.

**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).

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 standalone financial statements, which would be recovered / refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.



**Notes to the standalone financial statements as at and for the year ended March 31, 2019**

**(ii) Engineering and Construction Business**

In case of Engineering and construction Business performance obligations are satisfied over time and contracts revenue is recognised over time by measuring progress towards complete satisfaction of the performance obligation at the reporting date. The progress is measured based on the proportion of contract costs incurred for work performed to date, to the estimated total contract costs attributable to the performance obligation, using the input method.

Contract cost includes costs that relate directly to the specific contract and allocated costs that are attributable to the performance obligation. Cost that cannot be attributed to the contract activity such as general administration costs are expensed as incurred and classified as other operating expenses.

The Company account for a contract modification (change in the scope or price (or both)) when that is approved by the parties to the contract. In case of modification of contracts a cumulative adjustment is accounted for if changes of transaction price for existing obligation.

Contract assets are recognised when there is excess of revenue earned over billing on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billing in excess of revenues.

The billing schedule agreed with customer include periodic performance based payments and/or milestone based progress payments.

**(iii) 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.

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 standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone 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.

Foreign Exchange gain and losses are presented in other expenses / income in the standalone statement of Profit and Loss on a net basis.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### (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.

##### (ii) **Measurement**

###### **Initial**

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised 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.

Notes to the standalone financial statements as at and for the year ended March 31, 2019

**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 Standalone Statement of Profit and Loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other expenses / income in the Standalone 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.

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 had elected to measure its investment in Reliance Power Limited, associate of the Company, which will be regarded at deemed cost at its fair value on transition date. The rest of the investments in subsidiaries, joint ventures and associates were 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 48 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, 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.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### (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.

### 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 standalone 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 standalone 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.

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

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 48).

### (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.

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 de-recognized 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 standalone 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.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### ***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.

#### **Engineering and Construction Business**

Property, Plant and Equipment of E&C 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 / impairment. Cost includes expenditure directly attributable to the acquisition of asset.

Amortisation Method:

Softwares are amortised over a period of 3 years.

Intangible Assets are derecognised from the standalone 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 standalone 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**

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



## Notes to the standalone financial statements as at and for the year ended March 31, 2019

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 the total cost of such shares from a separate category of equity (Treasury Shares) by consolidating Trust into standalone financial statements of the Company.

### (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

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

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

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.

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 standalone 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.

### (s) Provisions

Provisions for legal claims / disputed matters and other matters 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, the same is not 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 Company does not recognize a contingent liability but discloses its existence in the notes to standalone financial statements. A Contingent asset is not recognized in standalone 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

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

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 and also before withdrawal of general reserve from the Net Profit attributable to Equity Shareholders.

### (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.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

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) Interest in Joint Operations**

The Company has joint operations within its Engineering and Construction segment and participates in several unincorporated joint operations which involve the joint control of assets used in Engineering and Construction activities. Accordingly, assets and liabilities as well as income and expenditure are accounted on the basis of available information on a line-by-line basis with similar items in the standalone financial statements, according to the participating interest of the Company.

### **(ee) 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.

Notes to the standalone financial statements as at and for the year ended March 31, 2019

**2. Critical estimates and judgements**

The presentation of standalone 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 (₹ 55.33 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 ₹ 341.77 Crore (₹ 820.77 as at March 31, 2019), 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 23(c) for amounts of such temporary differences on which deferred tax assets are not recognized.

- **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. 48 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. 43 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. 48 on financial risk management where credit risk and related impairment disclosures are made.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### 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, 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>
<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>-</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>13.16</b>	<b>28.67</b>	<b>19.46</b>	<b>15,393.91</b>	<b>217.01</b>
<b>Gross carrying amount</b>													
Opening gross carrying amount as at April 1, 2018	2,624.42	58.99	1,605.71	8,572.99	4,990.20	8.20	23.21	25.51	17.10	46.22	26.14	17,998.69	217.01
Additions	12.86	-	0.80	4.62	-	-	0.10	0.01	0.13	1.00	0.12	19.64	2.14
Assets related to Discontinued Operations -refer note 42(a)	2,364.84	38.79	1,447.56	8,125.97	4,990.20	8.20	20.76	18.55	15.29	41.43	21.21	17,092.80	189.47
Disposals/adjustment	-	-	-	6.21	-	-	0.01	1.51	0.53	1.27	0.41	9.94	3.67
<b>Closing gross carrying amount as on March 31, 2019</b>	<b>272.44</b>	<b>20.20</b>	<b>158.95</b>	<b>445.43</b>	<b>-</b>	<b>-</b>	<b>2.54</b>	<b>5.46</b>	<b>1.41</b>	<b>4.52</b>	<b>4.64</b>	<b>915.59</b>	<b>26.01</b>
<b>Accumulated depreciation and impairment</b>													
As at April 1, 2018	-	5.89	223.66	1,645.16	687.95	2.12	5.59	6.25	3.93	17.55	6.68	2,604.78	-
Depreciation charge during the year	-	0.63	9.27	39.32	-	-	0.26	0.82	0.19	0.76	0.48	51.73	-
Impairment loss	-	-	-	18.00	-	-	-	-	-	-	-	18.00	-
Assets related to Discontinued Operations -refer note 42(a)	-	3.87	200.96	1,453.79	687.95	2.12	4.47	4.29	3.25	16.16	4.50	2,381.36	-
Disposals	-	-	-	4.38	-	-	0.01	0.31	0.50	1.22	0.18	6.60	-
<b>Closing accumulated depreciation and impairment as on March 31, 2019</b>	<b>-</b>	<b>2.65</b>	<b>31.97</b>	<b>244.31</b>	<b>-</b>	<b>-</b>	<b>1.37</b>	<b>2.47</b>	<b>0.37</b>	<b>0.93</b>	<b>2.48</b>	<b>286.55</b>	<b>-</b>
<b>Net carrying amount as on March 31, 2019</b>	<b>272.44</b>	<b>17.55</b>	<b>126.99</b>	<b>201.12</b>	<b>-</b>	<b>-</b>	<b>1.17</b>	<b>2.99</b>	<b>1.04</b>	<b>3.59</b>	<b>2.16</b>	<b>629.04</b>	<b>26.01</b>

#### Notes:

- The lease period for lease hold land varies from 35 Years to 99 years.
- Property, Plant and Equipment of the Company are provided as security against the secured borrowings of the Company as detailed in note no. 17 and 18 to the standalone financial statements.



## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

(iii) **Capital work-in-progress:** Capital work in progress comprises expenditure for the plant in the course of construction.

₹ Crore

Particulars	Year	Opening	Addition	Capitalisation	Assets related to Discontinued Business	Closing
CWIP Movement	2018-19	217.01	2.14	3.67	189.47	26.01
CWIP Movement	2017-18	183.67	525.25	491.91	-	217.01

(iv) **Assets taken on finance lease:** 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 Lease period is 25 years and no renewal option given in the power purchase agreement. Details are as follows

₹ Crore

Particulars	Opening Carrying Amount as at April 1, 2017	Depreciation 2017-18	Net carrying amount as at March 31, 2018
Leasehold Land	24.78	1.16	23.62
Buildings	402.95	18.85	384.10
Plant and Machinery	3,124.65	204.03	2,920.62
Furniture and Fixtures	1.16	0.10	1.06
Motor Vehicles	1.07	0.15	0.92
Office Equipments	0.83	0.07	0.76
Computers	0.77	0.25	0.52

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

Pursuant to sale of MPB the lease arrangement has been transferred as referred in Note 42(a).

#### 4. Investment Property

₹ Crore

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Gross Carrying Amount</b>		
Opening Gross Carrying Value	596.05	594.60
Additions	3.79	1.45
<b>Closing Gross Carrying Value</b>	<b>599.84</b>	596.05
<b>Accumulated Depreciation</b>		
Opening accumulated depreciation	67.35	36.18
Depreciation during the year	30.08	31.17
<b>Closing accumulated Depreciation</b>	<b>97.43</b>	67.35
<b>Net carrying value</b>	<b>502.41</b>	528.70

(i) **Amounts recognised in the Statement of Profit and Loss for Investment Property**

₹ Crore

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Rental income	60.44	62.89
Direct operating expense from property that generated rental income	28.84	28.04
<b>Profit from Investment Property before Depreciation</b>	<b>31.60</b>	34.85
Depreciation	30.08	31.17
<b>Profit from Investment Property</b>	<b>1.53</b>	3.68

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### (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 Company had carried out fair valuation of the investment property during the previous year amounting to ₹ 531 Crore by the independent valuer. The Company does not envisage any significant decrease in the value of the property as at March 31, 2019 as compared to previous year.

### (iv) Pledged details

The Investment property are provided as security against the secured borrowings of the Company as detailed in note no. 17 and 18 to the standalone financial statements

### (v) 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
<b>Computer Software</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>
<b>Gross carrying amount</b>	
As at April 01, 2018	21.34
Additions	0.01
Transfer related to discontinue operations - refer note 42(a)	20.07
Disposals	0.04
<b>Closing gross carrying amount as on March 31, 2019</b>	<b>1.24</b>
<b>Accumulated amortisation and impairment</b>	
As at April 01, 2018	9.48
Amortisation charge during the year	0.02
Transfer related to discontinue operations - refer note 42(a)	9.04
Disposals	0.04
<b>Closing accumulated amortisation and impairment as on March 31, 2019</b>	<b>0.42</b>
<b>Net carrying amount as on March 31, 2019</b>	<b>0.82</b>

Note:

- (1) The above Intangible Assets are other than internally generated.
- (2) Remaining amortisation period of computer software is between 0 to 2 years.

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

#### 6. Inventories

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Fuel (including in transit and with third party ₹ Nil (March 31, 2018 – ₹ 52.35 Crore))	0.02	219.07
Stores and Spares	7.48	116.60
<b>Total</b>	<b>7.50</b>	<b>335.67</b>

(Inventories are stated at lower of cost and net realisable value.)

#### 7. Financial assets

##### 7(a) Non-current investments

Particulars	Face value in ₹ unless otherwise specified	As at March 31, 2019		As at March 31, 2018	
		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	283,560,000	283.56	283,560,000	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	761.48
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	953,000	1.34
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	-	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
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	10,704	8.53	10,703	5.38
Nanded Airport Limited (Formerly known as Nanded Airport Private Limited )*	10	741,308	7.39	741,308	7.39
Baramati Airport Limited(Formerly known as Baramati Airport Private Limited )*	10	554,712	5.52	554,712	5.52
Latur Airport Limited(Formerly known as Latur Airport Private Limited )*	10	215,287	2.13	215,287	2.13
Yavatmal Airport Limited(Formerly known as Yavatmal Airport Private Limited )*	10	87,107	0.85	87,107	0.85
Osmanabad Airport Limited(Formerly known as Osmanabad Airport Private Limited )*	10	207,120	2.05	207,120	2.05

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

Particulars	Face value in ₹ unless otherwise specified	As at March 31, 2019		As at March 31, 2018	
		Number of shares / units	Amount ₹ Crore	Number of shares / units	Amount ₹ Crore
Reliance Airport Developers Limited	10	4,655,742	46.50	4,655,742	46.50
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
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	10	10,000	0.01	10,000	0.01
Reliance Cruise and Terminals Limited	10	50,000	0.05	50,000	0.05
Reliance Armaments Limited	10	49,999	0.05	49,999	0.05
Reliance Ammunition Limited	10	49,999	0.05	49,999	0.05
Reliance Velocity Limited	10	10,000	0.01	10,000	0.01
<b>In Associate Companies measured at cost</b>					
<b>Quoted</b>					
Reliance Power Limited ^#	10	928,498,193	5231.18	1,211,998,193	6,828.42
<b>In Others at FVTPL</b>					
Yatra Online Inc.	USD 10	2,230,548	74.51	-	-
<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	479,460	@	479,460	@
Nationwide Communication Private Limited @ ₹ 4000	10	400	-	400	@
<b>Total</b>			<b>8,273.18</b>		<b>9793.58</b>

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

Particulars	Face value in ₹ unless otherwise specified	As at March 31, 2019		As at March 31, 2018	
		Number of shares / units	Amount ₹ Crore	Number of shares / units	Amount ₹ Crore
<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	678.62	360,000	639.56
10% Non-Cumulative Non-Convertible Redeemable Preference Shares in Crest Logistics and Engineers Private Limited	1	-	-	10,950,000	368.25
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
6% Non-cumulative, Non-convertible Redeemable Preference shares of Baramati Airport Limited (Formerly known as Baramati Airport Private Limited )	10	792,590	0.79	792,590	0.79
6% Non-cumulative, Non-convertible Redeemable Preference shares of Latur Airport Limited (Formerly known as Latur Airport Private Limited )	10	175,522	0.18	175,522	0.18
6% Non-cumulative, Non-convertible Redeemable Preference shares of Nanded Airport Limited (Formerly known as Nanded Airport Private Limited )	10	3,891,676	3.89	3,891,676	3.89
6% Non-cumulative, Non-convertible Redeemable Preference shares of Osmanabad Airport Limited (Formerly known as Osmanbad Airport Private Limited )	10	189,380	0.19	189,380	0.19
6% Non-cumulative, Non-convertible Redeemable Preference shares of Reliance Airport Developers Limited	10	12,222,104	12.22	12,222,104	12.22
6% Non-cumulative, Non-convertible Redeemable Preference shares of Yavatmal Airport Limited (Formerly known as Yavatmal Airport Private Limited )	10	216,886	0.22	216,886	0.22
<b>Total</b>			<b>696.11</b>		<b>1,430.13</b>
<b>Investment in Debentures (fully paid-up) at FVTPL</b>					
<b>Unquoted</b>					
10.50% Unsecured Redeemable Non-Convertible Debentures in Crest Logistics and Engineers Private Limited	100	100,000,000	538.93	100,000,000	472.75
10.50% Unsecured Redeemable Non-Convertible Debentures in Crest Logistics and Engineers Private Limited	100	120,000,000	612.60	120,000,000	537.36
<b>Total</b>			<b>1,151.53</b>		<b>1,010.11</b>
<b>Investment in Government or Trust Securities at amortised Cost</b>					
<b>Quoted</b>					
<b>Contingencies Reserve Investments</b>					
8.12% Central Government of India	100	-	-	7,500,000	76.53
8.27% Central Government of India	100	-	-	1,500,000	15.33
7.68% Central Government of India	100	-	-	1,500,000	15.23
7.68% Central Government of India	100	-	-	1,300,000	13.71
<b>Total</b>			<b>-</b>		<b>120.80</b>

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

Particulars	Face value in ₹ unless otherwise specified	As at March 31, 2019		As at March 31, 2018	
		Number of shares / units	Amount ₹ Crore	Number of shares / units	Amount ₹ Crore
<b>Other Investments</b>					
<b>Equity instruments in subsidiaries at Cost (unless otherwise specified)</b>					
<b>Unquoted</b>					
DS Toll Road Limited			46.80		46.80
NK Toll Road Limited			198.27		198.27
DA Toll Road Private Limited			444.91		444.91
HK Toll Road Private Limited			302.26		302.26
KM Toll Road Private Limited			505.45		474.15
Delhi Airport Metro Express Private Limited			787.53		787.53
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
Reliance Defence System Private Limited			-		1,508.17
Reliance Defence Limited			55.02		44.42
GF Toll Road Private Limited			128.59		121.20
JR Toll Road Private Limited			156.18		148.08
TK Toll Road Private Limited			215.04		211.52
TD Toll Road Private Limited			34.67		32.95
Reliance Defence Sys Tech Limited			2.50		-
Reliance Electric Generation and Supply Limited			-		3.70
<b>Debt instruments in subsidiary at amortised Cost (unless otherwise specified)</b>					
<b>Unquoted</b>					
Mumbai Metro One Private Limited (at amortised cost)			153.02		142.85
<b>Total</b>			4163.91		5,600.48
Less: Diminution in the value of Investments*** @ ₹ 3,000/-			679.07		@
<b>Total Non Current Investments</b>			13,605.66		17,955.11
		<b>Market Value</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>
Aggregate amount of quoted investments		1,128.36	5,305.69	4,496.03	6,949.22
Aggregate amount of unquoted investments			7,620.90	-	11,005.89
Aggregate amount of impairment in the value of investments (@ ₹ 3,000)			679.07		@

\* The Balance equity stake is held by another subsidiary, Reliance Airport Developers Limited

\*\* 26,11,20,000 equity shares of Mumbai Metro One Private Limited and 3,68,245 (3,68,245) equity shares of SU Toll Road Private Limited are in safe keep accounts.

\*\*\* included ₹ 678.62 crore in respect of Non-Convertible Redeemable Preference Shares in Reliance Infra Project International Limited.

^ 53,03,99,995 (53,03,99,995) shares of BSES Rajdhani Power Limited, 28,35,59,995 (28,35,59,995) 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, 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, 10,19,00,000 (10,19,00,000) shares of Reliance Power Limited are pledged with the lenders of the respective investee Companies.

# 45,99,180 (45,99,180) shares of DA Toll Road Private Limited, 2,466 (2,466) 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, 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, 2,462 (5,138) 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, 53,90,73,203 (71,06,20,433) shares of Reliance Power Limited, 1,88,28,000 (1,88,28,000) shares of BSES Kerala Power Limited are pledged with lenders of the company.

\$ ceased to be a subsidiary of the Company during the year

\$\$ The Company is in process of strike off.



## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

The Company has an investment of ₹ 5,231.18 crore as at March 31, 2019 which represents 33.10% shareholding in Reliance Power Limited (RPower), an associate company. Further, the Company also has net recoverable amounts aggregating to ₹ 1,219.63 crore from RPower as at March 31, 2019. RPower has incurred a net loss (after impairment of certain assets) of ₹ 2,951.82 crore for the year ended 31 March 2019 and its current liabilities exceeded its current assets by ₹ 12,249.17 crore as at that date. Management has performed an impairment assessment of its investment in RPower as required by Indian Accounting Standard 36 "Impairment of assets" / Indian Accounting Standard 109 "Financial Instruments", by considering inter alia the valuations of the underlying subsidiaries of RPower which are based on their value in use (considering discounted cash flows) and valuations of other assets of RPower/its subsidiaries based on their fair values, which have been determined by external valuation experts and / or management's internal evaluation. The determination of the value in use / fair value involves significant management judgement and estimates on the various assumptions including relating to growth rates, discount rates, terminal value, time that may be required to identify buyers, negotiation discounts etc. Further, management believes that the above assessment based on value in use / fair value appropriately reflects the recoverable amount of the investment as the current market price/valuation of RPower does not reflect the fundamentals of the business and is an aberration. Based on management's assessment and the independent valuation reports, no impairment is considered necessary on this investment and recoverable amounts.

#### 7(b) Current investments

	Face value in ₹ unless otherwise stated	As at March 31, 2019		As at March 31, 2018	
		Number of shares / units	Amount ₹ Crore	Number of shares / units	Amount ₹ Crore
<b>Investment in Mutual Funds Units at FVTPL Quoted</b>					
SBI Premiere Liquid Fund – Direct – Growth	1000	-	-	139,585	38.03
Reliance Liquid Fund – Treasury Plan – Direct – Growth Option	1000	-	-	301,270	127.74
Taurus Liquid Mutual Fund – Direct Plan – Growth	1000	-	-	281	0.05
Indiabulls Ultra Short Term Fund-Direct Plan-Growth	10	-	-	450,389	77.84
			-		243.66
<b>Contingencies Reserve Investments</b>					
Reliance Liquid Fund – Direct Plan- Growth Option	1000	-	-	81,854	22.98
			-		22.98
			-		266.64
		<b>Market Value</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>
Aggregate amount of quoted investments				266.64	266.64
Aggregate amount of unquoted investments		-	-	-	-
Aggregate amount of impairment in the value of investments		-	-	-	-

#### Financial Assets:

#### 8. Trade Receivables:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non current	Current	Non current
Unsecured considered good unless otherwise stated	3,831.88	3.56	4,801.33	-
Considered good including Retentions on Contract	67.01	-	91.57	-
Credit Impaired	3,898.89	3.56	4,892.90	-
Less: Provision for Doubtful Debts	67.01	-	91.57	-
<b>Total</b>	<b>3,831.88</b>	<b>3.56</b>	<b>4,801.33</b>	<b>-</b>

Company holds security deposits of ₹ Nil (March 31, 2018 - ₹ 376.58 Crore) in respect of power business debtors.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### 9. Cash and Cash Equivalents

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balances with Banks in*		
Current Account	42.71	66.02
Bank Deposits with original maturity of less than 3 months	12.13	-
Unpaid Dividend Account	16.05	15.46
Cheques and drafts on hand (@ ₹ 4,000)	@	1.44
Cash on hand (@ ₹ 42,270)	@	3.30
<b>Total</b>	<b>70.89</b>	<b>86.22</b>

#### \*Restricted Cash and Cash Balances:

The Company is required to keep restricted cash for

- Payments of Dividend
- Escrow accounts, details of which are given below:

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Unpaid Dividend Account	16.05	15.46
Escrow Account	-	11.88
<b>Total</b>	<b>16.05</b>	<b>27.34</b>

### 10. Bank Balances other than Cash and Cash Equivalents

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Bank Deposits with Original Maturity of more than 3 months but less than 12 months	200.94	499.47
<b>Total</b>	<b>200.94</b>	<b>499.47</b>

### 11. Loans

Particulars	₹ Crore			
	As at March 31, 2019		As at March 31, 2018	
<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. 34)	1,589.44	-	2,883.46	-
Others – Considered Good	4,409.64	-	10,667.76	-
Others – Credit Impaired	3,829.14	-	2,554.14	-
	9,828.22	-	16,105.36	-
Less: Provision for Expected Credit Loss	3,829.14	-	2,554.14	-
<b>Total</b>	<b>5,999.08</b>	<b>-</b>	<b>13,551.22</b>	<b>-</b>
Loan to Employees*	0.73	6.19	6.47	39.22
(Unsecured, Considered good unless otherwise stated)				
Security Deposits				
Considered good	64.98	40.67	94.70	33.83
Credit Impaired	-	-	-	17.70
Less: Provision for diminution in value of deposits	-	-	-	17.70
	6,064.79	46.86	13,652.39	73.05

\*Secured ₹ 6.77 Crore (March 31, 2018: ₹ 1,874.50 Crore)

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

#### 12. Other Financial Assets:

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ Crore		₹ Crore	
	Current	Non-Current	Current	Non-Current
(Unsecured, Considered good unless otherwise stated)				
Fixed Deposit with Banks with maturity of more than 12 months *	-	10.60	-	0.88
Interest Receivable (includes Secured ₹ 0.25 Crore (March 31, 2018 - ₹ 250.24 Crore)				
Considered Good	761.12	0.22	1,226.61	12.29
Credit Impaired	143.03	-	143.03	-
Advance to Employees	0.55	1.23	2.56	9.69
Other Receivables	577.20	75.42	784.81	-
Less: Provision for Expected Credit Loss	143.03	-	143.03	-
<b>Total</b>	<b>1,338.87</b>	<b>87.47</b>	<b>2,013.98</b>	<b>22.86</b>

\* Include ₹ 47,290 given to sales tax authorities

#### 13. Other Assets:

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ Crore		₹ Crore	
	Current	Non-Current	Current	Non-Current
(Unsecured, Considered good unless otherwise stated)				
Advances to Vendors	419.75	453.04	360.13	393.09
Amount due from customers for contract work	576.68	-	389.55	-
Capital Advances	-	0.37	-	0.39
Advances recoverable in cash or in kind or for value to be received	69.14	-	130.99	0.15
Income-tax Refund Receivable	312.53	-	3.64	-
Prepaid Expenses	2.63	1.61	21.32	2.63
<b>Total</b>	<b>1,380.73</b>	<b>455.02</b>	<b>905.63</b>	<b>396.26</b>

#### 14. 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 is as under:

Sr. No.	Particulars	Mumbai		Total as at March 31, 2019	Mumbai		Total as at March 31, 2018
		Distribution	Transmission		Distribution	Transmission	
I	Regulatory Assets / (Liability)						
A	Opening Balance	1,495.37	131.46	1,626.83	1,815.46	141.43	1,956.89
B	Add : Income recoverable/ (reversible) from future tariff / Revenue Gap for the year						
1	For Current Year				256.60	(16.85)	239.75
2	For Earlier Year				-	-	-
3	Regulatory assets recoverable on account of Deferred Tax on Depreciation difference				42.26	6.88	49.14

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

							₹ Crore
Sr. No.	Particulars	Mumbai Distribution	Mumbai Transmission	Total as at March 31, 2019	Mumbai Distribution	Mumbai Transmission	Total as at March 31, 2018
	Total a (1+2+3)				298.86	(9.97)	288.89
C	Recovered / (refunded) during the year	-	-	-	618.95	-	618.95
D	Transferred pursuant to scheme of arrangement- refer note 42(a)	(1,495.37)	(131.46)	(1,626.83)	-	-	-
E	Net Movement during the year (B-C-D)	(1,495.37)	(131.46)	(1,626.83)	(320.09)	(9.97)	(330.06)
F	Closing Balance (A-E)	-	-	-	1,495.37	131.46	1,626.83
II	Deferred Tax (Assets) / Liability associated with Regulatory Assets / (Liability)						
	Opening Balance				169.10	3.99	173.09
	Add: Deferred Tax (Assets) / Liabilities During the Year				(124.94)	(5.89)	(130.83)
	Total deferred Tax (Assets) / Liability associated with regulatory Assets / (Liability)				44.16	(1.90)	42.26
	Less: Recoverable from future Tariff				44.16	(1.90)	42.26
	Closing Balance				-	-	-
III	Balance as at the end of the year (I+II)	-	-	-	1,495.37	131.46	1,626.83

### 15. Share Capital

			₹ Crore
Particulars	As at March 31, 2019	As at March 31, 2018	
<b>Authorised</b>			
45,00,60,000 (45,00,60,000) Equity Shares of ₹ 10 each	450.06	450.06	
80,00,000 (80,00,000) Equity Shares of ₹ 10 each with differential rights	8.00	8.00	
155,00,00,000 (155,00,00,000) Redeemable Preference Shares of ₹ 10 each	1,550.00	1,550.00	
4,20,00,000 (4,20,00,000) Unclassified Shares of ₹ 10 each	42.00	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	265.40	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	262.99	262.99	
Add: 3,54,479 (3,54,479) Forfeited Shares - Amounts originally paid up	0.04	0.04	
	<b>263.03</b>	263.03	

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

#### (a) Shares Pledged Details:

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	No of Shares Pledged by Promoter Group Companies	10,45,94,607	8,78,13,612

#### (b) Reconciliation of the Shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	₹ Crore	No. of Shares	₹ Crore
<b>Equity Shares:-</b>				
At the beginning of the year	26,29,90,000	262.99	26,29,90,000	262.99
Outstanding at the end of the year	26,29,90,000	262.99	26,29,90,000	262.99

#### (c) Terms / Rights attached to Equity Shares:

The Company has only one class of Equity Share having par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the equity share holders will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.

#### (d) Details of Shareholders holding more than 5% Shares of the total Equity Shares of the Company:

Name of the Shareholders	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% held	No. of Shares	% held
Reliance Project Ventures and Management Private Limited	8,80,29,932	33.47	10,61,48,937	40.36
Reliance Big Private Limited	1,68,00,000	6.39	1,95,00,000	7.41
Life Insurance Corporation of India *	-	-	1,66,37,769	6.33

(\* holds less than 5% as at March 31, 2019)

### 16. Other Equity – Reserves and Surplus

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Capital Reserve	5,179.97	5,179.97
Sale proceeds of fractional Equity Shares Certificates and Dividends thereon @ ₹ 37,953 (₹ 37,953)	@	@
Capital Redemption Reserve	130.03	130.03
Securities Premium	8,825.09	8,825.09
Debenture Redemption Reserve	165.02	528.23
<b>Statutory Reserves:</b>		
Development Reserve Account No.1	-	1.69
Development Reserve Account No.2	-	18.97
Debt Redemption Reserve	-	2.30
Rural Electrification Scheme Reserve	-	0.11
Reserve to augment Production Facilities	-	0.04
Reserve for Power Project	-	100.00
Development Reserve Account No. 3	-	140.88
General Reserve	409.38	6,109.12
Foreign Currency Monetary Item Translation Difference Account	-	77.77
Treasury Shares	(6.14)	(19.13)
Retained Earnings	(675.50)	626.56
<b>Total</b>	<b>14,027.85</b>	<b>21,721.63</b>

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### Other Equity

Particulars	As at March 31, 2019	₹ Crore As at March 31, 2018
<b>(a) Capital Reserves</b>		
1. Capital Reserve:		
Balance as per last Balance Sheet	5,179.97	5,179.97
2. Sale proceeds of Fractional Equity Shares Certificates and Dividends thereon @ [₹ 37,953 (₹ 37,953)]	@	@
<b>(b) Securities Premium</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	528.23	626.37
Add: Transfer from Retained Earnings	96.84	150.03
Less: Transfer to General Reserve	(460.05)	(248.17)
	<u>165.02</u>	<u>528.23</u>
<b>(e) Statutory Reserves</b>		
Balance as per last Balance Sheet		
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
	<u>263.99</u>	<u>263.99</u>
Less: Transfer to General Reserve	<u>263.99</u>	-
	-	263.99
<b>(f) Foreign Currency Monetary Item Translation Difference Account</b>		
Balance as per last Balance Sheet	77.77	71.59
Add: Addition during the year	39.52	3.19
Less: Amortisation during the year	(12.22)	(2.99)
Less: Transfer to Statement of Profit and Loss	<u>(105.07)</u>	-
	-	<u>77.77</u>
<b>(g) General Reserve</b>		
Balance as per last Balance Sheet	6,109.12	5,284.13
Add/(Less): Transfer from/(to) Statement of Profit and Loss (Refer Note No 38)(net)	192.24	(11.68)
Less: Transfer to Statement of Profit and Loss (Refer Note No 39)	(6,616.02)	(411.50)
Add: Transfer from Statutory Reserve	263.99	-
Add: Transfer from Retained Earnings	-	1,000.00
Add : Transfer from Debenture Redemption Reserve	460.05	248.17
	<u>409.38</u>	<u>6,109.12</u>



## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
<b>(h) Retained Earnings</b>		
Balance as per last Balance Sheet	626.56	376.52
Add : Net Profit/(Loss) for the current year	(913.39)	1,664.37
Add :Items of other Comprehensive Income recognised directly in retained earnings		
–Remeasurements of post-employment benefit obligation, net of tax	5.62	19.13
Less : Transfer to General Reserve	-	1,000.00
Less : Dividend Paid	249.83	236.69
Less : Tax on Dividend	47.62	46.74
Less : Transfer to Debenture Redemption Reserve	96.84	150.03
	<u>(675.50)</u>	<u>626.56</u>
<b>(i) Treasury Shares</b>		
Balance as per last Balance Sheet	(19.13)	(25.58)
Less: Provision for Diminution in value of Equity Shares	12.99	6.45
	<u>(6.14)</u>	<u>(19.13)</u>
<b>Total</b>	<u><b>14,027.85</b></u>	<u><b>21,721.62</b></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:

This reserve 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 (DRR) out of profits, which is available for payment of dividend, equal to 25% of the amount of debentures issued. Accordingly, the Company has created DRR out of the profits of the Company in terms of the Companies (Share Capital and Debenture) Rules, 2014 (as amended) 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.

The reserves were created to meet specific statutory requirement for Mumbai Power business of the Company and no more required to be retained as statutory reserve post sale of Power Business, hence transferred to General Reserve during the year

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### (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 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. As at March 31, 2019 as there is no Long Term Foreign Currency Monetary Item, hence the balance of the reserve has been transferred to Statement of profit and loss.

### (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 standalone financial statements of the Company.

## 17. Financial Liabilities - Borrowings

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current *	Non Current	Current *
<b>Secured</b>				
Non Convertible Debentures (Redeemable at par)	751.62	354.50	1,358.56	1,391.30
Term Loans from Banks	3,326.72	708.82	2,866.10	2,623.24
Term Loans from Financial Institutions	-	-	337.86	197.82
Loan from Others	21.81	5.19	4.64	4.21
	<b>4,100.15</b>	<b>1,068.51</b>	4,567.16	4,216.57
<b>Unsecured</b>				
Term Loans from Banks	-	-	-	8.00
Loan from Others	-	0.15	-	-
	-	0.15	-	8.00
<b>Total Non- Current Borrowings</b>	<b>4,100.15</b>	<b>1,068.66</b>	<b>4,567.16</b>	<b>4,224.57</b>

\* Current Maturities of Long term Debt disclosed under other Financial Liabilities (Refer Note No. 20)

### 17.1 Security:

#### A. Non Convertible Debentures (NCD) of ₹ 1,118.50 Crore (Principal undiscounted amount) are secured as under:

- ₹ 385 Crore are secured by pledge of 19,17,37,454 Equity shares of Reliance Power Limited which are held by the Company and all of the Company's rights, title, interest and benefits in, to and under a specific bank account of the Company.
- ₹ 600 Crore are secured by first pari-passu charge on Company's Land situated at Village Sancoale, Goa and Plant, property and equipment at Samalkot Mandal, East Godavari District Andhra Pradesh, one Flat located in Thane District in the State of Maharashtra, first pari-passu charge over Immoveable Property (free hold Land) & Moveable Property of BSES Kerala Power Limited and over the Identified Fixed assets (buildings) situated in Mumbai.
- ₹ 133.50 Crore are secured by pledge of 11,40,35,749 Equity shares of Reliance Power Limited which are held by the Company, exclusive charge on One Flat located in Thane District in the State of Maharashtra and all of the Company's rights, title, interest and benefits in, to and under a specific bank account of Company.

#### B. Term Loans from Banks of ₹ 4,193.50 Crore (Principal undiscounted amount) are secured as under:

- ₹ 1,668.50 Crore are secured as under:

₹ 44.44 Crore are secured by pledge of 1,88,28,000 Equity Shares of BSES Kerala Power Limited and Subservient charge on Current Assets of the Company, both present and future, ₹ 75 Crore 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, ₹ 33.32 Crore 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, ₹ 83 Crore by second charge on Company's current assets, ₹ 250 Crore by subservient charge on moveable Property, Plant and Equipment of the Company, ₹ 237.87 Crore by exclusive charge over receivable and cash flow from identified building and subservient charge on Current Assets of the Company, both present and future and ₹ 944.87 Crore by exclusive charge over identified Building and Investment property situated in Mumbai and exclusive charge over receivable and cash flow from Reliance center property

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

- (ii) ₹ 975 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, 55,23,678 Equity Shares of SU Toll Road Private Limited, 2,462 Equity Shares of JR Toll Road Private Limited and 2,466 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 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 Limited and DS Toll Road 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.
- (iii) ₹ 1550 Crore are secured by the following.
- Exclusive charge over on identified Building and Investment property situated in Mumbai.
  - Exclusive charge over receivables and cash flow from Investment property.
  - Second pari passu charge on Current Assets of the Company, both present and future.
  - Exclusive charge over all amounts owing to, and received and/or receivable by the Company on its behalf from Delhi Airport Metro Express Pvt. Ltd.
  - Second pari passu charge over all amounts owing to and/or received and/or receivable by the Company from certain liquidity events.
  - First pari passu charge over all amounts owing to and received and/or receivables by the Company and/ or any persons (s) on its behalf from claims under unapproved regulatory assets.
  - Pledge of 23,33,00,000 Equity shares of Reliance Power Limited and 22,01,00,000 Equity shares of Reliance Naval and Engineering Limited
- (iv) Further loan aggregating to ₹ 3,627.18 Crore included in above are secured by exclusive charge over the 'Surplus Proceeds' from Sale of Shares of BSES Rajdhani Power Limited (BRPL) and / or BSES Yamuna Power Limited (BYPL), to be received by the Borrower or any Group Company of the Borrower (incl. subsidiary, affiliates, etc.). Charge on these loans shall rank pari-passu subject to, other lender(s)/security trustee having charge, on the charged assets, sharing pari-passu letters wherever applicable.

#### C. Loan from Others are secured as under:

₹ 27 Crore is secured by subservient charge on all current assets of the Company, present and future.

#### 17.2 Maturity Profile of borrowings (Principal undiscounted) is as under:

Particulars	Maturity Profile					₹ Crore
	2019-20	2020-21	2021-22	2022-23	2023-24 onwards	Total
<b>Secured NCDs</b>						
11.50%	333.50	200.00	200.00	-	-	733.50
12.50%	21.00	42.00	322.00	-	-	385.00
<b>Term Loans from Banks</b> - Rate of Interest ranges from - 9.00 % to 13.00 % p.a.	708.82	262.55	460.07	768.32	1,993.74	4,193.50
<b>Loan from Others</b> - 10 to 14.50 % p.a.	5.34	12.46	9.35	-	-	27.15
<b>Total</b>	1,068.66	517.01	991.42	768.32	1,993.75	5,339.15

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

**17.3** As at March 31, 2019, the Company has overdue of ₹ 423.32 Crore included in current maturities of long term debts in note no 20 and ₹ 86.94 Crore included in interest accrued in note no 20 towards the principal and interest respectively. Further the Company has delayed payments of interest and principal to the lenders as detailed below:

Name of lender	Due as at March 31, 2019				Delay in repayment during the year			
	Principal		Interest		Principal		Interest	
	Amount ₹ Crore	Maximum days of delay	Amount ₹ Crore	Maximum days of delay	Amount ₹ Crore	Maximum days of delay	Amount ₹ Crore	Maximum days of delay
Canara Bank	250.00	11	18.97	161	-	-	-	-
IDFC Bank	125.00	106	2.08	33	62.50	75	5.58	88
Jammu and Kashmir Bank	15.00	90	2.18	90	7.50	62	2.37	90
Yes Bank Limited	-	-	60.03	58	198.06	62	195.76	88
Indusind Bank	-	-	-	-	544.50	90	28.79	72
Srei Equipment Finance Limited	-	-	0.93	59	-	-	-	-
Syndicate Bank	-	-	1.59	59	-	-	3.17	63
Axis Bank	33.32	90	1.16	90	71.68	62	4.25	90
Bank of Baroda	-	-	-	-	150.00	60	-	-
IFCI	-	-	-	-	90.90	27	10.54	17
NCD Series 13A	-	-	-	-	50.00	34	4.90	34
NCD Series 5	-	-	-	-	585.00	33	30.46	33
NCD Series 3	-	-	-	-	125.00	10	8.38	11

### 18. Current Liabilities

#### Financial Liabilities – Borrowings

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
<b>Secured</b>		
Working Capital Loans from Banks	347.82	1,025.53
Term Loans from Banks	-	1,180.00
<b>(A)</b>	<b>347.82</b>	<b>2,205.53</b>
<b>Unsecured</b>		
Term Loans from Banks	-	151.30
Commercial Paper	-	568.00
Inter Corporate Deposits		
- from Related Parties (Refer Note No 34)	470.18	442.65
- Others	92.00	70.00
<b>(B)</b>	<b>562.18</b>	<b>1,231.95</b>
<b>Total (A) + (B)</b>	<b>910.00</b>	<b>3,437.48</b>

#### 18.1 Security:

Working Capital Loans from 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;

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

**18.2** As at March 31, 2019, the Company has overdue of ₹ 347.79 Crore towards the principal. Further the Company has delayed payments of interest and principal to the banks as detailed below:

Name of lender	Due as at March 31, 2019				Delay in repayment during the year			
	Principal		Interest		Principal		Interest	
	Amount ₹ Crore	Maximum days of delay	Amount ₹ Crore	Maximum days of delay	Amount ₹ Crore	Maximum days of delay	Amount ₹ Crore	Maximum days of delay
Canara Bank	299.97	186	-	-	787.52	102	15.93	55
IDBI Bank	-	-	-	-	258.11	103	6.46	103
Yes Bank Limited	10.54	60	-	-	13.85	86	1.06	86
Central Bank of India	-	-	-	-	150.00	33	13.08	33
ICICI Bank	-	-	-	-	35.00	31	-	-
Union Bank	37.28	111	-	-	109.11	107	7.58	107

### 19. Trade Payables

Particulars	₹ Crore			
	As at March 31, 2019		As at March 31, 2018	
	Current	Non-Current	Current	Non-Current
Total outstanding dues to Micro and Small Enterprises	0.11	-	3.83	-
Total outstanding dues to Other than Micro and Small Enterprises including Retention Payable	3,043.25	17.53	5,292.15	8.79
<b>Total</b>	<b>3,043.36</b>	<b>17.53</b>	<b>5,295.98</b>	<b>8.79</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, 2019	As at March 31, 2018
Principal amount due to suppliers as at the year end	0.11	3.83
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	0.01	0.09
Payment made to suppliers(other than interest) beyond the appointed date under Section 16 of MSMED	-	3.78
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	0.01	0.09
Amount of Interest accrued and remaining unpaid at the end of each accounting year to suppliers	0.01	0.09
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	0.01	0.18

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

#### 20. Other Financial Liabilities

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ Crore		₹ Crore	
	Current	Non-Current	Current	Non-Current
Current Maturities of Long-term Debt	1,068.66	-	4,224.57	-
Interest Accrued	350.49	-	618.72	153.43
Security Deposits	-	-	57.60	376.58
Unpaid Dividends	16.05	-	15.46	-
Others	-	-	808.13	-
Financial Guarantee Obligation	-	22.90	-	9.24
<b>Total</b>	<b>1,435.20</b>	<b>22.90</b>	<b>5,724.48</b>	<b>539.25</b>

#### 21. Other Liabilities

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ Crore		₹ Crore	
	Current	Non-Current	Current	Non-Current
Advances received from Customers	420.07	1,260.30	391.11	1,303.62
Amount due to customers for contract work	885.64	-	978.52	-
Service Line Contribution	-	-	-	209.96
Contingencies Reserve Fund	-	-	-	157.90
Other Liabilities including Statutory Liabilities	788.77	226.80	6,640.21	228.73
<b>Total</b>	<b>2,094.48</b>	<b>1,487.10</b>	<b>8,009.84</b>	<b>1,900.21</b>

#### 22. Provisions

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ Crore		₹ Crore	
	Current	Non-Current	Current	Non-Current
Provision for Disputed Matters	-	160.00	-	160.00
Tax on Dividend	47.62	-	-	-
Provision for Employee Benefit:				
Provision for Leave Encashment	-	-	-	117.35
Provision for Gratuity (Refer Note No. 43)	3.82	1.43	34.22	87.38
<b>Total</b>	<b>51.44</b>	<b>161.43</b>	<b>34.22</b>	<b>364.73</b>

#### Information about Provision for Disputed Matters and significant estimates

Represents provision made for disputes in respect of 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

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Opening Balance	160.00	380.00
Less: provision reversed	-	220.00
<b>Closing Balance</b>	<b>160.00</b>	<b>160.00</b>



Notes to the standalone financial statements as at and for the year ended March 31, 2019

23. Income Tax and Deferred Tax (Net)

23(a) Income tax expenses

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Income tax Expense:		
Current tax:		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	(163.76)	-
Total current tax expense (A)	(163.76)	-
Deferred tax:		
Decrease/(increase) in deferred tax assets	(545.03)	(104.09)
(Decrease)/increase in deferred tax liabilities	(2,860.92)	(176.61)
Total deferred tax expense/(benefit) (B)	(2,315.89)	(72.52)
Income tax expense (A + B)	(2,479.65)	(72.52)
Income tax expense is attributable to:		
Continuing operations	(187.76)	(72.52)
Discontinued operation	(2,291.89)	-

23(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Profit from continuing operations before income tax expense	(5,077.99)	710.77
Profit from discontinued operation before income tax expense	1,681.95	870.58
	3,396.04	1,581.35
Tax at the Indian tax rate of 34.944% (34.608%)	(1,186.71)	547.27
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Income not considered for Tax purpose	(11.95)	(112.24)
Income chargeable to Tax at Special rate	111.59	62.40
Utilisation of Losses brought forward	(111.59)	(62.40)
Expenses withdrawn from general reserve and allowable for Income Tax	(368.20)	(4.04)
Expenses not allowable for tax purposes	1,459.41	13.84
Corporate social responsibility expenditure not allowable for Tax purpose	5.92	6.52
Fair Valuation of Preference shares / Debentures	(79.54)	(83.25)
Expected Credit Loss Provision on Intercorporate Deposits	-	26.65
Effect of change in tax rate	-	8.48
Notional Direct Tax Reversal on Land Revaluation	-	(2.45)
Reversal of DTA on Sale of Undertaking	(2,291.89)	77.72
Deductions under chapter VIA of the Income Tax Act (Sections 80IA/80G)	-	(551.02)
Previous year disallowance allowed in current year	157.07	-
Adjustments for current tax of prior periods	(163.76)	-
Income tax expense charged to Statement of Profit and Loss	(2,479.65)	(72.52)

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### 23(c) Tax losses and Tax credits

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Unused Capital Gains tax losses for which no deferred tax asset has been recognised	341.77	820.77
Unused Tax Credits – MAT credit entitlement	55.33	55.33

During the year ended March 31, 2019, the unrecognised past Capital Loss of ₹ 479.00 Crore (₹ 263.41 Crore) has been used to reduce the Current year's Capital Gains Tax of ₹ 111.59 Crore (₹ 60.77 Crore).

### 23(d) Deferred tax balances

The balance comprises temporary differences attributable to:

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
<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	33.85	883.04
Fair Valuation of Property, Plant and Equipment	57.85	2,055.83
Impact of Effective Interest Rate on Borrowings / other Financial assets / liabilities	59.60	60.88
Fair Valuation of Financial Instruments	7.94	20.41
<b>Total Deferred Tax Liabilities</b>	<b>159.24</b>	<b>3,020.16</b>
<b>Deferred tax asset on account of:</b>		
Provisions for employees benefits and doubtful debts/advances	25.25	119.99
Service Concession Arrangements	-	154.31
Finance Lease Arrangement (Appendix C to Ind AS 17 "Leases")	-	292.84
Disallowances u/s 40(a)/43B of the Income Tax Act, 1961	-	3.14
<b>Total Deferred Tax Assets</b>	<b>25.25</b>	<b>570.28</b>
<b>Net Deferred Tax Liability</b>	<b>133.99</b>	<b>2,449.88</b>

### 23(e) Movement in deferred tax balances

	₹ Crore
<b>Deferred Tax Liability</b>	<b>Amount</b>
As At March 31, 2018	2,449.88
Charged/(Credited):	
– to profit or loss– Continued Operations	(27.00)
– to profit or loss – Discontinued Operations	(2,291.89)
– to other comprehensive income	3.00
<b>As At March 31, 2019</b>	<b>133.99</b>

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

#### 24. Revenue from Operations

		₹ Crore
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Income from Sale of Power	10.92	10.07
Less – Discount for Prompt payment of Bills	-	0.38
	10.92	9.69
Cross Subsidy Charges	(2.32)	(1.94)
Miscellaneous Income	-	0.30
<b>Sub-total (A)</b>	<b>8.60</b>	<b>8.05</b>
(b) Revenue from Engineering and Construction Business		
Value of Contracts billed and Service Charges	662.21	786.47
Increase /(decrease) in Contract Assets		
Contract Assets at close	576.68	389.55
Less: Contract Assets at commencement	389.55	328.64
Net increase / (decrease) in Contract Assets	187.13	60.91
Miscellaneous Income	18.41	47.29
<b>Sub-total (B)</b>	<b>867.75</b>	<b>894.67</b>
(c) Other Operating Income		
Provisions / Liabilities written back	75.94	156.85
Other Income	33.79	15.97
<b>Sub-total (C)</b>	<b>109.73</b>	<b>172.82</b>
<b>Total (A) + (B) + (C)</b>	<b>986.08</b>	<b>1,075.54</b>

24.1 Refer note 35 on Segment Reporting for Revenue disaggregation

24.2 Performance Obligation: The aggregate value of transaction price allocated to unsatisfied or partially satisfied performance obligation is ₹ 20,222.86 Crore as at March 31, 2019, out of which ₹ 5,226.41 Crore is expected to be recognised as revenue in next year and balance thereafter. The unsatisfied or partially satisfied performance obligations are subject to variability due to several commercial and economic factors.

#### 24.3 Changes in balance of Contract Assets and Contract Liabilities are as under:

##### Contract Assets

Particulars	₹ Crore
	<b>2018-19</b>
Contract Assets including retention receivable as at April 1, 2018	1,495.16
Increase as a result of change in the measure of progress	252.53
Transfers from contract assets recognised at the beginning of the year to receivables	(32.61)
Contract Assets including retention receivable as at March 31, 2019	<b>1,715.08</b>

##### Contract Liabilities

Particulars	₹ Crore
	<b>2018-19</b>
Contract Liabilities including advance from customer as at April 1, 2018	<b>2,673.25</b>
Revenue recognised during the year out of opening Contract Liabilities	<b>(429.98)</b>
Increases due to cash received/advance billing done, excluding amount recognised as revenue during the period	<b>322.74</b>
Contract Liabilities including advance from customer as at March 31, 2019	<b>2,566.01</b>

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### 24.4 Reconciliation of contracted prices with the revenue during the year:

Particulars	₹ Crore Amount
Opening contracted price of orders as at April 1, 2018*	19,596.52
Add:	
Fresh orders/change orders received (net)	10,255.91
Increase due to additional consideration recognised as per contractual terms	438.73
Less:	
Orders completed during the year	-
<b>Closing contracted price of orders as at March 31, 2019</b>	<b>30,291.16</b>
Revenue recognised during the year	867.75
Less: Revenue out of orders completed during the year including incidental income	<u>230.03</u>
Revenue out of orders under execution at the end of the year (I)	637.72
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	9,430.58
Balance revenue to be recognised in future viz. Order book (IV)	20,222.86
<b>Closing contracted price of orders as at March 31, 2019* (I+II+III+IV)</b>	<b>30,291.16</b>

The above note represent reconciliation of revenue from operation of E&C business.

\* Excluding the contracts, where E&C activities has been physically completed but the same has not been closed due to its fulfilment of the technical parameters and pending receipt of final take over certificate from the Customer.

### 25. Other Income:

Particulars	Year ended March 31, 2019	₹ Crore Year ended March 31, 2018
Interest Income on-		
Inter Corporate Deposits	1,271.02	1,720.21
Bank Deposits	19.69	3.27
Others	65.60	30.58
	<u>1,356.31</u>	<u>1,754.06</u>
Fair value gain on Financial Instruments through FVTPL / Amortised Cost	227.62	240.54
Dividend Income	34.19	23.53
Net Gain on Sale of Investments	16.62	16.61
Gain on Derivative Instruments (net) (including MTM on Forward Contracts)	192.24	5.79
Provisions / Liabilities written back	160.01	33.33
Profit on sale of Property, Plant and Equipment	-	0.17
Income from Lease of Investment Property	60.45	62.89
Recovery from Regulatory Assets pertaining to MPB	700.16	-
Miscellaneous Income	39.92	9.67
	<u>2,787.52</u>	<u>2,146.59</u>

### 26. Employee Benefit Expenses:

Particulars	Year ended March 31, 2019	₹ Crore Year ended March 31, 2018
Salaries, Wages and Bonus (Refer Note No. 43)	129.09	125.49
Contribution to Provident Fund and other Funds (Refer Note No. 43)	9.61	10.28
Contribution to Gratuity Fund (Refer Note No. 43)	13.30	33.57
Workmen and Staff Welfare Expenses	16.75	17.75
	<u>168.75</u>	<u>187.09</u>

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

#### 27. Finance Costs:

	₹ Crore	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest and Finance Charges on		
Debentures	150.35	157.94
External Commercial Borrowings and Commercial Paper	14.50	95.39
Working Capital and other Borrowings	1,008.03	1,244.27
	<u>1,172.88</u>	<u>1,497.60</u>
Other Finance Charges	38.05	55.34
	<u>1,210.93</u>	<u>1,552.94</u>

#### 28. Other Expenses:

	₹ Crore	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of stores and spares (Net of allocation to Repairs and other relevant revenue accounts)	8.97	0.08
Rent	2.69	55.54
Power and Electricity	39.95	10.58
Repairs and Maintenance		
Buildings	1.25	2.14
Plant and Machinery (including Distribution Systems)	10.11	4.65
Other Assets	4.98	8.76
Insurance	6.18	4.85
Rates and Taxes	5.53	31.70
Community Development and Environment Monitoring Expenses	0.52	2.01
Corporate Social Responsibility Expenditure (Refer Note No. 50)	17.00	18.83
Bank and LC/BG Charges	42.72	26.04
Communication Expenses	12.34	3.99
Provision for Exploration Charges	12.03	13.34
Legal and Professional charges	80.95	80.19
Bad Debts	4.16	0.75
Directors' Sitting Fees and Commission	0.48	6.57
Miscellaneous Expenses	76.99	68.70
Loss on foreign currency translations or transactions (net)	-	17.47
Loss on Sale / Disposal of Property, Plant and Equipment (net)	1.97	79.55
Impairment Provision/ (reversed)	18.00	(31.05)
Provision for Expected Credit Loss	-	77.60
Provision for Doubtful Debts / Advances / Deposits / Diminution of investments	91.56	83.39
	<u>438.38</u>	<u>565.68</u>

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

#### 29. Earnings Per Equity Share:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) Profit / (Loss) for Basic and Diluted Earnings per Share from Discontinued Operations (a) (₹ Crore)	<b>3,973.84</b>	870.58
from Continued Operations before exceptional Items (b) (₹ Crore)	<b>1,103.35</b>	426.58
of Continued Operations after exceptional Items(c) (₹ Crore)	<b>(4,887.23)</b>	793.79
before effect of withdrawal of scheme ( d) (₹ Crore)	<b>(7,337.17)</b>	1,241.19
after effect of withdrawal of scheme (e) (₹ Crore)	<b>(913.39)</b>	1,664.37
(ii) Weighted average number of Equity Shares		
For Basic Earnings per share (f)	<b>26,29,90,000</b>	26,29,90,000
For Diluted Earnings per share(g)	<b>26,29,90,000</b>	26,29,90,000
(iii) Earnings per share for Continuing Operations before exceptional Items (Face Value of ₹10 per share)	<b>Rupees</b>	Rupees
Basic (b/f)	<b>41.95</b>	16.22
Diluted (b/g)	<b>41.95</b>	16.22
(iv) Earnings per share for Continuing Operations after exceptional Items (Face Value of ₹10 per share)	<b>Rupees</b>	Rupees
Basic (c/g)	<b>(185.83)</b>	30.18
Diluted (c/g)	<b>(185.83)</b>	30.18
(v) Earnings per share for Discontinued Operations (Face Value of ₹10 per share)	<b>Rupees</b>	Rupees
Basic (a/f)	<b>151.10</b>	33.10
Diluted (a/g)	<b>151.10</b>	33.10
(vi) Earnings per share before effect of withdrawal of scheme (Face Value of ₹10 per share)	<b>Rupees</b>	Rupees
Basic (d/f)	<b>(278.99)</b>	47.20
Diluted (d/g)	<b>(278.99)</b>	47.20
(vii) Earnings per share after effect of withdrawal of scheme (Face Value of ₹10 per share)	<b>Rupees</b>	Rupees
Basic (e/f)	<b>(34.73)</b>	63.29
Diluted (e/g)	<b>(34.73)</b>	63.29

#### 30. Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Statement of cash flows

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Long term Borrowings</b>		
Opening Balance (Including Current Maturities)	<b>12,961.33</b>	14,606.12
Availed during the year	<b>3467.00</b>	3,190.00
<b>Impact of non-cash items</b>		
- Impact of Effective Rate of Interest	<b>19.98</b>	(84.08)
Transfer to Discontinued Operations	<b>(9,496.07)</b>	-
Repaid During the year	<b>(1,783.43)</b>	(4,750.71)
<b>Closing Balance</b>	<b>5,168.81</b>	12,961.33



## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

	₹ Crore	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Short term Borrowings</b>		
Opening Balance	3,437.48	5,248.54
Availed during the year	397.35	10,555.82
<b>Impact of non-cash items</b>		
Forex adjustment	-	7.13
Transfer to Discontinued Operations	(2,773.53)	-
Repaid during the year	(151.30)	(12,374.00)
<b>Closing Balance</b>	<b>910.00</b>	<b>3,437.48</b>
<b>Interest Expenses</b>		
<b>Interest Accrued - Opening Balance</b>	<b>772.15</b>	409.91
Interest Charge as per Statement Profit & Loss	1,210.93	2,929.75
<b>Changes in Fair Value</b>		
- Impact of Effective Rate of Interest	19.98	85.70
- Impact of Power Purchase agreement accounted as Finance Lease	-	(456.81)
- Impact of Change in Fair Value of Financial Guarantee Obligation	10.50	-
Interest paid to Lenders	(1,602.11)	(2,196.40)
<b>Interest Accrued - Closing Balance</b>	<b>350.49</b>	<b>772.15</b>

31. The current assets of the Company are provided as security to the lenders as mentioned in note 17 & 18 and subservient charge on certain corporate guarantees.

32.

**(a) Contingent Liabilities:**

- Claims against the Company not acknowledged as debts and under litigation aggregates to ₹ 1,894.81 Crore (March 31, 2018 - ₹ 1,951.20 Crore). These include claim from suppliers aggregating to ₹ 643.49 Crore (March 31, 2018 - ₹ 607.81 Crore), income tax claims ₹ 453.13 Crore (March 31, 2018 - ₹ 317.58 Crore), indirect tax claims aggregating to ₹ 722.57 Crore (March 31, 2018 - ₹ 1,007.38 Crore) out of which claims of ₹ 337.15 Crore (March 31, 2018 - ₹ 320.63 Crore), if materialised, will be recovered from the customers and other claims ₹ 75.62 Crore (Net of provision made of ₹ 59.00 Crore) (March 31, 2018 - ₹ 18.43 Crore - (Net of Provision made of ₹ 44.00 Crore)).
- Corporate Guarantee of ₹ 1,947 Crore (net of Corporate Guarantee of ₹ 5,010.31 Crore cancelled subsequent to the balance sheet date)
- 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:**

- Estimated amount of contracts remaining unexecuted on capital account and not provided for ₹ Nil (March 31, 2018 - ₹ 272.40 Crore).
- Uncalled liability on partly paid shares ₹ 10.70 Crore (March 31, 2018 - ₹ 10.70 Crore).
- 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.

**33. Payment to Auditors (excluding taxes):**

			₹ Crore
S. No	Particulars	2018-19	2017-18
(a)	As Auditor-Audit Fees	1.58	1.62*
(b)	For other services- Certification Fees	0.45	0.86
(c)	For Reimbursement of out of pocket expenses	0.06	0.01
		2.09	2.49

\* include ₹ 0.11 Crore fees paid to Haribhakti & Co. LLP being predecessor auditor of the Company

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### 34. Related Party Disclosures:

As per Ind AS – 24 "Related Party Disclosures", the Company's related parties and transactions with them in the ordinary course of business are disclosed below:

#### (a) Parties where control exists (Subsidiaries including step down subsidiaries):

1	Delhi Airport Metro Express Private Limited (DAMEPL)
2	Mumbai Metro Transport Private Limited (MMTPL)
3	Mumbai Metro One Private Limited (MMOPL)
4	Reliance Energy Trading Limited (RETL)
5	Parbati Koldam Transmission Company Limited (PKTCL)
6	PS Toll Road Private Limited
7	KM Toll Road Private Limited
8	HK Toll Road Private Limited
9	DA Toll Road Private Limited
10	SU Toll Road Private Limited
11	TD Toll Road Private Limited
12	TK Toll Road Private Limited
13	DS Toll Road Limited
14	NK Toll Road Limited
15	GF Toll Road Private Limited
16	JR Toll Road Private Limited
17	CBD Tower Private Limited (CBDT)
18	Reliance Electric Generation and Supply Limited (REGSL) (up to August 28, 2018)
19	Reliance Cement Corporation Private Limited (RCCPL)
20	Reliance Sea Link One Private Limited (RSOPL) (Submitted for strike off to ROC)
21	Utility Infrastructure & Works Private Limited (UIWPL)
22	Reliance Smart Cities Limited (RSCL)
23	Reliance Energy Limited (REL)
24	Reliance E-Generation and Management Private Limited (REGMPL)
25	Reliance Defence Limited (RDL)
26	Reliance Cruise and Terminals Limited (RCTL)
27	BSES Rajdhani Power Limited (BRPL)
28	BSES Yamuna Power Limited (BYPL)
29	BSES Kerala Power Limited (BKPL)
30	Reliance Power Transmission Limited (RPTL)
31	Talcher II Transmission Company Limited (TTCL)
32	Latur Airport Limited (LAL)
33	Baramati Airport Limited (BAL)
34	Nanded Airport Limited (NAL)
35	Yavatmal Airport Limited (YAL)
36	Osmanabad Airport Limited (OAL)
37	Reliance Airport Developers Limited(RADL)
38	Reliance Defence and Aerospace Private Limited (RDAPL)
39	Reliance Defence Technologies Private Limited (RDTPPL)
40	Reliance SED Limited (RSL)
41	Reliance Propulsion Systems Limited (RPSL)
42	Reliance Defence System & Tech Limited (RDSTL)
43	Reliance Defence Infrastructure Limited (RDIL)
44	Reliance Helicopters Limited (RHL)
45	Reliance Land Systems Limited (RLSL)
46	Reliance Naval Systems Limited (RNSL)
47	Reliance Unmanned Systems Limited (RUSL)
48	Reliance Aerostructure Limited (RAL)
49	Reliance Defence Systems Private Limited (RDSPL)
50	Reliance Armaments Limited (RAL)
51	Reliance Ammunition Limited (RamL)
52	Reliance Velocity Limited (RVL)
53	Reliance Delhi Metro Trust (RDMT)

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

54	Thales Reliance Defense System Limited(TRDSL)
55	Reliance Property Developers Private Limited (RPDPL)
56	North Karanpura Transmission Company Limited (NKTCL)
57	Tamilnadu Industries Captive Power Company Limited (TICAPCO)
58	Dassault Reliance Aerospace Limited (DRAL)
59	Reliance Aero Systems Private Limited (formerly Rafael Defence Systems Private Limited) (RASPL)
60	Reliance Global Limited (w.e.f July 16, 2018)(RGL)

#### (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	Samalkot Power Limited (SaPoL)
		7	Rajasthan Sun Technique Energy Private Limited (RSTEPL)
		8	Dhursur Solar Power Private Limited (DSPPL)
		9	Reliance Naval and Engineering Limited (RNEL)
		10	RMOL Engineering and Offshore Limited (formerly Reliance Marine and Offshore Limited) (RMOL)
		11	E Complex Private Limited (ECPL)
		12	REDS Marine Services Limited (formerly Reliance Engineering and Defence Services Limited) (REDSL)
		13	Reliance Geothermal Power Private Limited (RGPPL)
		14	Metro One Operations Private Limited (MOOPL)
(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 General Insurance Company Limited (RGI)
		2	Reliance Capital Limited (RCap)
		3	Reliance Reality Limited (formerly Reliance Infocomm Infrastructure Limited) (RRL)
		4	Reliance Securities Limited (RSL)
		5	Reliance Infratel Limited (RITL)
		6	Reliance Webstore Limited (RWL)
		7	Reliance Communication Limited (RCom)
		8	Reliance Big Entertainment Private Limited (RBEPL)
		9	Reliance Assets Reconstruction Company Limited (RARCL)
		10	Unlimit IOT Private Limited (UIPL)
		11	Reliance Health Insurance Limited (RHIL)
		12	Reliance Home Finance Limited (RHL)
		13	Reliance Nippon Life Asset Management Limited (RNLAML)
		14	Reliance Commercial Finance Limited (RCFL)
		15	Globalcom IDC Limited formerly Reliance IDC Limited (GIDC)
		16	Reliance Nippon Life Insurance Company Limited (RNLICL)
		17	Reliance Transport and Travels Private Limited (RTTPL)
		18	Reliance Broadcast Network Limited (RBNL)
		19	Reliance Wealth Management Limited (RWML)
		20	Reliance Innoventures Private Limited (REIL)
		21	Reliance Big Private Limited (RBPL)

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### 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) Statement of Profit and Loss Heads:</b>					
<b>(I) Income:</b>					
(i) Sale of Power	2018-19	-	-	7.52	
	2017-18	-	-	-	
(ii) Gross Revenue from E&C Business	2018-19	-	19.44	-	
	2017-18	-	50.66	-	
(iii) Dividend Received	2018-19	32.30	1.89	-	
	2017-18	22.21	1.32	-	
(iv) Interest earned	2018-19	30.38	292.96	17.52	
	2017-18	46.31	222.07	13.18	
(v) Other Income ( including Income from Investment Property)	2018-19	7.33	5.85	52.66	
	2017-18	17.27	19.23	68.13	
<b>(II) Expenses:</b>					
(i) Purchase of Power (Including Open Access Charges (Net of Sales)	2018-19	-	29.41	-	
	2017-18	-	-	-	
(ii) Purchase / Services of other items on revenue account	2018-19	-	0.50	9.13	
	2017-18	-	4.51	26.33	
(iii) Purchase / Services of other items on capital account	2018-19	-	-	-	
	2017-18	-	0.94	-	
(iv) Dividend Paid	2018-19	-	100.84	19.35	
	2017-18	-	95.53	18.33	
(v) Interest Paid	2018-19	-	19.95	24.56	
	2017-18	0.07	23.48	25.98	
<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	2018-19	-	2,127.78	19.26	
	2017-18	2.12	1,961.83	31.08	
(ii) Inter Corporate Deposit (ICD) Taken	2018-19	77.65	217.53	175.00	
	2017-18	52.65	190.00	200.00	
(iii) Investment in Securities	2018-19	2,980.84	5,231.58	-	
	2017-18	2,960.40	6,828.85	-	
(iv) Inter Corporate Deposit (ICD) Given	2018-19	484.96	1,104.48	-	
	2017-18	496.31	2,164.15	223.00	
(v) Subordinate Debts	2018-19	4,163.91	-	-	
	2017-18	5,600.48	-	-	
(vi) Advance received against transfer of business	2018-19	-	-	-	
	2017-18	1,500.00	-	-	
(vii) Recoverable Expenses	2018-19	-	-	-	
	2017-18	0.05	-	-	
(viii) Trade Receivables, Advance given and other receivables for rendering services	2018-19	83.86	2,515.34	50.14	
	2017-18	82.88	2,397.47	31.29	
(ix) Interest receivable on Investments and Deposits	2018-19	105.10	115.15	-	
	2017-18	74.92	284.18	19.85	
(x) Other Receivable	2018-19	-	526.11	-	
	2017-18	-	526.11	-	
(xi) Interest Payable	2018-19	-	37.36	5.35	
	2017-18	-	-	-	

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

		₹ Crore			
Particulars	Year	Subsidiaries	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) has significant influence	
<b>(c) Contingent Liabilities (Closing balances):</b>					
(i) Guarantees and Collaterals	2018-19	340.99	1,083.75	1,548.74*	
	2017-18	363.53	300.00	0.24	
<b>(d) Transactions During the Year:</b>					
(i) Guarantees and Collaterals provided earlier – expired / encashed / surrendered	2018-19	22.54	1,22.15	-	
	2017-18	17.52	-	-	
(ii) Guarantees and Collaterals provided	2018-19	-	905.90	1,548.50*	
	2017-18	-	-	-	
(iii) ICD Given to	2018-19	29.22	2,328.04	-	
	2017-18	300.70	1,978.15	135.00	
(iv) ICD Returned by	2018-19	5.60	803.65	12.15	
	2017-18	78.23	1,378.14	3.84	
(v) Recoverable Expenses:-	2018-19	-	-	-	
	2017-18	-	-	-	
(a) incurred for related parties	2018-19	-	-	-	
	2017-18	1.06	-	0.14	
(b) incurred by related parties on our behalf	2018-19	-	-	-	
	2017-18	1.64	0.24	0.05	
(vi) Investment in Equity	2018-19	-	-	-	
	2017-18	20.96	-	-	
(vii) Subordinate Debts given	2018-19	143.12	-	-	
	2017-18	705.93	-	-	
(viii) Sale of Investment	2018-19	1,500.05	-	-	
	2017-18	-	-	-	
(ix) Purchase of Investments of Subsidiary company	2018-19	1,500.00	-	-	
	2017-18	-	-	-	
(x) ICD Taken from	2018-19	25.00	27.53	-	
	2017-18	49.00	40.00	25.00	
(xi) ICD Repaid to	2018-19	-	-	25.00	
	2017-18	-	-	-	
(xii) EPC Advance returned	2018-19	-	-	-	
	2017-18	-	180.00	-	
(xiii) Subordinate Debts returned	2018-19	3.70	-	-	
	2017-18	240.71	-	-	
(xiv) Subordinate Debts written off	2018-19	1,586.17	-	-	
	2017-18	22.61	-	-	
(xv) ICD Given Written off	2018-19	-	-	210.85	
	2017-18	190.39	-	-	
(xvi) Sale of Fixed Assets	2018-19	-	-	-	
	2017-18	-	0.52	-	
(xvii) Sub-debts converted to preference Shares	2018-19	-	-	-	
	2017-18	16.39	-	-	
(xviii) Transfer of Business through BTA	2018-19	-	-	-	
	2017-18	535.30	-	-	
(xix) Advance received against transfer of business	2018-19	-	-	-	
	2017-18	1,500.00	-	-	

\*net of corporate garranty of ₹ 286.90 crore cancelled subsequent to the balnsheet date

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### 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	2018-19 2017-18	- -	0.14 0.12	0.04 5.52
Shri Lalit Jalan	Chief Executive Officer	2018-19 2017-18	2.17 3.10	- -	- -
Shri Sridhar Narasimhan	Chief Financial Officer	2018-19 2017-18	1.77 1.96	- -	- -
Shri Anil C Shah	Company Secretary w.e.f Feb 5, 2019	2018-19 2017-18	0.09 -	- -	- -
Ms. Srilatha T. G	Company Secretary (From November 5, 2018 upto February 5, 2019)	2018-19 2017-18	0.05 -	- -	- -
Shri Aashay Khandwala	Company Secretary up to Nov 5, 2018	2018-19 2017-18	0.40 0.22	- -	- -

### e) Details of Material Transactions with Related Party

#### (i) Transactions during the year (Balance Sheet heads)

##### 2018-19

ICD given to RePL ₹ 1,616.99 Crore and RNEL ₹ 588.45 Crore ICD refunded by RePL ₹ 803.66 Crore. Subordinate debt written off to RDSPL ₹ 1,586.17 Crore . Purchase and sale of Investment in REGSL ₹ 1,500 Crore.

##### 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.

#### (ii) Balance sheet heads (Closing balance)

##### 2018-19

Trade payable, advances received and other liabilities for receiving of services on revenue and capital account of CPPL ₹ 911.03 Crore and VIPL ₹ 718.69 Crore. Investment in Equity of MMOPL ₹ 761.48 Crore, BRPL ₹ 530.40 Crore and RePL ₹ 5,231.18 Crore. ICD given to RePL ₹ 1,104.48 Crore. Subordinate debt given to PSTL ₹ 1,078.51 Crore, KMTL ₹ 505.45 Crore, DATL ₹ 444.91 Crore and DAMEPL ₹ 787.53 Crore. Trade Receivables, Advances given and other receivables for rendering services SaPoL ₹ 2,490.27 Crore. Other receivable from VIPL ₹ 526.11 Crore.

##### 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.

#### (iii) Guarantees and Collaterals

##### 2018-19

Corporate Guarantee for SaPoL ₹ 905.90 Crore given during the year and outstanding as at March 31, 2019. Corporate Guarantee to RCap ₹ 1,388.00 Crore given during the year and outstanding as at March 31, 2019.

\*Remuneration does not include post-employment benefits, as they are determined on an actuarial basis for the Company as a whole.

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.
- 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.

Notes to the standalone financial statements as at and for the year ended March 31, 2019

35. Segment Reporting

(a) Description of segments and principal activities

The Company operates in two Business Segments namely Power and Engineering and Construction (E&C) Business. Business (E&C) 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. E&C 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.

Particulars	2018-19			2017-18		
	Power	E&C	Total	Power	E&C	Total
<b>Revenue</b>						
External Sales	10.55	975.53	986.08	8.08	1,067.46	1,075.54
Less: Inter- Segment Sales	-	-	-	-	-	-
<b>Net revenue</b>	<b>10.55</b>	<b>975.53</b>	<b>986.08</b>	<b>8.08</b>	<b>1,067.46</b>	<b>1,075.54</b>
<b>Results</b>						
Segment Results	(45.56)	175.94	130.38	(181.71)	465.70	283.99
Unallocated Income net of unallocable Expenses			599.97			(292.32)
Exceptional Items- Refer note 39			(6,181.34)			284.19
Finance Cost			(1,210.93)			(1,552.94)
Interest Income			1,583.93			1,987.85
(Loss)/Profit before tax			(5,077.99)			710.77
Provision for Income-tax - Net			(190.76)			(83.02)
(Loss)/Profit after tax from Continuing Operations			(4,887.23)			793.79
(Loss)/Profit after tax from Discontinued Operations			3,973.84			870.58
<b>(Loss)/Profit for the Year</b>			<b>(913.39)</b>			<b>1,664.37</b>
Capital Expenditure*	-	1.14		532.00	2.05	
Depreciation*	3.84	45.03		11.33	53.81	
Impairment Loss/ (reversal)*	18.00	-		(31.04)	-	
Non Cash Expenses other than Depreciation*	15.65	-		93.32	0.51	
Segment Assets	45.24	5,337.31	5,382.55	18,955.13	4,884.59	23,839.72
Unallocated Corporate Assets			22,869.90			34,947.20
<b>Total Assets</b>			<b>28,252.45</b>			<b>58,786.92</b>
Segment Liabilities	28.61	4,666.74	4,695.35	10,784.05	4,922.00	15,706.05
Unallocated Corporate Liabilities			9,266.22			21,096.21
<b>Total Liabilities</b>			<b>13,961.57</b>			<b>36,802.26</b>

\* Only pertaining to the segment

Note:

i 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 Standalone Statement of Profit and Loss.



# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### ii Segment Assets

Segment assets are measured in the same way as in the standalone 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 held by the Company are not considered to be segment assets and are managed by the treasury function.

### iii Segment Liabilities

Segment liabilities are measured in the same way as in the standalone 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 are not considered to be segment liabilities and are managed by the treasury function.

### (c) Information about Major Customer

Revenue from operations (E&C) include ₹ 512.59 Crore (Previous Year: ₹ 612.38 Crore) from one customer (Previous Year: One customer) having more than 10% of the total revenue

### (d) 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.

## 36. (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 had 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 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 the Company had withdrawn after complying with the conditions specified and accounted the said amount as Other Liabilities pending final adjustment. The Hon'ble Supreme Court has dismissed the appeal filed by TPC vide Order dated May 2, 2019. Pending final determination of the amount receivable from TPC including interest thereon no impact of the Order has been given in the accounts for the year ended March 31, 2019.

### (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: Pursuant to the order passed by the 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. 32 above.

## 37. 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, which vide its order dated May 11, 2017, granted arbitration award in favour of DAMEPL of ₹ 4,662.59 crore on the date of the Award, the Award being inter alia in consideration of DAMEPL transferring the ownership of the Metro Rail to DMRC who has taken over the same. The Award was upheld by a Single Judge of Hon'ble Delhi High Court vide its order dated March 06, 2018. However it was set aside by the Division Bench of Hon'ble Delhi High Court vide its Judgement dated January 15, 2019. DAMEPL has filed Special Leave Petition (SLP) before the Hon'ble Supreme Court against the said Judgement of Division Bench of Hon'ble Delhi High Court. Hon'ble Supreme Court, while hearing the Interlocutory Application seeking interim relief, on April 22, 2019 has directed that DAMEPL's accounts shall not be declared as NPA till further orders and directed listing of the SLP for hearing on July 23, 2019. Based on the facts of the case and the applicable law, DAMEPL is confident of succeeding in the Hon'ble Supreme Court.

Notes to the standalone financial statements as at and for the year ended March 31, 2019

**38. 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 foreign exchange gain of ₹ 192.24 Crore for the year ended March 31, 2019 (net loss of ₹ 11.68 Crore for the year ended March 31, 2018) has been credited/debited to the Statement of Profit and Loss and an equivalent amount has been transferred to 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 not been done, the Loss before tax for year ended March 31, 2019 would have been lower by ₹ 192.24 crore and General Reserve would have been lower by ₹ 192.24 crore. The treatment prescribed under the Scheme override the relevant provisions of Ind AS 1: "Presentation of Financial Statements".

**39. Exceptional Items**

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Write off /loss (profit) on sale of Investments	2,446.61	(261.58)
Provision/write-off/Loss on Sale of loans given and w/off of interest accrued thereon	8,410.99	190.39
Loss on invocation of Pledged Shares	1,261.14	-
Loss on transfer of Western Region System Strengthening Scheme (WRSS)- Transmission Undertaking	-	198.50
Provision for diminution in value of investments	678.62	-
<b>Expenses / (Income)</b>	<b>12,797.36</b>	127.31
<b>Less: Withdrawn from General Reserve</b>	<b>6,616.02</b>	411.50
<b>Exceptional Items (net)</b>	<b>6,181.34</b>	(284.19)

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, during the year ended March 31, 2019 an amount of ₹ 6,616.02 crore (March 31, 2018 - ₹ 411.50 Crore) has been withdrawn from General Reserve and credited to the Statement of Profit and Loss against the exceptional items of ₹ 12,797.36 crore (₹ 127.31 Crore for the year ended March 31, 2018) as stated above which was debited to the Statement of Profit and Loss. Had such withdrawal not been done, the Loss before tax for the year ended March 31, 2019 would have been higher by ₹ 6,616.02 Crore (March 31, 2018 - ₹ 411.50 Crore) and General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme overrides the relevant provisions of IndAS 1 "Presentation of Financial Statements".

- 40.** The Reliance Group of companies of which the Company is a part, supported an independent company in which the Company holds less than 2% of equity shares ("EPC Company") to inter alia undertake contracts and assignments for the large number of varied projects in the fields of Power (Thermal, Hydro and Nuclear), Roads, Cement, Telecom, Metro Rail, etc. which were proposed and/or under development by the Group. To this end along with other companies of the Group the Company funded EPC Company by way of EPC advances, subscription to Debentures & Preference Shares and Intercompany Deposits. The aggregate funding provided by the company as on March 31, 2019 was ₹ 7,082.96 crore (Previous Year ₹ 10,936.62 crore) net of provision of ₹ 3,972.17 crore (₹ 2,697.17 crore). In addition, the Company has provided corporate guarantees during the year aggregating (net of subsequent cancellation) to ₹ 1,775 crore.

The activities of EPC Company have been impacted by the reduced project activities of the companies of the Group. In the absence of the financial statements of the EPC Company for the year ending March 31, 2019 which are under compilation it has not been possible to complete the evaluation of nature of relationship, if any, between the independent EPC Company and the Company. Presently, based on the analysis carried out in earlier years, the EPC Company has not been treated as related party.

Similarly, in the absence of full visibility on the assets and liabilities of the EPC Company and after considering the reduced ability of the holding company of the Reliance Group of Companies to support the EPC Company, the Company has provided/written-off further ₹ 2,042.16 crore during the year (Nil for the financial year ended March 31, 2018) in respect of the outstanding amount advanced to the EPC Company and the same has been considered as an exceptional item. Given the huge opportunity in the EPC field particularly considering the Government of India's thrust on infrastructure sector coupled with increasing project and EPC activities of the Reliance Group, the EPC Company with its experience will be able to achieve substantial project activities in excess of its current levels, thus enabling the EPC Company to meet its obligations. The Company is reasonably confident that the provision will be adequate to deal with any contingency relating to recovery from the EPC Company.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

41. During the year, the Company has incurred net losses (after impairment of assets) of ₹ 913.39 Crore. Further, in respect of certain loan arrangements of certain subsidiaries / associates, certain amounts have fallen due and /or have been reclassified as current liabilities by the respective subsidiary/associate companies. The Company is guarantor in respect of some of the loans / corporate guarantee arrangements and consequently, the Company's ability to meet its obligations is significantly dependent on material uncertain events including restructuring of loans, achievement of debt resolution and restructuring plans, time bound monetisation of assets as well as favourable and timely outcome of various claims. The Company is confident that such cash flows would enable it to service its debt, realise its assets and discharge its liabilities, including devolvement of any guarantees / support to the subsidiaries and associates in the normal course of its business. Accordingly, the standalone financial statement of the Company has been prepared on a going concern basis.

### 42. Discontinued Operations

#### (a) Mumbai Power Business

During the year the Scheme of Arrangement envisaging vesting of Mumbai Power Business (MPB) to its resulting wholly owned subsidiary viz. Reliance Electric Generation and Supply Limited (REGSL) has been implemented with effect from April 1, 2018. Pursuant to the Share Purchase Agreement with Adani Transmission Limited for sale of MPB, the Company divested its entire stake in REGSL after obtaining all required regulatory & other approvals. The Financial Performance and Cash Flow Information of MPB regrouped from audited standalone financial statement of financial year ended March 31, 2018 are given below:

	₹ Crore
Particulars	Year ended March 31, 2018
Total Income	8,008.35
Total Expenses	7,460.42
<b>Profit before tax and Rate Regulated Activities</b>	547.93
Add: Regulatory Income (Net)	288.89
<b>Profit before tax</b>	<b>836.82</b>
Income Tax Expenses	-
<b>Profit after tax</b>	836.82
Net Cash generated from operating activities	3,550.94
Net Cash used in investing activities	(526.96)
Net Cash used in financing activities	(3,023.98)
<b>Net cash flow from discontinued Operations</b>	<b>-</b>

Assets and Liabilities of MPB included in the figures of March 2018 are given below:

	As at March 31, 2018
Property, Plant and Equipment, Capital work in progress and Intangible assets	14,911.94
Non Current Financial Assets	173.15
Other Non Current Assets	0.01
Inventories	314.57
Current Financial Assets	1,086.42
Other Current Assets	88.66
<b>Total Assets before regulatory assets</b>	<b>16,574.75</b>
Regulatory deferral account debit balances and related deferred tax balances	1,626.83
<b>Total Assets</b>	<b>18,201.58</b>
Non Current Borrowings	1,869.30
Other Non Current Liabilities	5,047.61
Current Borrowings	2,773.53
Other Current Liabilities	5,154.74
<b>Total Liabilities</b>	<b>14,845.18</b>
<b>Net Assets</b>	<b>3,356.40</b>

The profit for the year ended March 31, 2019 ₹ 3,973.84 crore (₹ 836.82 Crore for the year ended March 31, 2018) including reversal of deferred tax liability of ₹ 2,291.89 crore has been shown as profit from Discontinued Operations in respect of above transaction

Notes to the standalone financial statements as at and for the year ended March 31, 2019

(b) Western Region System Strengthening Scheme (WRSSS) Transmission Undertakings

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 Assets classified as held for sale and discontinued operations as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".

The Financial Performance and Cash Flow Information of WRSSS are given below:

Particulars	₹ Crore
	April 1, 2017 to October 12, 2017
Total Income	74.59
Total Expenses	40.83
<b>Profit before tax</b>	<b>33.76</b>
Income Tax Expenses	-
<b>Profit after tax</b>	<b>33.76</b>
Net Cash generated from operating activities	31.63
Net Cash used in investing activities	44.14
Net Cash used in financing activities	(70.74)
<b>Net cash flow from discontinued Operations</b>	<b>5.03</b>

Assets and Liabilities of WRSSS are given below:

Particulars	As at October 12, 2017
Property, Plant and Equipment	0.44
Service Concession Receivable	1,104.38
Trade Receivable	39.33
Other Current & Non-Current Assets	55.18
<b>Total Assets</b>	<b>1,199.33</b>
Borrowings	660.59
Trade Payable	0.06
Other Current & Non-Current Liabilities	3.38
<b>Total Liabilities</b>	<b>664.03</b>
<b>Net Assets</b>	<b>535.30</b>

43. Disclosure under Ind AS 19 "Employee Benefits"

(a) 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.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

The Company has recognised the following amounts as expense in the standalone financial statements for the year:

	₹ Crore	
Particulars	2018-19	2017-18*
Contribution to Provident Fund	5.95	41.03
Contribution to Employees Superannuation Fund	1.03	8.69
Contribution to Employees Pension Scheme	0.81	8.49
Contribution to National Pension Scheme	1.63	6.97
Contribution to Employees State Insurance (@ ₹ 34,987)	-	@

\* includes ₹ 56.92 crore and ₹ 0.13 Crore pertaining to Discontinued Operations of MPB and WRSSS respectively.

### (b) 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, 2019	Gratuity for the year ended March 31, 2018
Starting Period	April 01, 2018	April 01, 2017
Date of Reporting	March 31, 2019	March 31, 2018
<b>Assumptions</b>		
Expected Return On Plan Assets	7.48%	7.71%
Rate of Discounting	7.48%	7.71%
Rate of Salary Increase	5.00%	9.75%
Rate of Employee Turnover	10.00%	4.00%
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>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Present value of Benefit Obligation at the beginning of the year	588.20	562.79
Liability Transferred Out	(570.07)	(1.26)
Liability Transferred In	-	1.23
Interest Cost	18.89	39.45
Current Service Cost	13.70	40.78
Benefit Paid Directly by the Employer	(16.70)	(24.89)
Benefit Paid From the Fund	(1.12)	-
Actuarial (Gain) / Losses on Obligation- Due to Change in Financial Assumptions	(7.29)	(20.00)
Actuarial (Gain) / Losses on Obligation- Due to Change in Demographic Assumptions	(2.16)	8.29
Actuarial (Gain) / Losses on Obligation-Due to Experience	8.90	(18.19)
<b>Present Value of Benefit Obligation at the end of the year</b>	<b>32.35</b>	<b>588.20</b>
<b>Change in the Fair Value of Plan Assets</b>		

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

Particulars	₹ Crore	
	Gratuity for the year ended March 31, 2019	Gratuity for the year ended March 31, 2018
Fair Value of Plan Asset at the beginning of the year	466.60	422.52
Asset Transferred In / Out	-	1.23
Asset Transferred Out / Divestment	(453.94)	(1.06)
Interest Income	35.97	29.62
Contribution by the Employer	(1.12)	14.57
Return on Plan Assets Excluding Interest Income#	(20.39)	(0.28)
<b>Fair Value of Plan Asset at the end of the year</b>	<b>27.10</b>	<b>466.60</b>
<b>Amount Recognised in the Balance Sheet</b>		
Present Value of Benefit Obligation at the end of the year	(32.35)	(588.20)
Fair Value of Plan Assets at the end of the year	27.10	466.60
<b>Funded Status (Deficit)</b>	<b>(5.25)</b>	<b>(121.60)</b>
<b>Net (Liability) Recognized in the Balance Sheet</b>	<b>(5.25)</b>	<b>(121.60)</b>
<b>Provisions</b>		
<b>Current</b>	<b>(3.82)</b>	<b>(34.22)</b>
<b>Non-Current</b>	<b>(1.43)</b>	<b>(87.38)</b>
<b>Expenses Recognized in the Statement of Profit and Loss</b>		
Current Service Cost	13.70	40.78
Net Interest Cost##	(0.40)	9.83
<b>Expenses Recognised</b>	<b>13.30</b>	<b>50.61*</b>
<b>Income/(Expenses) Recognised in Other Comprehensive Income (OCI)</b>		
Actuarial Income/(Losses) on Obligation for the year	(9.46)	(29.90)
Return on Plan Assets Excluding Interest Income	0.84	0.27
<b>Net Income for the year recognised in OCI</b>	<b>(8.62)</b>	<b>(29.63)</b>
<b>Major Categories of plan asses as a percentage of total</b>		
<b>Insurance Fund</b>	<b>100%</b>	<b>100%</b>
<b>Prescribed Contribution For Next Year</b>	<b>3.82</b>	<b>34.22</b>
<b>Maturity Analysis of Project Benefit Obligation : From Fund</b>		
Projected Benefit in Future Years from the Date of Reporting		
Within next 12 months	7.90	66.98
Between 2 to 5 years	14.63	174.14
Beyond 6 years	9.82	347.08
<b>Sensitivity Analysis</b>		
Increase / (Decrease) in Present value of Defined Benefits Obligation at the end of the year	32.35	588.20
<b>Assumptions – Discount Rate</b>		
<b>Sensitivity Level</b>	<b>1%</b>	<b>1%</b>
Impact on defined benefit obligation –in % increase	(3.85%)	(6.80%)
Impact on defined benefit obligation –in % decrease	4.24%	7.71%
<b>Assumptions – Future Salary Increase</b>		
<b>Sensitivity Level</b>	<b>1%</b>	<b>1%</b>
Impact on defined benefit obligation –in % increase	4.30%	7.41%
Impact on defined benefit obligation –in % decrease	(3.98%)	(6.68%)
<b>Assumptions – Employee Turnover</b>		
<b>Sensitivity Level</b>	<b>1%</b>	<b>1%</b>
Impact on defined benefit obligation –in % increase	(0.49%)	(1.01%)
Impact on defined benefit obligation –in % decrease	0.55%	1.11%

\*Includes ₹ NIL (₹ 0.07 Crore) for Discontinued Operations of WRSS.

# includes ₹ 21.23 Crore for the financial year 2018-19 towards discontinued operations of MPB

# # includes ₹ 17.48 Crore towards discontinued operations of MPB

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

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.

In the absence of detailed information regarding plan assets which is funded with Reliance Life Insurance Corporation of India, the composition of each major category of plan assets, the percentage and amount for each category of the fair value of plan assets has not been disclosed.

#### Risk Exposure :

**Investment Risk:** The Present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

**Interest Risk:** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investment.

**Liquidity Risk:** The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary Risk:** The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

#### 44. 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	Closing Bal Amt O/s as at		Max Amt O/s during the year	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Subsidiaries:				
1	Mumbai Metro One Private Limited	283.79	283.79	283.79	474.18
2	DA Toll Road Private Limited #	15.44	15.44	15.44	15.44
3	Delhi Airport Metro Express Private Limited #	57.25	56.52	57.25	83.00
4	PS Toll Road Private Limited #	31.90	11.90	31.90	11.90
5	Reliance Electric Generation and Supply Limited#	-	30.96	108.31	30.96
6	TK Toll Road Private Limited #	-	-	3.52	7.50
7.	JR Toll Road Private Limited #	-	-	4.70	
8.	GF Toll Road Private Limited #	-	-	7.39	
9.	KM Toll Road Private Limited #	-	-	30.78	
10	TD Toll Road Private Limited #	-	-	1.72	
11.	Reliance Defence Systems Private Limited #	-	-	-	3.50
12.	Reliance Defence Technologies Private Limited #	0.01	0.01	0.01	0.01
13.	Reliance Defence System & Tech Limited #	-	2.48	2.50	2.48
14.	Reliance Defence and Aerospace Private Limited #	0.05	0.05	0.05	0.05
15.	Reliance Airport Developers Limited	-	-	-	0.71
16.	Baramati Airport Limited (formerly Baramati Airport Private Limited)	0.10	-	0.10	0.06
17.	Latur Airport Limited (formerly Latur Airport Private Limited)	0.22	0.10	0.22	0.10
18.	Nanded Airport Limited (formerly Nanded Airport Private Limited)	5.62	4.07	5.62	4.75
19.	Osmanabad Airport Limited (formerly Osmanbad Airport Private Limited)	0.13	0.07	0.13	0.07
20.	Yavatmal Airport Limited (formerly Yavatmal Airport Private Limited)	0.26	0.13	0.26	0.13
21.	Reliance Aerostructure Limited #	90.01	89.29	90.01	89.29
22.	Reliance Defence Limited#	-	-	3.86	1.00



## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

₹ Crore

Sr. No.	Name	Closing Bal Amt O/s as at		Max Amt O/s during the year	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
23.	Reliance Velocity Limited#	0.11	-	0.11	-
24.	Reliance Defence Infrastructure Limited#	0.08	-	0.08	-
<b>Associates including Subsidiaries of Associates:</b>					
25.	Reliance Power Limited	1,104.48	291.15	1,104.48	719.12
26.	Reliance Naval and Engineering Limited	-	1,696.43	2,284.89	1,696.43
27.	REDS Marine Services Limited (formerly Reliance Engineering and Defence Services Limited)	-	1.50	49.40	1.50
28.	E Complex Private Limited	-	131.47	206.17	147.77
29.	RMOL Engineering and Offshore Limited (formerly Reliance Marine and Offshore Limited)	-	45.10	45.10	45.10

# Except for these companies, all loans and advances stated above carry interest.

There are no investments by loanes as at March 31, 2019 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.

**45.** KM Toll Road Private Limited (KMTR), a subsidiary of the Company, has after the end of the Accounting Year, terminated the Concession Agreement with National Highways Authority of India (NHAI) for Kandla Mudra Road Project (Project) on May 07, 2019, on account of Material Breach and Event of Default under the provisions of the Concession Agreement by NHAI. The operation of the Project has been taken over by NHAI and NHAI has given a contract to a third party to collect the Toll with effect from April 16, 2019. In accordance with the terms of the Concession Agreement, NHAI is now liable to pay KMTR an estimated amount of ₹ 1,205.47 Crore towards Termination Payment, as the Project has been terminated by KMTR owing to NHAI Event of Default. KMTR vide its letter dated May 06, 2019 has also issued a notice to NHAI for the Termination Payment. Pending final outcome of the notice and possible arbitration proceedings and as legally advised, the claims for the Termination Payment are considered fully enforceable and the Company is confident of recovering its entire investment of ₹ 539.45 crore in KMTR as at March 31, 2019.

#### **46. Interest in Jointly Controlled Operations**

**Coal Bed Methane:** 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 CBM gas from these four CBM blocks. The Company as part of the consortium had 45% 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. In SP(N) CBM block, Company subsequently acquired 10% share and Operatorship from M/s. Geopetrol International Inc.

**MZ-ONN-2004 / 2:** 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 had 70% share in the block. M/s NaftoGaz India Private Limited was the operator on behalf of the consortium for the block.

**Rinfrastaldi Joint Venture (Metro):** The Company along with ASTALDI S.p.A. (ASTALDI), a company incorporated under the law of Italy, consortium was allotted a project for Part Design and Construction of Elevated Viaduct and Elevated Stations [Excluding Architectural Finishing & Pre-engineered steel roof structure of Stations] from Chainage (-) 550 M TO 31872.088 M of LINE-4 CORRIDOR [Wadala-Ghatkopar-Mulund-Thane Kasarvadavali] of Mumbai Metro Rail Project of MMRDA

**Reliance Astaldi JV (VBSL):** The Company along with ASTALDI S.p.A. (ASTALDI), a company incorporated under the law of Italy, consortium was allotted a project from Maharashtra State Road Development Corporation Ltd. (MSRDC) for Design, Construction and Maintenance of 17.17 km length of Versova Bandra Sea Link (VBSL) in the State of Maharashtra.

**Kashedighat JV:** The Company along with "Construction Association Interbudmontazh" (CAI), a company registered at Ukraine, consortium was allotted a project from Ministry of Road Transport & Highways (MoRTH) through PWD, Maharashtra for Rehabilitation and Upgradation of NH-66 (Erstwhile NH-17) including 6 Lanes near Parshuram village in the State of Maharashtra under NHDP-IV on EPC Mode of Contract.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### Disclosure of the Company's share in Joint Controlled Operations:

Name of the Field in the Joint Venture	Location	Participating Interest (%)	Participating Interest (%)
		March 31, 2019	March 31, 2018
SP-(North) – CBM – 2005 / III	Sohagpur, Madhya Pradesh	55 % **	55 % **
MZ-ONN-2004 / 2	Mizoram	Terminated ***	70%***
Rinfra Astaldi Joint Venture (Metro)	Mumbai, Maharashtra	74%	-
Reliance Astaldi JV (VBSL)	Mumbai, Maharashtra	70%	-
Kashedighat	Parshuram Village, Maharashtra	90%	-

\*\*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. DGH approved exploration Phase-II commencement date as February 28, 2018 with Company as Operator.

\*\*\* 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. 32 above.

(\* Share of RNRL has since been demerged to 4 Subsidiary Companies of Reliance Power Limited).

Based on the audited statement of accounts of the JV, the Company's shares in respect of assets and liabilities and expenditure for the year have been accounted as under.

Particulars	2018-19					2017-18				
	Rinfra Astaldi Joint Venture (Metro)	Reliance Astaldi JV (VBSL)	Kashedighat JV	Mizo Block	CBM Block	Rinfra Astaldi Joint Venture (Metro)	Reliance Astaldi JV (VBSL)	Kashedighat JV	Mizo Block	CBM Block
Income	61.90	15.35	17.91	-	-	-	-	-	-	-
Expenses	61.90	15.35	17.91	-	0.03	-	-	-	-	1.34
Non Current Assets	4.79	0.65	0.32	-	-	-	-	-	-	-
Current Assets	55.12	18.28	7.69	0.24	3.53	-	-	-	0.24	3.53
Non Current Liabilities	33.97	0.69	1.03	-	-	-	-	-	-	-
Current Liabilities	25.94	18.24	6.98	-	0.01	-	-	-	-	0.01

### 47. (1) Disclosure as required under Ind AS – 17 "Leases" is given below:

- The Company 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 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	2.69	0.11	-	-	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. "28 –Other Expenses".

## Reliance Infrastructure Limited

### Notes to the standalone financial statements as at and for the year ended March 31, 2019

#### (2) Leases 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%.

Following table summarises the reconciliation of lease liabilities in the arrangement:

	Gross Value of Finance Lease Liabilities		Present value of Finance Lease Liabilities	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
- Not later than one year	-	509.47	-	58.68
- Later than one year and not later than five years	-	2,037.87	-	310.00
- Later than five years	-	7,854.30	-	3,800.92
<b>Total</b>	-	10,401.64	-	4,169.60
Less: future interest	-	6,232.04	-	-
<b>Present Value of Minimum Lease Liabilities</b>	-	4,169.60	-	-

₹ 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.48 for fair value disclosure of lease liabilities.

Pursuant to sale of MPB, the lease arrangement has been transferred as referred in note 42(a).

#### 48. Fair Value Measurement and Financial Risk Management

##### (A) Fair Value Measurement

##### (a) Financial Instruments by category

Particulars	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments	78.24	-	-	3.73	-	-
- Subordinate debt – debt instrument	-	-	153.02	-	-	142.85
- Preference shares	696.11	-	-	1,430.13	-	-
- Debentures	1,151.53	-	-	1,010.11	-	-
- Mutual funds	-	-	-	266.64	-	-
- Government securities	-	-	-	-	-	120.80
Trade receivables	-	-	3,835.44	-	-	4,801.33
Inter Corporate Deposits	-	-	5,999.08	-	-	13,551.22
Security deposits	-	-	105.65	-	-	128.53
Loan to Employees	-	-	6.92	-	-	45.69
Other receivables	-	-	652.62	-	-	784.81
Advance to Employees	-	-	1.78	-	-	12.25
Interest receivable	-	-	761.34	-	-	1,238.90
Cash and cash equivalents	-	-	70.89	-	-	86.22
Bank deposits with original maturity of more than 3 months but less than 12 months	-	-	200.94	-	-	499.47
Bank deposits with more than 12 months original maturity	-	-	10.60	-	-	0.88
<b>Total financial assets</b>	<b>1,925.88</b>	<b>-</b>	<b>11,798.28</b>	<b>2,710.61</b>	<b>-</b>	<b>21,412.95</b>
<b>Financial liabilities</b>						
Borrowings (including finance lease obligations and interest accrued thereon)	-	-	6,429.30	-	-	17,170.95
Trade payables	-	-	3,060.89	-	-	5,304.77
Others	-	-	-	-	-	808.13
Deposits from consumers	-	-	-	-	-	434.19
Financial guarantee obligation	22.90	-	-	9.24	-	-
Unpaid dividends	-	-	16.05	-	-	15.46
<b>Total financial liabilities</b>	<b>22.90</b>	<b>-</b>	<b>9,506.24</b>	<b>9.24</b>	<b>-</b>	<b>23,733.50</b>

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### (b) Fair value hierarchy

This section explains the judgments 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, 2019</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
Quoted equity instruments	74.51	-	-	74.51
Preference shares	-	-	696.11	696.11
Debentures	-	-	1,151.53	1,151.53
Financial Guarantee Obligations	-	-	22.90	22.90
<b>Assets and liabilities for which fair values are disclosed as at March 31, 2019</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
Investments in equity instruments of associates				
Reliance Power Limited	1,053.85	-	-	1,053.85
<b>Financial Liabilities</b>				
Borrowings (including finance lease obligation and interest)			6,456.97	6,456.97

  

<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
Investments in equity instruments of associates				
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 obligation and interest)			17,492.18	17,492.18

**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.

Notes to the standalone financial statements as at and for the year ended March 31, 2019

(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 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)

Particulars	Financial assets ₹ Crore	financial liabilities ₹ Crore
As at March 31, 2018	2,443.97	9.24
Other fair value gains(losses) recognised in Statement of Profit and Loss (unrealised)	271.94	(13.66)
Loss recognised in Statement of profit and loss	860.44	-
Sale Proceeds	4.10	-
<b>As at March 31, 2019</b>	<b>1,851.37</b>	<b>22.90</b>

(e) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Government securities	-	-	120.80	120.71
<b>Financial liabilities</b>				
Borrowings (including finance lease obligations and interest accrued thereon)	6,429.30	6,456.97	17,170.95	17,492.18

The carrying amounts of trade receivables, trade payables, advances to employees including interest thereon (secured/unsecured), intercorporate deposits, security deposits, deposits from customers, other receivable, 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.

(f) Valuation in puts and the relationship to fair value

Particulars	Fair Value as at		Valuation Techniques	Significant unobservable inputs and range
	March 31, 2019	March 31, 2018		
Equity Instruments	3.73	3.73	Earnings/EBIDTA Multiple Method	Earning growth Factor 7% to 9%
Preference Shares	696.11	1,430.13	Discounted Cash Flow	Discount rate: 12% to 16%
Debentures	1,151.53	1,010.11	Discounted Cash Flow	Discount rate: 12% to 16%
Financial Guarantee Obligation	22.90	9.24	Credit Default Swap (CDS)	One year CDS spread for respective entity's credit rating

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### (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 Company's risk management is carried out by the treasury department under policies approved by the board of directors. Treasury Department identifies, evaluates and hedge financial risks in close cooperation the Company's operating units

#### (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 and loans.

##### (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. 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

##### (ii) Provision for expected credit losses

###### Trade receivables, retentions on contract and amounts due from customers for contract work

The provision for expected credit losses on 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, based on the Company's past history, existing market conditions, current creditability of the party as well as forward looking estimates at the end of each reporting period.

###### Investments other than equity instruments

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, 2019:

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	Security deposits	Rating 2	105.65	0%	NIL	105.65
	/Life time expected credit losses	Other receivables	Rating 1	1,556.98	9%	143.03	1,413.96
		Inter Corporate Deposits	Rating 2 / 3	9,828.22	39%	3,829.14	5,999.08

Notes to the standalone financial statements as at and for the year ended March 31, 2019

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	Loss allowance measured at 12 month / Life time expected credit losses	Government securities	Rating 1	120.80	0%	-	120.80
		Security deposits	Rating 2	146.23	12%	17.70	128.53
		Other receivables	Rating 1	2,166.74	7%	143.03	2,023.71
		Inter Corporate Deposits	Rating 2 / 3	16,105.36	16%	2,554.14	13,551.22

- (iii) Reconciliation of loss allowance provision - Trade receivables, retentions on contract under general model approach

₹ Crore

Reconciliation of loss allowance	Lifetime expected credit losses measured using simplified approach
Loss allowance as at March 31, 2018	91.57
Changes in loss allowance	(24.56)
<b>Loss allowance as at March 31, 2019</b>	<b>67.01</b>

- (iv) Reconciliation of loss allowance provision - Other than trade receivables, retentions on contract under general model approach

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses
Loss allowance as at March 31, 2018	2,714.87
Add / (Less): Changes in loss allowances due to assets originated or purchased (Net)	1,257.30
<b>Loss allowance as at March 31, 2019</b>	<b>3,972.17</b>

(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

Further in view of the net losses in the current financial year and certain cash flow mismatches the Company is considering debt resolution plan. Also the time bound monetisation of assets as well as favorable and timely outcome of various claims will enable the Company to meet its obligation. The Company is confident that such cash flows would enable it to service its debt, realise its assets and discharge its liabilities in the normal course of its business



# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### (i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturities based on their contractual maturities for all financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payment.

₹ Crore			
Contractual maturities of financial liabilities	Less than 1 year	More than 1 year	Total
<b>March 31, 2019</b>			
<b>Non-derivatives</b>			
Borrowings*	2,861.40	5,588.32	8,449.72
Trade payables (Including Retention payable)	3,043.36	17.53	3,060.89
Financial guarantee obligation	-	22.90	22.90
Other finance liabilities	16.05	-	16.05
<b>Total non-derivative liabilities</b>	<b>5,920.82</b>	<b>5,628.75</b>	<b>11,549.57</b>
Contractual maturities of financial liabilities	Less than 1 year	More than 1 year	Total
<b>March 31, 2018</b>			
<b>Non-derivatives</b>			
Borrowings*	8,407.39	6,120.15	14,527.54
Finance lease obligations	509.47	9,892.17	10,401.64
Trade payables (Including Retention payable)	5,295.98	8.79	5,304.77
Security and other deposits	57.61	376.58	434.19
Financial guarantee obligation	-	9.24	9.24
Other finance liabilities	823.59	-	823.59
<b>Total non-derivative liabilities</b>	<b>15,094.05</b>	<b>16,406.93</b>	<b>31,500.98</b>

\*Includes contractual interest payments based on the interest rate prevailing at the reporting date.

### (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. 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.

Foreign exchange forward contracts are taken to manage such risk.

	As at March 31, 2019		As at March 31, 2018	
	USD in Crore	EUR in Crore	USD in Crore	EUR in Crore
Financial assets				
Investment in preference shares	9.81	-	9.81	-
Investment in equity shares	1.49	-	-	-
Trade Receivable	27.10	1.33	27.14	1.33
Bank balance in EEFC accounts @ Euro 10:10	0.01	@	0.07	-
<b>Exposure to foreign currency risk (assets)</b>	<b>38.41</b>	<b>1.33</b>	<b>37.02</b>	<b>1.33</b>
Financial liabilities				
Trade payables	4.65	2.45	10.52	2.45

Notes to the standalone financial statements as at and for the year ended March 31, 2019

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 ₹ Crore	
	March 31, 2019	March 31, 2018
INR/USD – Increase by 6% *	128.66	98.20
INR/USD – Decrease by 6% *	128.66	(98.20)

\*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. During March 31, 2019 and March 31, 2018, the Company's borrowings at variable rate were mainly denominated in INR. 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

(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	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Variable rate borrowings	4,443.48	7,085.90
Fixed rate borrowings	1,805.68	5,316.95
<b>Total borrowings</b>	<b>6,249.16</b>	<b>12,402.85</b>

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	March 31, 2019			March 31, 2018		
	Weighted average interest rate	Balance ₹ Crore	% of total loans	Weighted average interest rate	Balance ₹ Crore	% of total loans
Borrowings	11.15%	4,443.48	71.11%	10.62%	7,085.90	57%

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 ₹ Crore	
	March 31, 2019	March 31, 2018
Interest rates – increase by 100 basis points*	44.43	70.86
Interest rates – decrease by 20 basis points*	(8.89)	(14.17)

\*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.

# Reliance Infrastructure Limited

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

### (b) Sensitivity

Particulars	Impact on other components of equity ₹ Crore	
	March 31, 2019	March 31, 2018
Price increase by 10%	7.82	27.04
Price decrease by 10%	(7.82)	(27.04)

### 49. 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.

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	
	March 31, 2019	March 31, 2018
<b>Equity Shares</b>		
Final dividend for the year ended March 31, 2018 of ₹ 9.50 per fully paid share for financial year 2018-19 (including dividend tax)	297.45	283.43
<b>Dividends not recognised at the end of the reporting period</b>	-	301.20
For the financial year ended March 31, 2018 Directors had recommended payment of final dividend of ₹ 9.50 per fully paid equity share		

50. 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 Shri Punit Garg 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 ₹17.00 Crore.

- a) Gross amount required to be spent by the Company as required under the Act, during the financial year 2018-19 is ₹ 17.00 Crore
- b) Amount spent during the year on CSR was ₹ 17.00 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	17.00	-	17.00

## Notes to the standalone financial statements as at and for the year ended March 31, 2019

51. The Company has entered into a Share Purchase Agreement with Cube Highways and Infrastructure III Pte Limited for sale of its entire stake in DA Toll Road Private Limited, a subsidiary of the Company. 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. The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) read with Schedule VI of the Act. Accordingly, Section 186 of the Act is not applicable to the Company.
53. The figures for the previous year ended March 31, 2018 have been regrouped and rearranged to make them comparable with those of current year. Similarly in view of Note 42 above, the figures of the statement of profit and loss for the previous year pertaining to MPB has been considered as part of discontinued operation. The Assets and Liabilities as at March 31, 2018 include those pertaining to MPB, hence are not comparable with current year's figures. Figures in bracket indicate previous year's figures. @ - represents figures less than ₹ 50,000 which have been shown at actual in brackets with @.
54. 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

**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

**Ryna Karani**

DIN - 00116930

**B C Patnaik**

DIN - 08384583

Chairman

Vice Chairman

} Directors

**Punit Garg**

Executive Director &  
Chief Executive Officer

**Sridhar Narasimhan**

**Anil C Shah**

Chief Financial Officer  
Company Secretary

Date : June 14, 2019

Place : Mumbai

Date : June 14, 2019

Place : Mumbai

Date : June 14, 2019

Place : Mumbai

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] Standalone

II	<b>Audit Qualification (each audit qualification separately):</b>	
a.	Details of Audit Qualification:	
	<p>The Company has investments in and has various amounts recoverable from a party aggregating ₹ 7,082.96 crore (net of provision of ₹ 3,972.17 crore) (₹ 10,936.62 crore as at 31 March 2018, net of provision ₹ 2,697.17 crore) comprising inter-corporate deposits including accrued interest / investments / receivables and advances. In addition, the Company has provided corporate guarantees during the year aggregating to ₹ 1,775 crore (net of corporate guarantees aggregating to ₹ 5,010.31 crore cancelled subsequent to the balance sheet date) in favour of the aforesaid party towards borrowings of the aforesaid party from various companies including certain related parties of the Company. According to the Management of the Company, these amounts have been mainly given for general corporate purposes and towards funding of working capital requirements of the party which has been engaged in providing Engineering, Procurement and Construction (EPC) services primarily to the Company and its subsidiaries and its associates. We were unable to obtain sufficient appropriate audit evidence about the relationship of the aforementioned party with the Company, the underlying commercial rationale/purpose for such transactions relative to the size and scale of the business activities with such party and the recoverability of these amounts. Accordingly, we are unable to determine the consequential implications arising therefrom and whether any adjustments, restatement, disclosures or compliances are necessary in respect of these transactions, investments and recoverable amounts in the standalone annual financial results of the Company.</p>	
b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Disclaimer of Opinion
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First Time
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: (ii) If management is unable to estimate the impact, reasons for the same:	Not Determinable
	<p>The Reliance Group of companies of which the Company is a part, supported an independent company in which the Company holds less than 2% of equity shares ("EPC Company") to inter alia undertake contracts and assignments for the large number of varied projects in the fields of Power (Thermal, Hydro and Nuclear), Roads, Cement, Telecom, Metro Rail, etc. which were proposed and/or under development by the Group. To this end along with other companies of the Group the Company funded EPC Company by way of EPC advances, subscription to Debentures &amp; Preference Shares and Intercompany Deposits. The aggregate funding provided by the company as on March 31, 2019 was ₹ 7,082.96 crore (Previous Year ₹ 10,936.62 crore) net of provision of ₹ 3,972.17 crore (₹ 2,697.17 crore). In addition, the Company has provided corporate guarantees during the year aggregating (net of subsequent cancellation) to ₹ 1,775 crore.</p> <p>The activities of EPC Company have been impacted by the reduced project activities of the companies of the Group. In the absence of the financial statements of the EPC Company for the year ending March 31, 2019 which are under compilation it has not been possible to complete the evaluation of nature of relationship, if any, between the independent EPC Company and the Company. Presently, based on the analysis carried out in earlier years, the EPC Company has not been treated as related party.</p>	

Similarly, in the absence of full visibility on the assets and liabilities of the EPC Company and after considering the reduced ability of the holding company of the Reliance Group of Companies to support the EPC Company, the Company has provided/written-off further ₹ 2,042.16 crore during the year in respect of the outstanding amount advanced to the EPC Company. Given the huge opportunity in the EPC field particularly considering the Government of India's thrust on infrastructure sector coupled with increasing project and EPC activities of the Reliance Group, the EPC Company with its experience will be able to achieve substantial project activities in excess of its current levels, thus enabling the EPC Company to meet its obligations. The Company is reasonably confident that the provision will be adequate to deal with any contingency relating to recovery from the EPC Company.

(iii) Auditors' Comments on (i) or (ii) above:

Impact is not Determinable.

### III Signatories:

<b>Punit Garg</b>	(Executive Director and Chief Executive Officer)
<b>Sridhar Narasimhan</b>	(Chief Financial Officer)
<b>S S Kohli</b>	(Audit Committee Chairman)

#### Statutory Auditors

##### For B S R & Co. LLP

Chartered Accountants

Firm Registration No: 101248W /W-100022

##### For Pathak H. D. & Associates

Chartered Accountants

Firm Registration No:107783W

##### Bhavesh Dhupelia

Partner

Membership No. 042070

##### Vishal D Shah

Partner

Membership No. 119303

Place: Mumbai

Date: June 14, 2019

# Reliance Infrastructure Limited

## Independent Auditors' Report on the Consolidated Financial Statements

To the Member of Reliance Infrastructure Limited

### Report on the Consolidated Financial Statements

#### Disclaimer of Opinion

We were engaged to audit the accompanying consolidated financial statements of Reliance Infrastructure Limited (hereinafter referred to as the 'Parent Company') and its subsidiaries (Parent Company and its subsidiaries together referred to as "the Group"), its associates and its joint venture which comprise the consolidated balance sheet as at 31 March, 2019, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

We do not express an opinion on the accompanying consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

#### Basis for Disclaimer of Opinion

1. We refer to Note 33 to the consolidated financial statements which describes that the Parent Company has investments in and has various amounts recoverable from a party aggregating ₹ 7,082.96 crore (net of provision of ₹ 3,972.17 crore) (₹ 10,936.62 crore as at 31 March 2018, net of provision of ₹ 2,697.17 crore) comprising inter-corporate deposits including accrued interest / investments / receivables and advances. In addition, the Parent Company has provided corporate guarantees during the year aggregating to ₹ 1,775 crore (net of corporate guarantees aggregating to ₹ 5,010.31 crore cancelled subsequent to the balance sheet date) in favour of the aforesaid party towards borrowings of the aforesaid party from various companies including certain related parties of the Parent Company.

According to the Management of the Parent Company, these amounts have been mainly given for general corporate purposes and towards funding of working capital requirements of the party which has been engaged in providing Engineering, Procurement and Construction (EPC) services primarily to the Group and its associates and joint venture. We were unable to obtain sufficient appropriate audit evidence about the relationship of the aforementioned party with the Parent Company, the underlying commercial rationale/purpose for such transactions relative to the size and scale of the business activities with such party and the recoverability of these amounts. Accordingly, we were unable to determine the consequential implications arising therefrom and whether any adjustments, restatement, disclosures or compliances are necessary in respect of these transactions, investments and recoverable amounts in the consolidated financial statements of the Group and its associates and joint venture.

2. We refer to Note 32 of the consolidated financial statements, regarding method of depreciation adopted by

the Parent Company's associate, Reliance Power Limited ('RPower'), for the purpose of preparing its consolidated financial statements being different from the depreciation method adopted by RPower's subsidiaries which is a departure from the requirements of Indian Accounting Standard 8 Accounting Policies, Changes in Accounting estimates and Errors since selection of the method of depreciation is an accounting estimate and depreciation method once selected in the standalone financial statements is not changed while preparing consolidated financial statements in accordance with Indian Accounting Standard 110 Consolidated Financial Statements.

Had the method of depreciation adopted by the subsidiaries of RPower been considered for the purpose of preparation of consolidated financial statements of RPower, the share of loss after tax from the associate in the consolidated financial statements of the Group would increase by ₹ 166.13 crore with an equivalent amount being reduced from the investment in the associate.

#### Material Uncertainty Related to Going Concern

1. Mumbai Metro One Private Limited (MMOPL), a subsidiary, which has incurred a net loss during the year ended 31 March 2019 and, as of that date, MMOPL's current liabilities exceeded its current assets. These events or conditions, along with other matters as set forth in Note 29(a) to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on MMOPL's ability to continue as a going concern. However, the financial statements of MMOPL have been prepared on a going concern basis for the reasons stated in the said Note. The auditors of MMOPL have commented on the material uncertainty related to going concern in respect of MMOPL in their audit report.
2. The consolidated financial statements of Reliance Naval and Engineering Limited (RNaval), a subsidiary, have been prepared on a going concern basis for the reasons stated in the Note 28 to the consolidated financial statements, notwithstanding the fact that RNaval continues to incur cash losses, its net worth has been fully eroded, it has defaulted in repayment of principal and interest to its lenders, loans have been called back by secured lenders, non-current assets are significantly impaired, current liabilities exceed the total assets of RNaval. These conditions indicate the existence of a material uncertainty that may cast significant doubt on RNaval's ability to continue as a going concern. The appropriateness of the going concern assumption is critically dependent upon RNaval's ability to raise requisite finance/generate cash flows in future to meet its obligations. The auditors of RNaval have commented on the material uncertainty related to going concern in respect of RNaval in their audit report.
3. Matters relating to RPower, an associate, regarding:
  - a) continuing default in repayment of outstanding dues to Lenders and Rajasthan Sun Technique Energy Private Limited's (RSTEPL) (a subsidiary of RPower) ability to repay the future instalments and other obligations through its own cash flows, since RSTEPL has incurred losses, its current liabilities exceed its current assets and RSTEPL is dependent



## Independent Auditors' Report on the Consolidated Financial Statements

on the financial assistance from RPower for shortfall of funds in meeting its obligations. These events and conditions cast significant uncertainty on RSTEPL's ability to continue as a going concern. The auditors of RSTEPL have referred this matter in the "Material Uncertainty related to Going Concern" section in their audit report.

b) the following matters relating to Samalkot Power Limited (SMPL), (a subsidiary of RPower):

- i. setting up of plant in Bangladesh by Reliance Bangladesh LNG and Power Limited (RBLPL), a fellow subsidiary of SMPL, for one module of 745 megawatt, by transfer of assets from SMPL is dependent upon RBLPL's ability to execute the requisite documents /contracts under the stipulated timeline to be able to generate cash flows;
- ii. finalisation of customers/alternatives in relation to assets being carried in Capital Work in Progress for their disposal; and
- iii. notice dated April 02, 2019 by Export-Import Bank of the United States (US Exim) addressed to SMPL and RPower, its sponsor guarantor, demanding repayment of the outstanding loan and ongoing discussions of the management with respect to restructuring of the aforesaid loan.

Pending conclusion of the matters described in (i) and (ii) above, SMPL's ability to continue as a going concern is dependent on the restructuring and deferment of demand for immediate repayment of the loan from US Exim as described in (iii) above and on financial assistance from RPower to meet its obligations. These events and conditions as described above indicate that a material uncertainty exists that may cast a significant doubt on SMPL's ability to continue as a going concern. The auditors of SMPL have referred this matter in the "Material Uncertainty related to Going Concern" section in their audit report.

c) RPower group incurred a loss of ₹ 2,951.82 crore (Parent Company's share in the net loss is ₹ 1,059.70 crore) and, as of that date, Rpower group's current liabilities exceeded its current assets. Further as stated in Paragraphs (a) and (b) above in respect of RSTEPL and SMPL and the consequential impact of these events or conditions, along with other matters as set forth in Note 29(e) to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on RPower group's ability, particularly in relation to RSTEPL and SMPL, to continue as a going concern. The auditors of RPower have referred this matter in the "Material Uncertainty related to Going Concern" section in their audit report.

4. GF Toll Road Private Limited (GFTR), a subsidiary, which indicates that due to the inability of GFTR

to repay the overdue amount of instalments aggregating to ₹ 75.21 crore, Bank of India, the lead lending Institution and the other Consortium Member Banks, have classified GFTR as a Non-Performing Asset (NPA) during the year ended 31 March 2019 as set forth in Note 29(b) to the consolidated financial statements. The auditors of GFTR have referred this matter as a key audit matter in their audit report.

5. TK Toll Road Private Limited (TKTR), a subsidiary, which indicates that TKTR has incurred a net loss during the year ended 31 March 2019 and as on date the current liabilities exceed the current assets. These conditions along with other matters set forth in Note 29(c) to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on TKTR's ability to continue as a going concern. However, the financial statements of TKTR have been prepared on a going concern basis for the reasons stated in the said Note. The auditors of TKTR have referred this matter in the "Material Uncertainty related to Going Concern" section in their audit report.

6. TD Toll Road Private Limited (TDTR), a subsidiary, which indicates that TDTR has incurred a net loss during the year ended 31 March 2019 and as on date the current liabilities exceed the current assets. These conditions along with other matters set forth in Note 29(d) to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on TDTR's ability to continue as a going concern. However, the financial statements of TDTR have been prepared on a going concern basis for the reasons stated in the said Note. The auditors of TDTR have referred this matter in the "Material Uncertainty related to Going Concern" section in their audit report.

7. Delhi Airport Metro Express Private Limited (DAMEPL), a subsidiary, which has significant accumulated losses and a special leave petition in relation to an Arbitration Award is pending with the Honorable Supreme Court of India. These events and conditions as more fully described in Note 27 to the consolidated financial statements indicate that a material uncertainty exists that may cast a significant doubt on DAMEPL's ability to continue as a going concern. The auditors of DAMEPL have referred this matter in the 'Emphasis of Matters' section in their audit report.

8. Additionally, the auditors of the following subsidiaries and associates have highlighted material uncertainties related to going concern in their respective audit reports: BSES Kerala Power Limited, Metro One Operations Private Limited, RPL Photon Private Limited, RPL Sun Technique Private Limited and RPL Sun Power Private Limited

The Group and its associates and joint venture incurred a net loss (after impairment of assets) of ₹ 2,426.82 crore during the year ended 31 March 2019. Further as stated in paragraphs 1 to 8 above in respect of the

# Reliance Infrastructure Limited

## Independent Auditors' Report on the Consolidated Financial Statements

subsidiaries and associates of the Parent Company, the consequential impact of these events or conditions, along with other matters as set forth in Note 28 and 29 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability, particularly in relation to the above subsidiaries and associate, to continue as a going concern.

### Emphasis of matter

1. (i) We draw attention to Note 26 to the consolidated 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 Honorable High Court of Judicature at Bombay vide its order dated 30 March 2011, wherein the Parent Company, as determined by the Board of Directors is permitted to adjust foreign exchange gain credited to the consolidated statement of profit and loss by a corresponding credit to general reserve which overrides the relevant provisions of Indian Accounting Standard 1 Presentation of financial statements. Pursuant to the Scheme, foreign exchange gain of ₹ 192.24 crore for the year ended 31 March 2019 has been credited to consolidated statement of profit and loss and an equivalent amount has been transferred to general reserve.
- (ii) We draw attention to Note 31 to the consolidated 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 with effect from 1 April 2013, WRTM or its successor(s) is permitted to offset any extraordinary/exceptional items, as determined by the Board of Directors, debited to the consolidated statement of profit and loss by a corresponding withdrawal from general reserve, which overrides the relevant provisions of Indian Accounting Standard 1 Presentation of financial statements. The Board of Directors of the Parent Company in terms of the aforesaid Scheme, determined an amount of ₹ 6,616.02 crore for the year ended 31 March 2019 as exceptional items comprising various financial assets amounting to ₹ 5,354.88 crore and loss on sale of shares of RPower pursuant to invocation of pledge of ₹ 1,261.14 crore. The aforesaid amount of ₹ 6,616.02 crore for the year ended 31 March 2019 has been debited to the consolidated statement of profit and loss and an equivalent amount has been withdrawn from general reserve.

Had the accounting treatment specified in paragraphs 1(i) and 1(ii) above not been followed, loss before tax for the year ended 31 March 2019 would have been higher by ₹ 6,423.78 crore and general reserve would have been higher by an equivalent amount.

2. We draw attention to Note 38(a) to the consolidated financial statements which describes the impairment assessment performed by the Parent Company in respect of its investments of ₹ 5,756.85 crore and amounts recoverable aggregating to ₹ 1,400.29 crore (net) from RPower group as at 31 March 2019 in accordance with Indian Accounting Standard 36 Impairment of assets / Indian Accounting Standard 109 Financial Instruments. This assessment involves significant management judgment and estimates on the valuation methodology and various assumptions used in determination of value in use/fair value by independent valuation experts / management as more fully described in the aforesaid Note. Based on this assessment, the Parent Company has recorded an impairment loss on its investments of ₹ 287.03 crore, as an exceptional item, as at and for the year ended 31 March 2019 and has concluded that no impairment is required in respect of the recoverable amounts.
3. We draw attention to Note 38(b) to the consolidated financial statements regarding the pending applications made by two subsidiaries of RPower before the National Company Law Tribunal (NCLT) for revision of their standalone statutory financial statements for the year ended 31 March 2018 and the restatement of the comparative consolidated financial statements of RPower for the year ended 31 March 2018 for reasons stated therein. The opinion of RPower's auditors is not modified in respect of this matter.
4. We draw attention to Note 38(c) to the consolidated financial statements with regard to capital work in progress in respect of SMPL, for which management is in the process of evaluating various alternatives including setting up the plant in Bangladesh through a subsidiary or selling to any third party and for which SMPL has recognized a further impairment provision during the year in accordance with Indian Accounting Standard 36 Impairment of Assets based on an independent valuation report. The determination of the fair value in the aforesaid valuation report involved significant judgments including time that may be involved to identify customers, negotiations discount etc. The opinion of SMPL's auditors is not modified in respect of this matter.
5. We draw attention to Note 38(c) to the consolidated financial statements which describes the impairment assessment performed by RSTEPL in accordance with Indian Accounting Standard 36 Impairment of Assets to arrive at value in use of its Property Plant and Equipment. The determination of the value in use involves assumptions including generation of power, terminal value and exchange rate and planned improvement measures for generation of electricity which requires significant management judgment. The opinion of RSTEPL's auditors is not modified in respect of this matter.

## Independent Auditors' Report on the Consolidated Financial Statements

6. We draw attention to Note 38(c) to the consolidated financial statements, wherein pursuant to the composite scheme of arrangement between RPower, Reliance Natural Resources Limited, erstwhile Reliance Futura Limited and four wholly owned subsidiaries of RPower viz. Atos Trading Private Limited, Atos Mercantile Private Limited, Reliance Prima Limited and Coastal Andhra Power Infrastructure Limited, which has been sanctioned by Honourable High Court of Judicature at Bombay vide order dated October 15, 2010, RPower is permitted to offset any expense or loss which in the opinion of the Board of Directors of RPower are beyond the control of RPower, to be debited in the Statement of Profit and Loss by a corresponding withdrawal from General Reserve, which overrides the relevant provisions of Indian Accounting Standard 1 Presentation of financial statements. During the year ended 31 March 2019, RPower has impaired receivables which were identified as an exceptional item by the Board of Directors of RPower, in terms of the aforesaid Scheme. The impairment 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, share of loss from associate and net loss for the year ended 31 March 2019 would be higher by ₹ 337.98 crore and General Reserve of the Group would have been higher by an equivalent amount. The opinion of RPower's auditors is not modified in respect of this matter.
7. We draw attention to Note 30 of the consolidated financial statements wherein KM Toll Road Private Limited (KMTR) has terminated the concession agreement with National Highways Authority of India (NHAI) on 7 May 2019 and accordingly, the business operations of KMTR post the termination date have ceased to continue. No provision for impairment in the values of assets of KMTR has been considered in the financial statements for the reasons stated therein. The opinion of KMTR's auditors is not modified in respect of this matter.
8. We draw attention to Note 37 (f) to the consolidated financial statements with regard to Delhi Electricity Regulatory Commission (DERC) Tariff Order received by BSES Rajdhani Power Limited (BRPL) and BSES Yamuna Power Limited (BYPL), subsidiaries of the Parent Company, wherein revenue gap upto 31 March 2014, 31 March 2015, 31 March 2016 and 31 March 2017 has been trued up with certain disallowances. BRPL and BYPL have preferred an appeal before Appellate Tribunal (APTEL) on the said disallowance and based on legal opinion, no impact of such disallowance, which is subject matter of appeal, has been considered. The opinion of BRPL and BYPL's auditors is not modified in respect of this matter.
9. We draw attention to Note 37 (c) to the consolidated financial statements regarding dues payable to various electricity generating companies

and timely recovery of accumulated regulatory deferral account balance by BRPL and BYPL in respect of which the dispute is pending before Hon'ble Supreme Court. The opinion of BRPL and BYPL's auditors is not modified in respect of this matter.

10. We draw attention to Note 37 (d) to the consolidated financial statements relating to the audit of BRPL and BYPL conducted by the Comptroller and Auditor General of India (CAG), stay granted by the Honorable High Court against any action to be taken by CAG pursuant to the said audit and the subsequent appeal by the CAG and others against judgment of the Honorable High Court. The opinion of BRPL and BYPL's auditors is not modified in respect of this matter.

Our opinion is not modified in respect of the above matters.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("Act") that give a true and fair view of the consolidated state of affairs, consolidated profit/ and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows 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) specified 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 each company 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 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 financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for overseeing the financial reporting process of each company.

# Reliance Infrastructure Limited

## Independent Auditors' Report on the Consolidated Financial Statements

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group in accordance with the Code of Ethics and provisions of the Act that are relevant to our audit of the consolidated financial statements in India under the Act, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Act.

### Other Matters

- a. The consolidated financial statements include the financial statements of 30 subsidiaries, which reflect total assets of ₹ 3,184.72 crore as at 31 March 2019, total revenues of ₹ 168.86 crore and net cash inflows amounting to ₹ 0.58 crore for the year ended on that date. The consolidated financial statements also include the Group's share of net profit/loss (and other comprehensive income) of ₹ 337.68 crores for the year ended 31 March 2019 in respect of one associate. These financial statements have been audited by one of the joint auditors, Pathak H.D. & Associates, Chartered Accountants, whose reports have been furnished by the Management and have been relied upon for the purpose of our opinion on the consolidated financial statements.
- b. We did not audit the financial statements of 29 subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 44,871.31 crore as at 31 March 2019, total revenue of ₹ 18,389.82 crore and net cash inflows amounting to ₹ 123.92 crore for the year ended 31 March 2019. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹ 7.55 crore for the year ended 31 March 2019 in respect of 5 associates and a joint venture whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint venture is based solely on the reports of the other auditors.
- c. The financial statements/financial information of a subsidiary, whose financial statements/financial information reflect total assets of ₹ 0.04 crore as at 31 March 2019, total revenues of ₹ Nil and net cash inflows amounting to ₹ 0.04 crore for the year ended on 31 March 2019, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated

financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Parent Company's Management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on 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 and the financial statements/financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

- (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint venture as were audited by other auditors, as noted in the 'Other Matters' section, we report, to the extent applicable, that.
  - a) As described in the Basis for Disclaimer of Opinion section, we were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) Due to the effects / possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) Due to the effects/possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether the consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
  - e) The matters described in the Basis for Disclaimer of Opinion section and going concern matter described in the material uncertainty related to going concern may have an adverse effect on the functioning of the Group.
  - f) On the basis of the written representations received from the directors of the Parent Company as on 31 March 2019 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 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

## Independent Auditors' Report on the Consolidated Financial Statements

- g) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion section.
- h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Parent Company, its subsidiary companies, associate companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 reports of the other auditors on separate financial statements of the subsidiaries, associates and joint venture, as noted in the 'Other Matters' section:
- Except for the possible effects of the matters described in the Basis for Disclaimer of Opinion section, the consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group, its associates and joint venture. Refer Note 22 to the consolidated financial statements.
  - Except for the possible effects of the matters described in the Basis for Disclaimer of Opinion section, the Group, its associates and joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.
  - Other than for dividend amounting to ₹ 0.05 crore pertaining to the financial year 2010-11 which could not be transferred by the Parent Company, on account of pendency of various investor legal cases, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies, associate companies and joint venture incorporated in India during the year ended 31 March, 2019.
- iv. The disclosures 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 in the consolidated financial statements since they do not pertain to the financial year ended 31 March, 2019.
- (C) With respect to the matter to be included in the Auditor's report under section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Parent Company, its subsidiary companies, associate companies and joint venture to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Parent Company, its subsidiary companies, associate companies and joint venture is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No:  
101248W /W-100022

For **Pathak H.D. & Associates**  
Chartered Accountants  
Firm's Registration  
No:107783W

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070  
14 June 2019  
Mumbai

**Vishal D. Shah**  
Partner  
Membership No:119303  
14 June 2019  
Mumbai



# Reliance Infrastructure Limited

## Annexure A to the Independent Auditor's Report

### Annexure A to the Independent Auditor's Report on the consolidated financial statements of Reliance Infrastructure Limited for the year ended 31 March 2019

#### Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

#### (Referred to in paragraph (A)(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We were engaged to audit the internal financial controls with reference to consolidated financial statements of Reliance Infrastructure Limited (hereinafter referred to as "the Parent Company") and its subsidiary companies, its associate companies and joint venture company, which are companies incorporated in India, as of 31 March 2019, in conjunction with our audit of the consolidated 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 subsidiary companies, its associate companies and joint venture company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal 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 Companies Act, 2013 (hereinafter referred to as "the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Parent Company's internal financial controls with reference to consolidated financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Because of the matters described in the Disclaimer of Opinion paragraph below and after considering the audit evidence of the other auditors in terms of their reports referred to in the Other Matters paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to the consolidated financial statements of the Parent Company.

#### Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial

reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements 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 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 financial statements.

#### Disclaimer of Opinion

- a) As at 31 March 2019, the Parent Company has investments in and amounts recoverable from a party aggregating ₹ 7,082.96 crore (net of provision of ₹ 3,972.17 crore) as also corporate guarantees aggregating to ₹ 1,775 crore (net of corporate guarantees aggregating to ₹ 5,010.31 crore cancelled subsequent to the balance sheet date) given by the Parent Company in favour of the aforesaid party towards borrowings of the aforesaid party from various companies including certain related parties of the Parent Company. We were unable to obtain sufficient and appropriate audit evidence about the relationship of the aforementioned party with the Parent Company, the underlying commercial rationale/purpose for such transactions relative to the size and scale of the business activities with such party and the recoverability of these amounts. Accordingly, we were unable to determine the consequential implications arising therefrom and whether any adjustments, restatement, disclosures or compliances are necessary in respect of these transactions, investments and recoverable amounts in the consolidated financial statements of the Group and its associates and joint venture.
- b) According to the information and explanations given to us and based on our audit of Reliance Power Limited (RPower), an associate company, the following material weakness has been identified in the operating effectiveness of RPower's internal financial controls with reference to consolidated financial statements as at 31 March 2019:
  - RPower's internal financial controls over identification of related parties in accordance with the requirements of the applicable regulations were not operating effectively. This could potentially result in RPower entering into transactions with related parties without requisite approvals from the Board of Directors and Audit Committee and other compliances as required by the applicable regulations and could also result in non-disclosure of transactions with such related parties in the consolidated financial statements.
- c) According to the information and explanations given to us and based on the audit report issued by the auditors of

## Annexure A to the Independent Auditor's Report

Samalkot Power Limited (SMPL), a subsidiary company of RPower, a material weakness has been identified as at 31 March 2019 with respect to the subsidiary's internal financial controls over assessment of amounts to be recorded as an impairment provision which could potentially result in the subsidiary not recognizing possible impairment losses. The auditors of SMPL have qualified their report on the adequacy and operating effectiveness of internal financial controls over standalone financial statements of SMPL for the effects of the material weakness identified, as stated above.

Because of the above reasons, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Parent Company had adequate internal financial controls with reference to consolidated financial statements and whether such internal financial controls were operating effectively as at 31 March 2019.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Parent Company, and the disclaimer has affected our opinion on the consolidated financial statements of the Parent Company and we have issued a Disclaimer of Opinion on the consolidated financial statements of the Parent Company.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 59 subsidiary companies, 6 associate companies and a joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

#### For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No:

101248W /W-100022

#### **Bhavesh Dhupelia**

Partner

Membership No: 042070

14 June 2019

Mumbai

#### For **Pathak H.D. & Associates**

Chartered Accountants

Firm's Registration

No:107783W

#### **Vishal D. Shah**

Partner

Membership No:119303

14 June 2019

Mumbai



# Reliance Infrastructure Limited

## Consolidated Balance Sheet as at March 31, 2019

	Notes	As at March 31, 2019	As at* March 31, 2018
<b>₹ Crore</b>			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	9,365.73	23,868.90
Capital work-in-progress	3	1,115.27	1,347.41
Investment property	4	502.41	528.70
Concession intangible assets	7(c)	13,950.59	13,861.13
Other intangible assets	5	1,129.70	1,134.43
Intangible assets under development	5	1,477.15	1,657.21
Financial Assets:			
Investments	7(a)	6,725.83	12,713.21
Trade Receivable	7(d)	3.56	-
Loans	7(g)	51.19	77.36
Other financial assets	7(h)	255.74	162.91
Deferred tax assets (net)	13(f)	189.31	285.14
Advance Tax Assets (net)		22.23	20.31
Other non - current assets	7(i)	539.05	500.85
<b>Total non-current assets</b>		<b>35,327.76</b>	<b>56,157.56</b>
<b>Current assets</b>			
Inventories	6	62.05	394.49
Financial Assets:			
Investments	7(b)	16.63	378.88
Trade receivables	7(d)	4,467.52	5,423.39
Cash and cash equivalents	7(e)	634.95	525.77
Bank balances other than cash and cash equivalents	7(f)	259.38	619.51
Loans	7(g)	5,619.49	13,247.48
Other financial assets	7(h)	3,569.67	3,986.78
Current Tax Assets (Net)		9.76	28.08
Other current assets	7(i)	1,910.95	1,135.55
<b>Total current assets</b>		<b>16,550.40</b>	<b>25,739.93</b>
Regulatory deferral account debit balances and related deferred tax balances	9	16,505.00	18,219.62
<b>Total Assets</b>		<b>68,383.16</b>	<b>100,117.11</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	10(a)	263.03	263.03
Other equity	10(b)	13,912.71	23,417.08
<b>Equity attributable to owners</b>		<b>14,175.74</b>	<b>23,680.11</b>
Non-controlling interests		1,690.11	1,576.47
<b>Total Equity</b>		<b>15,865.85</b>	<b>25,256.58</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities:			
Borrowings	11(a)	13,007.73	16,793.06
Finance lease obligations		-	4,110.92
Trade payables	11(c)	-	-
Total outstanding dues of micro enterprises and small enterprises		17.53	8.80
Total outstanding dues of creditors other than micro enterprises and small enterprises	11(d)	2,663.29	3,101.01
Other financial liabilities	12	456.96	663.89
Provisions	13(f)	681.63	3,072.88
Deferred tax liabilities (net)	11(e)	3,090.06	3,408.80
Other non - current liabilities		19,917.20	31,159.36
<b>Total non-current liabilities</b>		<b>32,600.11</b>	<b>43,701.17</b>
<b>Current liabilities</b>			
Financial Liabilities:			
Borrowings	11(b)	2,852.51	3,613.77
Finance lease obligations		-	58.68
Trade payables	11(c)	35.46	19.80
Total outstanding dues of micro enterprises and small enterprises		19,783.80	22,172.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	11(d)	5,291.08	9,317.05
Other financial liabilities	11(e)	3,540.44	7,712.04
Provisions	12	586.04	502.35
Deferred tax liabilities (net)		510.78	304.98
Current tax liabilities (net)		32,600.11	43,701.17
<b>Total current liabilities</b>		<b>68,383.16</b>	<b>100,117.11</b>
<b>Total Equity and Liabilities</b>		<b>68,383.16</b>	<b>100,117.11</b>

The accompanying notes form an integral part of the Consolidated Financial Statements (1 - 43) .

\* Restated - Refer Note 38 (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

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>Ryna Karani</b>	DIN - 00116930	
<b>B C Patnaik</b>	DIN - 08384583	

**Punit Garg** Executive Director & Chief Executive Officer

**Sridhar Narasimhan** Chief Financial Officer  
**Anil C Shah** Company Secretary

Date : June 14, 2019  
Place : Mumbai

Date : June 14, 2019  
Place : Mumbai

Date : June 14, 2019  
Place : Mumbai

# Reliance Infrastructure Limited

## Consolidated Statement of Profit and Loss for the year ended March 31, 2019

	Notes	Year ended March 31, 2019	Year ended March 31, 2018*
<b>Continuing Operations:</b>			
Revenue from Operations	14	19,279.00	17,885.15
Other Income	15	2,921.66	2,162.71
Less: Transfer to General Reserve	26	192.24	5.79
		2,729.42	2,156.92
<b>Total Income</b>		<b>22,008.42</b>	<b>20,042.07</b>
<b>Expenses</b>			
Cost of Power Purchased		11,381.87	10,393.15
Cost of Fuel Consumed		30.72	83.41
Construction Material Consumed and Sub-Contracting Charges		925.08	884.03
Employee Benefits Expenses	16	1,094.30	1,150.58
Finance Costs	17	4,570.81	5,203.94
Depreciation and Amortization Expense	3,4,5	1,318.32	1,254.25
Other Expenses	18	1,685.41	1,778.59
Less: Transfer from General Reserve	26	-	17.47
		1,685.41	1,761.12
<b>Total Expenses</b>		<b>21,006.51</b>	<b>20,730.48</b>
<b>Profit / (Loss) from Continuing Operations before Exceptional Items, Rate Regulated Activities and Tax</b>		<b>1,001.91</b>	<b>(688.41)</b>
<b>Exceptional Items:</b>			
Income	31	-	295.39
Expenses		(12,681.08)	(221.11)
Less : Transfer from General Reserve		6,616.02	221.11
		(6,065.06)	295.39
<b>(Loss) from Continuing Operations before Rate Regulated Activities and Tax</b>		<b>(5,063.15)</b>	<b>(393.02)</b>
Add : Regulatory Income / (Expenses) (Net of Deferred Tax)		(98.59)	571.28
<b>(Loss) / Profit from Continuing Operations before Tax</b>		<b>(5,161.74)</b>	<b>178.26</b>
<b>Tax Expenses:</b>			
Current Tax	13(a)	72.87	55.92
Deferred Tax Charges / (Credit) (net)		20.69	(222.58)
Income Tax for earlier years (net)		(274.11)	15.19
		(180.55)	(151.47)
<b>(Loss) / Profit from Continuing Operations after Tax</b>		<b>(4,981.19)</b>	<b>329.73</b>
<b>Discontinued Operations:</b>			
<b>Net Profit after Tax from Discontinued Operations</b>	8	<b>4,041.39</b>	<b>827.95</b>
<b>(Loss) / Profit for the year before Share of net profit of Associates and Joint Venture</b>		<b>(939.80)</b>	<b>1,157.68</b>
Share of net (loss) / profit of Associates and Joint Ventures accounted for using the equity method		(1,382.84)	56.78
<b>(Loss) / Profit for the year</b>		<b>(2,322.64)</b>	<b>1,214.46</b>
Non Controlling Interest Profit / (Loss)		104.18	(41.04)
<b>Net (Loss)/Profit for the year attributable to the owners of the Parent Company</b>		<b>(2,426.82)</b>	<b>1,255.50</b>
<b>Other Comprehensive Income (OCI):</b>			
<b>Items that will not be reclassified to Profit and Loss</b>			
Remeasurements of net defined benefit plans : (Loss)	36	(7.00)	(2.55)
Net movement in Regulatory Deferral Account balances related to OCI		18.01	8.84
Income Tax relating to the above	13(a)	(5.01)	(1.78)
Other Comprehensive Income – Discontinued Operations (net of tax)		2.65	15.53
Foreign currency translation Gain		44.86	2.95
Gains from investments in equity instruments designated at fair value through OCI		0.06	-
Other Comprehensive Income, net of taxes		53.57	22.99
(including share of associates ₹ 45.08 Crore (₹ 5.80 Crore))			
<b>Total Comprehensive Income</b>		<b>(2,269.07)</b>	<b>1,237.45</b>
<b>(Loss) / Profit attributable to :</b>			
(a) Owners of the Parent Company		(2,426.82)	1,255.50
(b) Non Controlling Interest		104.18	(41.04)
		(2,322.64)	1,214.46
<b>Other Comprehensive Income attributable to :</b>			
(a) Owners of the Parent Company		53.09	22.77
(b) Non Controlling Interest		0.48	0.22
		53.57	22.99
<b>Total Comprehensive Income attributable to :</b>			
(a) Owners of the Parent Company		(2,373.73)	1,278.27
(b) Non Controlling Interest		104.66	(40.82)
		(2,269.07)	1,237.45
<b>Earnings Per Equity Share (face value of ₹ 10 each)</b>			
	19	₹	₹
<b>Continuing Operations: Basic &amp; Diluted</b>		<b>(245.95)</b>	<b>16.26</b>
<b>Discontinued Operations: Basic &amp; Diluted</b>		<b>153.67</b>	<b>31.48</b>
<b>Continuing and Discontinued Operations: Basic &amp; Diluted</b>		<b>(92.28)</b>	<b>47.74</b>
<b>Before effect of withdrawal from scheme: Basic &amp; Diluted</b>		<b>(349.34)</b>	<b>38.89</b>
<b>Before Rate Regulatory Activities: Basic &amp; Diluted</b>		<b>(88.53)</b>	<b>26.02</b>

The accompanying notes form an integral part of the Consolidated Financial Statements (1 – 43).

\* Restated – Refer Note 38 (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

For and on behalf of the Board

<b>Anil D Ambani</b>	DIN – 00004878	Chairman
<b>S Seth</b>	DIN – 00004631	Vice Chairman
<b>S S Kohli</b>	DIN – 00169907	} Directors
<b>K Ravikumar</b>	DIN – 00119753	
<b>Ryna Karani</b>	DIN – 00116930	
<b>B C Patnaik</b>	DIN – 08384583	

**Punit Garg** Executive Director & Chief Executive Officer

**Sridhar Narasimhan** Chief Financial Officer  
**Anil C Shah** Company Secretary

Date : June 14, 2019  
Place : Mumbai

Date : June 14, 2019  
Place : Mumbai

Date : June 14, 2019  
Place : Mumbai

Consolidated Statement of Changes in Equity

A. Equity Share Capital (Refer Note 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, 2018	263.03	-	263.03
As at March 31, 2019	263.03	-	263.03

B. Other Equity (Refer Note 10(b)) (Restated) \*

Particulars	Note	Retained Earnings	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Statutory Reserves @	Other Reserves	Self Insurance Reserve	Treasury Shares	Attributable to Owners of the Company	Attributable to Non controlling Interests
Balance as at April 01, 2017		(2,152.54)	5,179.97	3,974.76	130.03	8,825.09	626.37	5,733.23	263.99	71.59	2.72	(25.58)	22,629.63	1,596.95
Profit for the year		1,255.50	-	-	-	-	-	-	-	-	-	-	1,255.50	(41.04)
Other comprehensive income for the year		-	-	-	-	-	-	-	-	-	-	-	-	-
Remeasurements gains / (loss) on defined benefit plans (Net of Tax)		1.56	-	-	-	-	-	-	-	-	-	-	1.56	(4.11)
Movement in Regulatory Deferral account balance.		4.51	-	-	-	-	-	-	-	-	-	-	4.51	4.33
Other Components of OCI		16.70	-	-	-	-	-	-	-	-	-	-	16.70	-
Total comprehensive income for the year		1,278.27	-	-	-	-	-	-	-	-	-	-	1,278.27	(40.82)
Adjustment of Carrying Cost		26.68	-	-	-	-	-	(11.68)	-	-	-	-	26.68	-
Transfer to Consolidated Statement of Profit and Loss (net)	26	-	-	-	-	-	-	-	-	-	-	-	(11.68)	-
Transfer to General reserve		(1,000.00)	-	-	-	-	-	1,000.00	-	-	-	-	-	-
Transfer from Retained Earning		(1.07)	-	-	-	-	-	-	-	-	1.07	-	-	-
Transfer to Consolidated Statement of Profit and Loss	31	-	-	-	-	-	-	(221.11)	-	-	-	-	(221.11)	-
Proceeds for Non Controlling Interest		-	-	-	-	-	-	-	-	-	-	-	-	6.74
Dilution of Stake		-	-	-	-	-	-	-	-	-	-	-	-	21.40
Transfer to Debenture Redemption Reserve		(150.03)	-	-	-	-	150.03	-	-	-	-	-	-	-
Transfer to General reserve		-	-	-	-	-	(248.17)	248.17	-	-	-	-	-	-
Provision for diminution in value of equity shares		-	-	-	-	-	-	-	-	-	-	-	-	-
Addition to Foreign Currency Monetary Item		-	-	-	-	-	-	-	-	3.19	-	6.45	6.45	-
Translation Difference Account		-	-	-	-	-	-	-	-	(2.99)	-	-	(2.99)	-
Amortisation during the year from Foreign Currency Monetary Item Translation Difference Account		-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction with owners in their Capacity as owners:		(297.34)	-	-	-	-	-	-	-	-	-	-	(297.34)	(7.80)
Dividend Paid (Including Tax on Dividend)		(1,421.76)	-	-	-	-	(98.14)	1,015.38	-	6.18	1.07	6.45	(490.82)	20.34
Balance as at March 31, 2018		(2,296.03)	5,179.97	3,974.76	130.03	8,825.09	528.23	6,748.61	263.99	77.77	3.79	(19.13)	23,417.08	1,576.47

Consolidated Statement of Changes in Equity

B. Other Equity (Refer Note 10(b))

Particulars	Note	Retained Earnings	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium	Debt Redemption Reserve	General Reserve	Statutory Reserves @	Other Reserves Foreign Currency Monetary Item Translation Difference Account	Self Insurance Reserve	Treasury Shares	Attributable to Owners of the Company	Attributable to Non controlling Interests
<b>Balance as at April 01, 2018</b>		<b>(2,296.03)</b>	<b>5,179.97</b>	<b>3,974.76</b>	<b>130.03</b>	<b>8,825.09</b>	<b>528.23</b>	<b>6,748.61</b>	<b>263.99</b>	<b>77.77</b>	<b>3.79</b>	<b>(19.13)</b>	<b>23,417.08</b>	<b>1,576.47</b>
(Loss) for the year		(2,426.82)	-	-	-	-	-	-	-	-	-	-	(2,426.82)	104.18
<b>Other comprehensive income for the year</b>														
Remeasurements gains / (loss) on defined benefit plans (Net of Tax)		1.34	-	-	-	-	-	-	-	-	-	-	1.34	(8.34)
Movement in Regulatory Deferral account balance		9.19	-	-	-	-	-	-	-	-	-	-	9.19	8.82
Other Components of OCI		42.56	-	-	-	-	-	-	-	-	-	-	42.56	-
<b>Total comprehensive income for the year</b>		<b>(2,373.73)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,373.73)</b>	<b>104.66</b>
Adjustment of Carrying Cost	38(c)	-	-	-	-	-	-	(337.98)	-	-	-	-	(337.98)	-
Transfer to Consolidated Statement of Profit and Loss (net)	31	-	-	-	-	-	-	(6,616.02)	-	-	-	-	(6,616.02)	-
Transfer to Consolidated Statement of Profit and Loss (net)	26	-	-	-	-	-	-	192.24	-	-	-	-	192.24	-
Addition during the year		-	-	-	-	-	-	-	-	-	-	-	-	-
Amortisation during the year		-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from / (to) General reserve		-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Retained Earnings		(1.01)	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Non Controlling Interest		-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to / (from) Debt Redemption Reserve		(96.84)	-	-	-	-	96.84	-	-	-	-	-	-	-
Provision for diminution in value of equity shares		-	-	-	-	-	-	-	-	-	-	-	-	-
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)		(304.10)	-	-	-	-	-	-	-	-	-	-	(304.10)	(13.94)
		(401.95)	-	-	-	-	(363.21)	(6,037.72)	(263.99)	(77.77)	1.01	12.99	(7,130.64)	8.98
<b>Balance as at March 31, 2019</b>		<b>(5,071.71)</b>	<b>5,179.97</b>	<b>3,974.76</b>	<b>130.03</b>	<b>8,825.09</b>	<b>165.02</b>	<b>710.89</b>	<b>-</b>	<b>-</b>	<b>4.80</b>	<b>(6.14)</b>	<b>13,912.71</b>	<b>1,690.11</b>

The accompanying notes form an integral part of the Consolidated Financial Statements (1 – 43). \*Restated – Refer note 38(b).

# Reliance Infrastructure Limited

	As at March 31, 2019	As at March 31, 2018
@ Statutory Reserves includes :		
1. Development Reserve Account No.1	-	1.69
2. Development Reserve Account No.2	-	18.97
3. Debt Redemption Reserve	-	2.30
4. Rural Electrification Scheme Reserve	-	0.11
5. Reserve to Augment Production Facilities	-	0.04
6. Reserve for Power Project	-	100.00
7. Development Reserve Account No.3	-	140.88
Total	-	263.99

As per our attached Report of even date	For and on behalf of the Board
<b>For B S R &amp; Co. LLP</b> Chartered Accountants Firm Registration No: 101 248W/W-100022	<b>Anil D Ambani</b> DIN - 00004878 Chairman
<b>Bhavesh Dhupelia</b> Partner Membership No: 042070	<b>S Seth</b> DIN - 00004631 Vice Chairman
	<b>S S Kohli</b> DIN - 00169907 Directors
	<b>K Ravikumar</b> DIN - 00119753 Directors
	<b>Ryna Karani</b> DIN - 00116930 Directors
	<b>B C Patnaik</b> DIN - 08384583 Directors
	<b>Punit Garg</b> Executive Director & Chief Executive Officer
	<b>Sridhar Narasimhan</b> Chief Financial Officer
	<b>Anil C Shah</b> Company Secretary
Date : June 14, 2019 Place : Mumbai	Date : June 14, 2019 Place : Mumbai

## Reliance Infrastructure Limited

### Consolidated Statement of Cash Flows for the year ended March 31, 2019

	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
<b>Cash Flow from Operating Activities:</b>		
<b>(Loss) / Profit before tax from continuing operations</b>	<b>(5,161.74)</b>	178.26
Adjustments for :		
Depreciation and amortisation expenses	<b>1,318.32</b>	1,254.25
Net (Income) / Expenses relating to Investment Property	<b>(31.60)</b>	(34.85)
Interest Income	<b>(1,395.41)</b>	(1,746.33)
Fair value gain on Financial Instruments through FVTPL / Amortised Cost	<b>(217.46)</b>	(231.57)
Dividend Income	<b>(0.96)</b>	(0.99)
Gain on sale / redemption of investments (net)	<b>(18.65)</b>	(316.95)
Interest and Finance Costs	<b>4,570.81</b>	5,203.94
Mark to Market (Gain) / Loss on derivative financial instruments	<b>(3.80)</b>	2.33
Provision for doubtful debts / advances / deposits	<b>102.43</b>	109.44
Provision for ECL	<b>11.30</b>	77.60
Amortisation of Consumer Contribution	<b>(54.86)</b>	(49.45)
Provision for Retirement of Inventory and Property, Plant and Equipments	<b>0.31</b>	11.64
Excess Provisions Written Back	<b>(386.11)</b>	(224.22)
Loss on Sale / Discarding of Assets	<b>39.56</b>	108.60
Provision for / (write back of) diminution in value of investments - exceptional items	<b>6,065.06</b>	7.31
Bad Debts	<b>4.16</b>	0.86
Provision for/(Reversal) of Impairment of Assets	<b>18.00</b>	(31.04)
Net foreign exchange / derivative (gain)/loss	<b>8.20</b>	0.90
Provision for major maintenance and overhaul expenses	<b>17.86</b>	25.15
<b>Cash Generated from Operations before working capital changes</b>	<b>4,885.42</b>	4,344.88
Adjustments for:		
Increase / (Decrease) in Financial Assets and Other Assets	<b>(713.83)</b>	(148.85)
Increase / (Decrease) in Inventories	<b>17.86</b>	42.84
Increase / (Decrease) in Financial Liabilities and Other Liabilities	<b>(4,520.49)</b>	538.10
<b>Cash generated from/(used in) operations</b>	<b>(331.04)</b>	4,776.97
Income Taxes paid (net of refunds)	<b>151.48</b>	(208.10)
<b>Net cash generated from/(used in) operating activities - Continuing Operations</b>	<b>(179.56)</b>	4,568.87
<b>Net cash generated from/(used in) operating activities - Discontinued Operations</b>	<b>863.64</b>	3,584.35
<b>Net cash generated from/(used in) operating activities - Continuing and Discontinued Operations [A]</b>	<b>684.08</b>	8,153.22
<b>Cash Flow from Investing Activities:</b>		
Purchase of intangible assets (including intangible assets under development)	<b>(519.36)</b>	(670.85)
Purchase of Property, Plant and Equipment (including capital work in progress, capital advance and capital creditors)	<b>(930.41)</b>	(933.96)
Purchase of Investment Property	<b>(3.79)</b>	(1.45)
Proceeds From Disposal of Property, Plant and Equipment	<b>30.25</b>	14.44
Net Income / (Expenses) relating to Investment Property	<b>23.90</b>	27.63
Investment / (Redemption) in fixed deposits	<b>318.66</b>	(540.71)
Investment in Associates (net)	<b>246.41</b>	-
Investment in others	<b>(156.31)</b>	(87.68)
Sale of Investment in Subsidiaries	<b>2,444.52</b>	905.92
Sale / Redemption of Investment in others	<b>382.23</b>	0.12
Advance/Loan against proposed sale of Mumbai Power Business	<b>-</b>	2,602.00
Inter Corporate Deposits given (net)	<b>232.31</b>	(2,210.39)
Dividend received	<b>0.96</b>	0.99
Interest Income	<b>859.21</b>	924.89
<b>Net cash generated from /(used in) investing activities - Continuing Operations</b>	<b>2,928.58</b>	30.95
<b>Net cash generated from /(used in) investing activities - Discontinued Operations</b>	<b>(169.40)</b>	(817.44)
<b>Net cash generated from /(used in) investing activities - Continuing and Discontinued Operations [B]</b>	<b>2,759.18</b>	(786.49)

## Reliance Infrastructure Limited

### Consolidated Statement of Cash Flows for the year ended March 31, 2019

	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
<b>Cash Flow from Financing Activities:</b>		
Proceeds from Non Controlling Interest	22.92	6.74
Proceeds from long term borrowings	3,843.82	5,188.55
Repayment of long term borrowings	(2,225.88)	(7,344.11)
Proceeds / (Repayment) of Short Term Borrowings (Net)	203.99	(2,253.42)
Payment of Interest and Finance charges	(2,704.89)	(2,839.00)
Realised Gain / (Loss) on derivative instruments (net)	-	0.02
Dividends Paid To Shareholders Including Tax	(279.66)	(296.21)
<b>Net cash generated from/ (used in) financing activities - Continuing Operations</b>	<b>(1,139.70)</b>	<b>(7,537.43)</b>
<b>Net cash generated from/(used in) financing activities - Discontinued Operations</b>	<b>(2,194.38)</b>	<b>109.11</b>
<b>Net cash generated from/ (used in) financing activities - Continuing and Discontinued Operations [C]</b>	<b>(3,334.08)</b>	<b>(7,428.32)</b>
<b>Effect of exchange difference on translation of foreign currency cash and cash equivalent [D]</b>	<b>-</b>	<b>(0.01)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents - [A+B+C+D]</b>	<b>109.18</b>	<b>(61.60)</b>
Add: Adjustment on Disposal of Subsidiaries	-	(18.56)
Cash and Cash Equivalents at the beginning of the year	525.77	605.93
<b>Cash and Cash Equivalents at the end of the year*</b>	<b>634.95</b>	<b>525.77</b>
<b>Cash and Cash Equivalents - Continuing Operations (For Component Refer Note 7 (e))</b>	<b>634.95</b>	<b>525.63</b>
<b>Cash and Cash Equivalents - Discontinued Operations</b>	<b>-</b>	<b>0.14</b>
	<b>634.95</b>	<b>525.77</b>

Note: Figures in brackets indicate cash outflows.

\*Including balance in unpaid dividend account ₹ 16.05 Crore (₹ 15.46 Crore) and balance in current account with banks of ₹ 212.41 Crore (₹ 51.57 Crore) lying in escrow account with bank held as a Security against the borrowings and fixed deposits of ₹ 62.95 Crore (₹ 124.09 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 consolidated statement of cash flows should be read in conjunction with the accompanying notes (1 - 43).



## Reliance Infrastructure Limited

### Consolidated Statement of Cash Flows for the year ended March 31, 2019

Disclosure pursuant to para 44 A to 44 E of IndAS 7 – Consolidated Statement of cash flows

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
<b>Long term Borrowings</b>		
Opening Balance (Including Current Maturities)	25,996.78	26,789.26
Availed during the year	3,843.82	6,687.61
<b>Impact of non-cash items</b>		
- Impact of Effective Rate of Interest	31.01	(92.51)
- Foreign Exchange Movement	52.26	5.18
- Others	(1,782.86)	-
- Transferred to Discontinued Operations	(9,496.07)	-
Repaid During the year	(3,725.88)	(7,392.76)
<b>Closing Balance</b>	<b>14,919.06</b>	<b>25,996.78</b>
<b>Short term Borrowings</b>		
Opening Balance	3,613.77	5,860.22
Availed during the year	433.42	10,506.82
<b>Impact of non-cash items</b>		
- Foreign Exchange Movement	-	7.14
- Others	1,808.28	-
- Transferred to Discontinued Operations	(2,773.53)	-
Repaid during the year	(229.43)	(12,760.41)
<b>Closing Balance</b>	<b>2,852.51</b>	<b>3,613.77</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 : June 14, 2019  
Place : Mumbai

Date : June 14, 2019  
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  
**Ryna Karani** DIN - 00116930  
**B C Patnaik** DIN - 08384583

Chairman  
Vice Chairman

} Directors

**Punit Garg**

Executive Director &  
Chief Executive Officer

**Sridhar Narasimhan**  
**Anil C Shah**

Chief Financial Officer  
Company Secretary

Date : June 14, 2019  
Place : Mumbai

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 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 and Construction (E&C) services for various infrastructure projects. Information on the Group's structure is provided in Note No.40. Information on other related party relationships of the Group is provided in Note No. 24.

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, 2019. These Consolidated Financial Statements of RInfra for the year ended March 31, 2019 were authorised for issue by the Board of Directors on June 14, 2019. 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, 1<sup>st</sup> 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

###### (a) Ind AS 116 – Leases

In March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The Group is evaluating the amendment and the impact on the consolidated financial statements.

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

**(b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments**

In March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The Group is evaluating the amendment and the impact on the consolidated financial statements.

**(c) Amendment to Ind AS 12 – Income taxes**

In March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Group is evaluating the amendment and the impact on the consolidated financial statements.

**(d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement**

In March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is evaluating the amendment and the impact on the consolidated financial statements.

**(e) Amendment to Ind AS 109– Prepayment Features with Negative Compensation:**

The amendment relates to the existing requirements in IND AS 109 regarding termination rights in order to allow measurement at amortised cost (or depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

**(f) Amendment to Ind AS 23– Borrowing Cost:**

The amendments clarify that if specific borrowings remains outstanding after the related assets is ready for its intended use or sale, that borrowing becomes part of the fund that an entity borrows generally when calculating the capitalization rate on general borrowing.

The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

**(v) Consolidated Financial Statements have been prepared on a going concern basis. (Refer note 29)**

**(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.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### (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. 40(d).

#### 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. 3 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.

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).

**Notes to the consolidated financial statements as at and for the year ended March 31, 2019**

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 making strategic decisions. The CEO has been identified as being the chief operating decision maker for corporate planning. Refer Note 25 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.

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**

The Group has adopted Ind AS 115 "Revenue from Contracts with Customers" effective from April 1, 2018. IND AS 115 superseded IND AS 11 "Construction Contracts" and IND AS 18 "Revenue". The Company has applied IND AS 115 using cumulative catch-up transition method and the comparatives have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

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.

The Group recognize revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied.

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, taxes and amounts collected on behalf of third parties.

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

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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 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. Engineering and Construction Business (E&C):

In case of Engineering and Construction Business performance obligations are satisfied over time and contracts revenue is recognised over time by measuring progress towards complete satisfaction of the performance obligation at the reporting date. The progress is measured based on the proportion of contract costs incurred for work performed to date, to the estimated total contract costs attributable to the performance obligation, using the input method.

Contract cost includes costs that relate directly to the specific contract and allocated costs that are attributable to the performance obligation. Cost that cannot be attributed to the contract activity such as general administration costs are expensed as incurred and classified as other operating expenses.

The Group account for a contract modification (change in the scope or price (or both)) when that is approved by the parties to the contract. In case of modification of contracts a cumulative adjustment is accounted for if changes of transaction price for existing obligation.

Contract assets are recognised when there is excess of revenue earned over billing on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billing in excess of revenues.

The billing schedule agreed with customer include periodic performance based payments and/or milestone based progress payments.

### 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 D to Ind AS 115 – "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.

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

**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.

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 Built 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 respective entities 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



# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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.

Foreign exchange gains and losses are presented in other expenses / income 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:

##### 1. 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.

##### 2. 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.
- **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

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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 income / (expenses) in the Consolidated Statement of Profit and Loss.

**3. 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, 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.

For 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.

**4. 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.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### (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

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.

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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 2) and Quantitative disclosures of fair value measurement hierarchy (Refer Note 42).

### 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.

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.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 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 less 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

#### Engineering and Construction 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.

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/impairment. 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 straight line 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 straight line basis over the operation of concession period.

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 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 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) Engineering and Construction 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.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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.

### 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 the total cost of such shares from a separate category of equity (Treasury Share) 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

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.

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.



## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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.

### v. Provisions

Provisions for legal claims / disputed matter, major maintenance / overall expenses and other matters 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.

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.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### **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.

### **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 and Discontinued Operations and also before withdrawal of general reserve from 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 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 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.

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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.

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 reserve**

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.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

The Group has ₹ 333.25 Crore (₹ 262.27 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 ₹ 341.77 Crore (₹ 820.77 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 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.42 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.

Refer Note 36 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 42 on financial risk management where credit risk and related impairment disclosures are made.

- **Revenue recognition**

The Group uses the 'percentage-of-completion method' for its E&C business 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. Determination of future cost is judgemental and is revised periodically considering changes in internal / external factors.

- **Regulatory deferral assets and liabilities**

**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.

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

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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 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 40 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 Group has accordingly recognized a provision in respect of this obligation. The measurement of this provision considers the future cost of replacement / overhaul of assets and the timing of replacement/ overhaul. These amounts are being discounted to present value since time value of money is material.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 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, 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
<b>Gross carrying amount as on March 31, 2018</b>	<b>2,686.63</b>	<b>122.12</b>	<b>2,147.38</b>	<b>13,381.83</b>	<b>9,350.01</b>	<b>8.20</b>	<b>57.75</b>	<b>41.37</b>	<b>110.62</b>	<b>110.59</b>	<b>26.62</b>	<b>28,043.12</b>	<b>1,359.50</b>
<b>Accumulated depreciation and impairment</b>													
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	
<b>Accumulated depreciation and impairment as on March 31, 2018</b>	<b>-</b>	<b>6.35</b>	<b>268.27</b>	<b>2,507.74</b>	<b>1,253.89</b>	<b>2.12</b>	<b>12.83</b>	<b>10.66</b>	<b>23.84</b>	<b>46.46</b>	<b>6.74</b>	<b>4,138.90</b>	
<b>Net carrying amount as on March 31, 2018</b>	<b>2,686.63</b>	<b>115.77</b>	<b>1,879.11</b>	<b>10,874.09</b>	<b>8,096.12</b>	<b>6.08</b>	<b>44.92</b>	<b>30.71</b>	<b>86.78</b>	<b>64.13</b>	<b>19.88</b>	<b>23,904.22</b>	<b>1,359.50</b>
Less: Provision for Retirement												35.32	12.09
<b>Net carrying amount after provision as at March 31, 2018</b>												<b>23,868.90</b>	<b>1,347.41</b>
<b>Gross carrying amount</b>													
As at April 1, 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
Additions	12.86	23.33	17.94	477.08	427.60	-	2.98	4.78	18.51	14.59	0.32	999.99	810.43
Disposals	2,364.84	60.81	1,452.49	8,185.89	4,990.41	8.20	20.82	20.39	16.52	43.06	21.62	17,185.05	1,042.57
<b>Gross carrying amount as on March 31, 2019</b>	<b>334.65</b>	<b>84.64</b>	<b>712.83</b>	<b>5,673.02</b>	<b>4,787.20</b>	<b>-</b>	<b>39.91</b>	<b>25.76</b>	<b>112.61</b>	<b>82.12</b>	<b>5.32</b>	<b>11,858.06</b>	<b>1,127.36</b>
<b>Accumulated depreciation and impairment</b>													
As at April 1, 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	-
Depreciation charge during the year	-	2.06	24.61	384.75	269.12	-	4.32	2.37	8.79	12.31	0.53	708.86	-
Impairment loss / (reversal)	-	-	-	18.00	-	-	-	-	-	-	-	18.00	-
Disposals	-	3.87	201.59	1,476.76	687.99	2.12	4.50	4.64	4.07	17.72	4.68	2,407.94	-
<b>Accumulated depreciation and impairment as on March 31, 2019</b>	<b>-</b>	<b>4.54</b>	<b>91.29</b>	<b>1,433.73</b>	<b>835.02</b>	<b>-</b>	<b>12.65</b>	<b>8.39</b>	<b>28.56</b>	<b>41.05</b>	<b>2.59</b>	<b>2,457.82</b>	<b>-</b>
<b>Net carrying amount as on March 31, 2019</b>	<b>334.65</b>	<b>80.10</b>	<b>621.54</b>	<b>4,239.29</b>	<b>3,952.18</b>	<b>-</b>	<b>27.26</b>	<b>17.37</b>	<b>84.05</b>	<b>41.07</b>	<b>2.73</b>	<b>9,400.24</b>	<b>1,127.36</b>
Less: Provision for Retirement												34.50	12.09
<b>Net carrying amount after provision as at March 31, 2019</b>												<b>9,365.73</b>	<b>1,115.27</b>

#### Notes:

- Capital Work in Progress includes borrowing cost of ₹ 9.82 Crore (₹ 9.84 Crore) and Foreign exchange fluctuation loss of ₹ 1.24 Crore (₹ 1.48 Crore).
- Additions to Building, Plant and Machinery and Other tangible assets includes borrowing cost of ₹ 0.36 Crore (₹ 0.04 Crore), ₹ 25.81 Crore (₹ 26.69 Crore) and ₹ 0.95 Crore (₹ 1.83 Crore) respectively. Borrowing cost is capitalized @ 12.50% to 13.38%.
- 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 assets (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.

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

#### d. Leased Assets

**Assets taken on finance lease:** Terms of power purchase agreement with Vidarbha Industries Power Limited (VIPL) assessed as finance lease had resulted in the certain asset classes being disclosed as assets of the Company. The lease period was 25 years and no renewal option given in the power purchase agreement. Details were as follows:

₹ Crore			
Particulars	Opening Carrying Amount as at April 1, 2017	Depreciation 2017-18	Net carrying amount as at March 31, 2018
Leasehold Land	24.78	1.16	23.62
Buildings	402.95	18.85	384.10
Plant and Machinery	3,124.65	204.03	2,920.62
Furniture and Fixtures	1.16	0.10	1.06
Motor Vehicles	1.07	0.15	0.92
Office Equipments	0.83	0.07	0.76
Computers	0.77	0.25	0.52

The Company had an exclusive right to obtain the entire contracted capacity of a specified facility at all times and in turn the power so purchased was used as a distribution licensee. The price at which purchase was made was regulated at a price which was neither contractually fixed nor reflects the current market price.

Pursuant to sale of MPB the lease arrangement has been transferred to Adani Transmission Limited. (Refer Note 8).

#### e. Lease Hold Land

The lease period for lease hold land varies from 35 Years to 99 years.

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		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>First charge and subservient charge:</b>		
Freehold Land	262.71	871.29
Leasehold Land	17.55	0.58
Buildings	363.93	683.96
Property, Plant and Equipment	6,961.75	9,829.64
Distribution Systems	-	2,949.28
Railway Siding	-	6.25
Furniture and Fixtures	21.28	25.89
Vehicles	17.67	12.75
Office Equipment	82.48	77.88
Computers	38.64	36.67
Electrical Installations	2.56	8.09
<b>Total</b>	<b>7,768.57</b>	<b>14,502.28</b>

Further, subservient charge has been created on balance movable Property, Plant and Equipment.

Refer Note 11(a) and 11(b) for information on Property, Plant and Equipment pledged as security by the Group.

#### g. Impairment Loss

The Impairment loss relates to PPE located at Goa Power Station which has been impaired to the extent of ₹ 18 Crore. Accordingly provision for impairment has been made and debited in consolidated statement of profit and loss.



# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### h. Capital work-in-progress

Particulars	Year	Opening	Addition	Capitalisation	Discontinued Operations	₹ Crore Closing*
<b>CWIP Movement</b>	<b>2018-19</b>	<b>1,347.41</b>	<b>810.43</b>	<b>853.10</b>	<b>189.47</b>	<b>1,115.27</b>
CWIP Movement	2017-18	1,304.81	1,407.45	1,364.85	-	1,347.41

\*(net off of Provision for Non moving Capital Inventories of ₹ 9.02 Crore (₹ 14.10 Crore) and Provision for retirement of assets of ₹ 12.09 Crore (₹ 12.09 Crore). Includes personnel cost of ₹ 35.01 Crore (₹ 40.50 Crore).

CWIP amounting to ₹ 421.49 Crore (₹ 536.31 Crore) are pledged to lenders (Refer Note 11 (a) and 11 (b)).

### i. Movement in Provision for Retirement of PPE/CWIP

Particulars	Opening	Provision made	Provision reversed	₹ Crore Closing
2018-19	47.41	-	0.82	46.59
2017-18	44.01	3.40	-	47.41

### 4. Investment Property

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Gross carrying amount</b>		
Opening Gross Carrying value	<b>596.05</b>	594.60
Additions	<b>3.79</b>	1.45
<b>Closing gross carrying value</b>	<b>599.84</b>	596.05
<b>Accumulated depreciation:</b>		
Opening accumulated depreciation	<b>67.35</b>	36.18
Depreciation during the year	<b>30.08</b>	31.17
<b>Closing accumulated depreciation</b>	<b>97.43</b>	67.35
<b>Net carrying value</b>	<b>502.41</b>	528.70

#### (i) Amounts recognised in Consolidated Statement of Profit and Loss for investment property

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Rental income	<b>60.44</b>	62.89
Direct operating expense from property that generated rental income	<b>28.84</b>	28.04
<b>Profit from Investment Property before Depreciation</b>	<b>31.60</b>	34.85
Depreciation	<b>30.08</b>	31.17
<b>Profit from Investment Property</b>	<b>1.53</b>	3.68

#### (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 Parent Company had carried out fair valuation of the investment property during the previous year amounting to ₹ 531 Crore by an independent valuer. The Parent Company does not envisage any significant decrease in the value of the property as at March 31, 2019 as compared to previous year.

#### (iv) Pledged details

The Investment property is pledged against the secured borrowings of the Parent Company. (Refer Note 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 considers information from a variety of sources including:

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

- 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 were 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.

5. Other Intangible Assets

	₹ 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, 2017	41.37	1,454.26	60.61	3,335.53	12,093.89	16,985.66	33.42
Additions*	12.62	-	-	-	0.91	13.53	
Effect of foreign currency exchange difference	-	-	-	1.20	-	1.20	
Disposals	-	-	-	-	0.12	0.12	
<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>12,094.68</b>	<b>17,000.27</b>	<b>33.42</b>
<b>Accumulated amortisation and impairment</b>							
As at April 01, 2017	13.87	410.78	1.38	312.50	740.31	1,478.84	31.67
Amortisation charge for the year	7.71	-	0.69	111.25	406.22	525.87	1.75
<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>1,146.53</b>	<b>2,004.71</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>10,948.15</b>	<b>14,995.56</b>	<b>-</b>
<b>Gross carrying amount</b>							
As at April 01, 2018	53.99	1,454.26	60.61	3,336.73	12,094.68	17,000.27	33.42
Additions*	13.83	-	-	-	666.03	679.86	
Effect of foreign currency exchange difference	-	-	-	23.74	-	23.74	
Disposals	10.97	-	-	-	26.57	37.54	
<b>Gross carrying amount as at March 31, 2019</b>	<b>56.85</b>	<b>1,454.26</b>	<b>60.61</b>	<b>3,360.47</b>	<b>12,734.14</b>	<b>17,666.33</b>	<b>33.42</b>
<b>Accumulated amortisation and impairment</b>							
As at April 01, 2018	21.58	410.78	2.07	423.75	1,146.53	2,004.71	33.42
Amortisation charge for the year	7.05	-	0.54	112.16	462.68	582.43	-
Disposal	-	-	-	-	1.10	1.10	
<b>Accumulated amortisation and impairment as at March 31, 2019</b>	<b>28.63</b>	<b>410.78</b>	<b>2.61</b>	<b>535.91</b>	<b>1,608.11</b>	<b>2,586.04</b>	<b>33.42</b>
<b>Net carrying amount as at March 31, 2019</b>	<b>28.22</b>	<b>1,043.48</b>	<b>58.00</b>	<b>2,824.56</b>	<b>11,126.03</b>	<b>15,080.29</b>	<b>-</b>

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### Overall Movement of Intangible assets under development

	₹ Crore			
Particulars	Opening	Additions*	Capitalisation	Closing
<b>2018-19</b>	<b>1,657.21</b>	<b>485.97</b>	<b>666.03</b>	<b>1,477.15</b>
2017-18	1,056.07	602.05	0.91	1,657.21

\*Additions includes Borrowing cost incurred during the year of ₹ 118.47 Crore (₹ 91.09 Crore) and Foreign exchange fluctuation-Loss of ₹ 8.02 Crore (₹ 2.56 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 D of Ind AS 115 "Service Concession Arrangement".

Concession Intangible Assets relate to Service Concession Arrangements as explained in Note No.7(c). Borrowing cost is capitalized @13.50%.

- (5) Details of Intangible assets pledged are as under:

	₹ Crore	
Particulars	As at March 31, 2019	As at March 31, 2018
First charge & subservient charge		
Intangible assets	<b>28.04</b>	23.97
Intangible assets (Concessional Rights)	<b>13,590.59</b>	13,861.24
Intangible Assets Under Development	<b>1,477.15</b>	1,657.21
<b>Total Intangible Assets pledged as security</b>	<b>15,095.78</b>	15,542.42

### 6. Inventories

	₹ Crore	
Particulars	As at March 31, 2019	As at March 31, 2018
Coal and Fuel*	<b>0.16</b>	219.20
Stores and Spares *(net off of Provision for Non moving inventories of ₹ 6.08 Crore (₹ 8.53 Crore))	<b>61.89</b>	175.29
<b>Total</b>	<b>62.05</b>	394.49
* including in transit and with third party	<b>1.13</b>	52.72

Inventories are stated at lower of Cost and Net realisable value.

These Inventories are pledged as security with the lenders (Refer Note 11(a) and 11 (b))

### 7. Financial assets

#### 7(a) Non-current investments

Particulars	Face value in ₹ unless otherwise stated	As at March 31, 2019		As at March 31, 2018	
		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	<b>92,84,98,193</b>	<b>5,469.82</b>	121,19,98,193	9,177.80
Reliance Naval and Engineering Limited #	10	<b>22,01,03,025</b>	-	22,01,03,025	967.04

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

Particulars	Face value in ₹ unless otherwise stated	As at March 31, 2019		As at March 31, 2018	
		Number of Shares / Units	₹ Crore	Number of Shares / Units	₹ Crore
<b>Unquoted</b>					
Metro One Operation Private Limited	10	3,000	2.47	3,000	1.14
Reliance Geo Thermal Power Private Limited	10	2,500	-	2,500	-
RPL Sun Technique Private Limited	10	5,000	-	5,000	-
RPL Photon Private Limited	10	5,000	-	5,000	-
RPL Sun Power Private Limited	10	5,000	-	5,000	-
			<b>5,472.29</b>		<b>10,145.98</b>
<b>Investment in preference shares – In associate companies</b>					
Reliance Naval and Engineering Limited	10	4,22,45,764	-	-	-
<b>In joint venture companies – valued as per equity method</b>					
<b>Unquoted</b>					
Utility Powertech Limited	10	7,92,000	24.22	7,92,000	19.95
			<b>24.22</b>		<b>19.95</b>
<b>In Others – At FVTPL</b>					
<b>Quoted</b>					
Yatra Online Inc.	USD10	22,30,548	74.51	-	-
<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 @ ₹ 1.	10	4,09,795	@	4,09,795	@
Nationwide Communication Private Limited @ ₹ 4000	10	-	-	400	@
			<b>78.24</b>		<b>3.73</b>
<b>Total</b>			<b>5,574.75</b>		<b>10,169.66</b>
<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	678.62	3,60,000	639.56
10% Non-Cumulative Non-Convertible Redeemable Preference Shares in Crest Logistics and Engineers Private Limited	1	-	-	1,09,50,000	368.25

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

Particulars	Face value in ₹ unless otherwise stated	As at March 31, 2019		As at March 31, 2018	
		Number of Shares / Units	₹ Crore	Number of Shares / Units	₹ Crore
6% Non-Cumulative Non-Convertible Redeemable Preference Shares in Crest Logistics and Engineers Private Limited @ ₹ 20,000	1	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
<b>Total</b>			<b>678.62</b>		<b>1,412.64</b>
<b>Investment in Government or Trust Securities</b>					
<b>At amortised cost</b>					
<b>Quoted</b>					
<b>Contingencies Reserve Investments</b>					
8.12% Central Government of India	100	-	-	75,00,000	76.53
8.27% Central Government of India	100	-	-	15,00,000	15.33
7.68% Central Government of India	100	-	-	15,00,000	15.23
7.68% Central Government of India	100			13,00,000	13.71
<b>Total</b>			-		<b>120.80</b>
<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	538.93	10,00,00,000	472.75
10.50% Unsecured Redeemable Non-Convertible Debentures in Crest Logistics and Engineers Private Limited	100	12,00,00,000	612.60	12,00,00,000	537.36
			<b>1,151.53</b>		<b>1,010.11</b>
<b>Total</b>			<b>7,404.90</b>		<b>12,713.21</b>
<b>Less : Provision for diminution in value of Investments** @ ₹ 3,000</b>			<b>679.07</b>		@
<b>Total</b>			<b>6,725.83</b>		<b>12,713.21</b>
		<b>Market Value</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>
Aggregate amount of quoted investments		<b>1,366.07</b>	<b>5,544.33</b>	5,099.11	10,265.64
Aggregate amount of unquoted investments			<b>1,181.50</b>		2,447.57
Aggregate amount of impairment in the value of investments @ ₹ 3,000			<b>679.07</b>		@

\*10,19,00,000(10,19,00,000) shares of Reliance Power Limited are pledged with the lenders of Investee Company.

# 53,90,73,203 (71,06,20,433) shares of Reliance Power Limited and 22,01,03,025 (22,01,03,025) shares of Reliance Naval and Engineering Limited are pledged with the lenders of the Parent Company.

\*\* Include ₹ 678.62 Crore in respect of Non-Convertible Redeemable Preference Shares in Reliance Infra Projects International Limited

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

7(b) Current Investments

Particulars	Face value in ₹ unless otherwise stated	As at March 31, 2019		As at March 31, 2018	
		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 @ ₹ Nil (₹ 1,698)	10	-	-	1	@
Reliance Liquidity Fund- Daily Dividend Plan @ ₹ Nil (₹ 36,511)	1,000	-	-	36	@
Reliance Liquidity Fund- Direct Plan Daily Dividend Plan @ ₹ Nil (₹ 27,378)	10	-	-	27	@
Reliance Money Manager Fund- Growth Plan Growth Option @ ₹ Nil (₹ 3,247)	10	-	-	1	@
Reliance Floating Short Term Fund-Growth option	10	2,12,463	0.74	2,12,463	0.57
Reliance Money Manager Fund - Daily Dividend Plan	10	2,227	0.12	3,002	0.20
Reliance Liquid Fund -Cash Plan - Direct -Daily Dividend Option	1,000	1,41,477	15.77	1,43,924	16.04
SBI Premier Liquid Fund - Direct - Growth	1,000	-	-	1,39,585	38.03
Reliance Liquid Fund - Treasury Plan - Direct - Growth Option	1,000	-	-	3,01,316	127.76
Taurus Liquid Mutual Fund - Direct Plan - Growth	1,000	-	-	281	0.05
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>16.63</b>		<b>378.88</b>
Aggregate amount of quoted investments			<b>16.63</b>		378.88
Aggregate amount of unquoted investments			-		-
Aggregate amount of impairment in the value of investments			-		-

# Reliance Infrastructure Limited

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

## 7 (C) Service Concession Arrangements – Main Features

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 kilometer 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, 2019</b> <b>2,459.06</b> March 31, 2018 1,793.03	<b>March 31, 2019</b> <b>2,255.17</b> March 31, 2018 1,675.21	<b>March 31, 2019</b> <b>15.82</b> March 31, 2018 34.91
HK Toll Road Private Limited	Financing, design, building and operation of 60 kilometer 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, 2019</b> <b>1,969.37</b> March 31, 2018 1,969.37	<b>March 31, 2019</b> <b>1,814.55</b> March 31, 2018 1,850.76	<b>March 31, 2019</b> <b>-</b> March 31, 2018 -
KM Toll Road Private Limited	Financing, design, building and operation of 71 kilometer 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, 2019</b> <b>1,346.79</b> March 31, 2018 1,362.51	<b>March 31, 2019</b> <b>1,266.67</b> March 31, 2018 1,308.88	<b>March 31, 2019</b> <b>-</b> March 31, 2018 -



Notes to the consolidated financial statements as at and for the year ended March 31, 2019

Name of entity	Description of the arrangement	Significant terms of the arrangement	Intangible Assets		Financial Asset
			Gross book value	Net book value	
PS Toll Road Private Limited	Financing, design, building and operation of 137 kilometer 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	March 31, 2019 3,074.04 March 31, 2018 3,074.04	March 31, 2019 2,520.71 March 31, 2018 2,683.86	March 31, 2019 - March 31, 2018 -
DS Toll Road Limited	Financing, design, building and operation of 53 kilometer long four lane toll road between Dindugal and Samyanallore on National Highway 7	Period of concession: 2006 – 2026 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	March 31, 2019 388.89 March 31, 2018 388.89	March 31, 2019 253.39 March 31, 2018 281.33	March 31, 2019 - March 31, 2018 -
GF Toll Road Private Limited	Financing, design, building and operation of 66 kilometer long four lane toll road between Gurgaon and Faridabad and Ballabhgarh Sohna Road.	Period of concession: 2009 – 2026 Remuneration : Toll Investment grant from concession grantor : Negative Grant Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : Once in 3 years Basis upon which re-pricing or re-negotiation is determined : Inflation Premium payable to grantor : Nil	March 31, 2019 771.22 March 31, 2018 771.22	March 31, 2019 624.31 March 31, 2018 660.21	March 31, 2019 - March 31, 2018 -

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

Name of entity	Description of the arrangement	Significant terms of the arrangement	Intangible Assets		Financial Asset
			Gross book value	Net book value	
JR Toll Road Private Limited	Financing, design, building and operation of 52 kilometer long four lane toll road between Jaipur and Reengus on National Highway 11	Period of concession: 2010 – 2028 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	March 31, 2019 461.97 March 31, 2018 468.55	March 31, 2019 380.18 March 31, 2018 406.43	March 31, 2019 - March 31, 2018 -
NK Toll Road Limited	Financing, design, building and operation of 41 kilometer long four lane toll road between Namakkal and Karur on National Highway 7	Period of concession: 2006 – 2026 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	March 31, 2019 314.60 March 31, 2018 318.87	March 31, 2019 224.62 March 31, 2018 247.95	March 31, 2019 - March 31, 2018 -
SU Toll Road Private Limited	Financing, design, building and operation of 136 kilometer long six lane toll road between Salem and Ulunderput on National Highway 68	Period of concession: 2008 – 2033 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	March 31, 2019 860.44 March 31, 2018 860.44	March 31, 2019 765.70 March 31, 2018 785.98	March 31, 2019 0.39 March 31, 2018 0.39

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

Name of entity	Description of the arrangement	Significant terms of the arrangement	Intangible Assets		Financial Asset
			Gross book value	Net book value	
TD Toll Road Private Limited	Financing, design, building and operation of 87 kilometer long six lane toll road between Trichy and Dindigul on National Highway 45	Period of concession: 2008 – 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	March 31, 2019 390.66 March 31, 2018 390.66	March 31, 2019 362.50 March 31, 2018 372.31	March 31, 2019 20.72 March 31, 2018 18.93
TK Toll Road Private Limited	Financing, design, building and operation of 61 kilometer long six lane toll road between Trichi and Karur on National Highway 67	Period of concession: 2008 – 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	March 31, 2019 697.10 March 31, 2018 697.10	March 31, 2019 658.22 March 31, 2018 675.22	March 31, 2019 - March 31, 2018 -
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	March 31, 2019 3,360.47 March 31, 2018 3,336.73	March 31, 2019 2,824.57 March 31, 2018 2,912.99	March 31, 2019 - March 31, 2018 -
		<b>Total March 31, 2019</b>	<b>16,094.61</b>	<b>13,950.59</b>	<b>36.93</b>
		Total March 31, 2018	15,431.41	13,861.13	54.23

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 7 (c) Service Concession Receivables

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
<b>Opening balance</b>	<b>54.23</b>	222.82
Accrued interest	<b>2.50</b>	99.03
Scheduled Repayments	<b>39.61</b>	249.87
Unrecovered Financial Assets	-	83.76
Addition during the year	<b>19.81</b>	26.05
Transfer to Assets classified as held for sale/discontinued operation	-	(39.96)
<b>Closing balance</b>	<b>36.93</b>	54.23
<b>Grant Receivable from NHAI*</b>		
Non-current	-	-
Current	<b>36.93</b>	54.23
<b>Total</b>	<b>36.93</b>	54.23

\* Grant receivable from NHAI ₹ 36.93 Crore (₹ 54.23 Crore) grouped under financial assets.

### 7(d) Trade Receivables

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Secured, considered good	<b>274.93</b>	1,660.01
Unsecured, considered good	<b>4,196.16</b>	3,763.38
Credit Impaired	<b>351.60</b>	467.75
<b>Total</b>	<b>4,822.69</b>	5,891.14
Less: Allowance for doubtful debts	<b>351.61</b>	467.75
<b>Trade Receivables (net)</b>	<b>4,471.08</b>	5,423.39
Current portion	<b>4,467.52</b>	5,423.39
Non-current portion	<b>3.56</b>	-

These trade receivables are given as security to the lenders – Refer Note 11 (a) and 11(b)

### 7(e) Cash and cash equivalents

Particulars	₹ Crore	
	As at March 31, 2019*	As at March 31, 2018
Balances with banks in –		
Current Account	<b>339.15</b>	390.17
Bank Deposit with original maturity of less than 3 months	<b>123.68</b>	31.76
Unpaid Dividend Account	<b>16.05</b>	15.46
Cheques and drafts on hand	<b>132.68</b>	77.55
Cash on hand	<b>23.39</b>	10.83
<b>Total</b>	<b>634.95</b>	525.77

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

#### 7(f) Bank Balances other than cash and cash equivalents

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Bank Deposits with Original Maturity of more than 3 months but less than 12 months	259.38	619.51
<b>Total</b>	<b>259.38</b>	<b>619.51</b>

#### \*Restricted Cash and Bank Balances:

The Group is required to keep restricted cash for

- a) Issuing Bank Guarantee for GST
- b) Payment of Dividend
- c) Escrow accounts
- d) Margin Money details of which are given below:

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Bank Deposits	62.95	124.09
Unpaid dividend	16.05	15.46
Escrow account	212.41	51.57
Margin Money	13.75	-
<b>Total</b>	<b>305.16</b>	<b>191.12</b>

#### 7(g) Loans

Particulars	₹ Crore			
	As at March 31, 2019		As at March 31, 2018	
	Current	Non-Current	Current	Non-Current
<b>(Unsecured, considered good unless otherwise stated)</b>				
Loans – Security Deposits – Considered good	70.53	43.48	100.47	37.47
– Credit Impaired	-	-	-	17.70
Inter-Corporate deposits to :-				
Related parties* (Refer Note 24)	1,104.48	-	2,403.73	-
Others-considered good	4,441.72	-	10,733.40	-
Others- credit impaired	3,832.28	-	2,554.14	-
	9,449.01	43.48	15,791.74	55.17
Less : Provision for Expected Credit Loss/diminution in value of deposits	3,832.28	-	2,554.14	17.70
	5,616.73	43.48	13,237.60	37.47
Loans to Employees*	2.76	7.71	9.88	39.89
<b>Total</b>	<b>5,619.49</b>	<b>51.19</b>	<b>13,247.48</b>	<b>77.36</b>
*Secured	7.29	-	1,886.45	-

#### 7(h) Other financial assets

Particulars	₹ Crore			
	As at March 31, 2019		As at March 31, 2018	
	Current	Non-Current	Current	Non-Current
<b>(Unsecured, considered good unless otherwise stated)</b>				
Receivable from DMRC	1,374.60	-	1,173.20	-
Claim receivable from NHAI	38.20	-	55.47	-
Grant receivable from NHAI	36.93	-	54.23	-
Interest Accrued / receivables*				
Considered Good	689.97	0.22	1,161.61	12.77
Considered Doubtful	144.83	-	143.03	-
Fixed Deposit with bank with maturity of more than 12 months	-	40.15	-	8.64
Margin money with Banks	-	133.97	-	126.36
Unbilled Revenue	512.39	-	470.02	-
Other Receivables	917.58	81.40	1,072.25	15.14
	3,714.50	255.74	4,129.81	162.91
Less: Provision for diminution in value of deposits/ Expected Credit Loss	144.83	-	143.03	-
<b>Total</b>	<b>3,569.67</b>	<b>255.74</b>	<b>3,986.78</b>	<b>162.91</b>
*Secured	0.25	-	252.02	-

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 7(i) Other assets

Particulars	As at March 31, 2019		As at March 31, 2018	
	(₹ Crore)			
	Current	Non-Current	Current	Non-Current
Unsecured, considered good unless otherwise stated				
Capital advances	-	24.40	-	52.30
Advance to vendors	457.37	453.44	411.77	393.09
Duties and Taxes Recoverable	328.16	55.12	16.79	48.25
Advances recoverable in kind or for value to be received	545.85	1.61	316.30	2.81
Gratuity Advance (Refer Note 36)	1.93	0.39	0.06	0.31
Amount due from customers for contract work	576.68	-	389.55	-
Other receivables	0.96	4.09	1.08	4.09
<b>Total</b>	<b>1,910.95</b>	<b>539.05</b>	<b>1,135.55</b>	<b>500.85</b>

### 8. Assets classified as held for sale and Discontinued operations

#### (i) Reliance Electric Generation and Supply Limited (REGSL)

##### (a) Description

The Scheme of Arrangement for the vesting of Mumbai Power Business (MPB) of the Parent Company to its resulting wholly owned subsidiary viz. Reliance Electric Generation and Supply Limited (REGSL) has been implemented on August 29, 2018 with effect from April 01, 2018 after receiving all necessary approvals. Pursuant to the Share Purchase Agreement entered with Adani Transmission Limited (ATL) for the sale of MPB, the Parent Company on August 29, 2018 divested its entire stake in REGSL. The results of the MPB are classified as Discontinued operations as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".

##### (b) The financial performance and cash flow information of REGSL presented as under:

Particulars	₹ Crore	
	April 01, 2018 to August 28, 2018	Year ended March 31, 2018
Revenue	3,210.16	8,008.35
Expenses	3,373.93	7,507.90
Profit / (Loss) before Rate Regulated Activities and Tax	(163.77)	500.45
Add: Regulatory Income	105.28	288.89
<b>Profit / (Loss) before Tax</b>	<b>(58.49)</b>	<b>789.34</b>
Income tax expense	-	-
<b>Profit after income tax from discontinued operations</b>	<b>(58.49)</b>	<b>789.34</b>
Net cash inflow/(outflow) from operating activities	863.64	3,552.69
Net cash inflow/(outflow) from investing activities	(169.40)	(530.66)
Net cash inflow/(outflow) from financing activities	(2,194.38)	(169.50)
<b>Net (decrease)/increase in cash generated from discontinued operations</b>	<b>(1,500.14)</b>	<b>2,852.53</b>

Note: The above amount is attributable to equity holders of the Parent Company

##### (c) The carrying amount of assets and Liabilities of REGSL as at the date of sale i.e. August 29, 2018 were as follows:

Particulars	(₹ Crore)	
	As at August 29, 2018	
Assets	17,735.52	
Liabilities	14,438.30	

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

(ii) 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".

(a) The financial performance and cash flow information of WRSSS Transmission Companies presented as under:

₹ Crore	
Particulars	April 01, 2017 to October 31, 2017
Revenue	82.79
Expenses	44.18
<b>Profit / (Loss) before Rate Regulated Activities and Tax</b>	<b>38.61</b>
Add: Regulatory Income	-
<b>Profit / (Loss) before Tax</b>	<b>38.61</b>
Income tax expense	-
<b>Profit after income tax from discontinued operations</b>	<b>38.61</b>
Net cash inflow/(outflow) from operating activities	31.66
Net cash inflow/(outflow) from investing activities	(286.78)
Net cash inflow/(outflow) from financing activities	278.61
<b>Net increase in cash generated from discontinued operations</b>	<b>23.49</b>

Note: The above amount is attributable to equity holders of the Parent Company.

(b) Assets and Liabilities of WRSSS figures as of October 31, 2017 are given below

₹ Crore	
Particulars	As at October 31, 2017
Property, Plant and Equipment	0.87
Service Concession Receivable	1,100.65
Trade Receivable	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>535.30</b>

The profit for the year ended March 31, 2019 is ₹ 4,041.39 crore (₹ 827.95 Crore for the year ended March 31, 2018) including reversal of deferred tax liability of ₹ 2,291.89 crore has been shown as profit from Discontinued Operations in respect of above transactions.

(c) The Parent Company has entered into a Share Purchase Agreement with Cube Highways and Infrastructure III Pte Limited for sale of its entire stake in DA Toll Road Private Limited. 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 at March 31, 2019 as per Ind AS 105 "Non-Current Assets held for sale and discontinued operations".



# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 9. Regulatory deferral account balances

In accordance with accounting policy (Refer Note 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, 2019 is as under:

		₹ Crore	
Sr. No.	Particulars	2018-2019	2017-2018
<b>I</b>	<b>Regulatory Assets / (Liability)</b>		
A	Opening Balance	<b>18,219.62</b>	17,963.02
B	Add : Income recoverable/(reversible) from future tariff / Revenue GAP for the year		
1	For Current Year	<b>1,023.20</b>	1,873.31
2	For Earlier Year	-	-
3	Regulatory assets recoverable on account of Deferred Tax on Depreciation difference	-	49.14
	Total (1+2+3)	<b>1,023.20</b>	1,922.45
C	Recovered during the year	<b>1,103.78</b>	1,665.85
D	Assets transferred on Disposal (Refer Note 8)	<b>1,634.04</b>	-
E	Net Movement during the year (B-C-D)	<b>(1,714.62)</b>	256.60
F	<b>Closing Balance (A+E)</b>	<b>16,505.00</b>	18,219.62
<b>II</b>	<b>Deferred Tax (Assets) / Liability associated with Regulatory Assets / (Liability)</b>		
	Opening Balance	<b>5,069.18</b>	4,676.57
	Add: Deferred Tax (Assets) / Liabilities during the Year	<b>324.37</b>	392.61
	<b>Total deferred Tax (Assets) / Liability associated with Regulatory Assets / (Liability)</b>	<b>5,393.55</b>	5,069.18
	Less: Recoverable from future Tariff	<b>5,393.55</b>	5,069.18
	<b>Closing Balance</b>	<b>-</b>	-
<b>III</b>	<b>Balance as at the end of the year (I+II)</b>		
	Regulatory Assets	<b>16,505.00</b>	18,219.62
	Regulatory Liability	-	-

Regulatory Assets of ₹ 16,503.80 Crore ( ₹ 17,315.71 Crore ) have been given as Security to the Lenders.

#### Regulatory Assets of Delhi Discoms (BRPL / BYPL):

The Retail Supply Tariff (RST) chargeable to consumers by Delhi Discoms is regulated by Delhi Electricity Regulatory Commission (DERC or Commission). These regulations provides for segregating of costs into controllable and uncontrollable costs. Financial losses arising out of the under-performance with respect to the targets specified by the DERC for the "controllable" parameters is to be borne by the Licensee's.

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, 2018, 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 is 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 2017-18) 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.

**Notes to the consolidated financial statements as at and for the year ended March 31, 2019**

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. Delhi Discoms has filed an appeal before Hon'ble APTEL against such disallowances.

DERC issued Tariff Order for FY 2017-18 on August 31, 2017 which is applicable from September 01, 2017 to March 31, 2018. On March 28, 2018 DERC issued another Tariff Order for FY 2018-19 which will remain in force from April 01, 2018 and will remain in force till replaced by a subsequent tariff order and/or is amended, reviewed or modified in accordance with the provisions of the Electricity Act, 2003 and the Regulations made there under.

**Market Risk**

Delhi Discoms is in the business of Supply of Electricity, being an essential and life line for consumers, therefore no demand risk anticipated. There is regular growth in the numbers of consumers and demand of electricity from existing and new consumers.

**Regulatory Risk**

Delhi Discoms is operating under regulatory environment governed by DERC. Tariff is subject to Rate Regulated Activities.

Regulatory Assets recognized in the financial statements of Delhi Discoms are subject to true up by DERC as per Regulation and disallowances of past assessments pending in courts /authorities.

**Regulatory Liability of PKTCL**

In respect of PKTCL, determination of Transmission service charges (TSC) chargeable by the Company to its consumers is governed by CERC Tariff Regulation, 2014, whereby CERC determines the Transmission service charges. During the year, ₹ 0.42 Crore (₹ 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% and change in education cess from 3% to 4%) resulting in change in the rate of return on equity and the same is shown under Regulatory deferral account debit balances.

**10. Share Capital and other equity**
**10(a) Share Capital**

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
<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, 2019	As at March 31, 2018
1	No. of Shares Pledged by Promoter Group Companies	<b>10,45,94,607</b>	8,78,13,612

**(b) Reconciliation of the Shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ Crore	No. of shares	₹ Crore
Equity Shares -				
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

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 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.

#### 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, 2019		As at March 31, 2018	
	No. of Shares	% held	No. of Shares	% held
Reliance Project Ventures and Management Private Limited	8,80,29,932	33.47	10,61,48,937	40.36
Reliance Big Private Limited	1,68,00,000	6.39	1,95,00,000	7.41
Life Insurance Corporation of India *	-	-	1,66,37,769	6.33

(\* holds less than 5% as of March 31, 2019)

### 10(b) Other Equity – Reserves and surplus

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
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	165.02	528.23
Statutory Reserves:		
Development Reserve Account No. 1	-	1.69
Development Reserve Account No. 2	-	18.97
Debt Redemption Reserve	-	2.30
Rural Electrification Scheme Reserve	-	0.11
Reserve to augment production facilities	-	0.04
Reserve for Power Project	-	100.00
Development Reserve Account No. 3	-	140.88
Self Insurance	4.80	3.79
General Reserve	710.89	6,748.61
Foreign Currency Monetary Item Translation Difference Account	-	77.77
Retained Earnings	(5,071.71)	(2,296.03)
Treasury Shares	(6.14)	(19.13)
<b>Total Reserves and Surplus</b>	<b>13,912.71</b>	<b>23,417.08</b>

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

#### (i) Capital Reserve

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	5,179.97	5,179.97
<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, 2019	As at March 31, 2018
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, 2019	As at March 31, 2018
Balance as per last Balance Sheet (@ ₹ 37,953 (₹ 37,953 ))	@	@
<b>Closing balance</b>	<b>@</b>	<b>@</b>

#### (iv) Capital Redemption Reserve

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
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

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
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

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	528.23	626.37
Add: Transfer from Retained Earnings	96.84	150.03
Less: Transfer to General Reserve	(460.05)	248.17
<b>Closing balance</b>	<b>165.02</b>	<b>528.23</b>

#### (vii) Development Reserve Account No. 1

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	1.69	1.69
Less: Transfer to General Reserve	(1.69)	-
<b>Closing balance</b>	<b>-</b>	<b>1.69</b>

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

#### (viii) Development Reserve Account No. 2

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	18.97	18.97
Less: Transfer to General Reserve	(18.97)	-
<b>Closing balance</b>	<b>-</b>	<b>18.97</b>

#### (ix) Debt Redemption Reserve

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	2.30	2.30
Less: Transfer to General Reserve	(2.30)	-
<b>Closing balance</b>	<b>-</b>	<b>2.30</b>

#### (x) Rural Electrification Scheme Reserve

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	0.11	0.11
Less: Transfer to General Reserve	(0.11)	-
<b>Closing balance</b>	<b>-</b>	<b>0.11</b>

#### (xi) Reserve to augment production facilities

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	0.04	0.04
Less: Transfer to General Reserve	(0.04)	-
<b>Closing balance</b>	<b>-</b>	<b>0.04</b>

#### (xii) Reserve for Power Project

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	100.00	100.00
Less: Transfer to General Reserve	(100.00)	-
<b>Closing balance</b>	<b>-</b>	<b>100.00</b>

#### (xiii) Development Reserve Account No. 3

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	140.88	140.88
Less: Transfer to General Reserve	(140.88)	-
<b>Closing balance</b>	<b>-</b>	<b>140.88</b>

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

#### (xiv) Self Insurance Reserve

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	3.79	2.72
Add: Transfer from Retained Earnings	1.01	1.07
<b>Closing balance</b>	<b>4.80</b>	<b>3.79</b>

#### (xv) General Reserve

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	6,748.61	5,733.23
Less: Transfer to Statement of Consolidated Statement of Profit and Loss (net) (Refer Note 31)	(6,616.02)	(221.11)
Add / (Less): Transfer to Statement of Consolidated Statement of Profit and Loss (Refer Note 26)	192.24	(11.68)
Add: Transfer from Statutory Reserve	263.99	-
Less: Adjustment of Carrying Cost (Refer note 38(c))	337.98	-
Add: Transfer from Retained Earnings	-	1,000.00
Add: Transfer from Debenture Redemption Reserve	460.05	248.17
<b>Closing balance</b>	<b>710.89</b>	<b>6,748.61</b>

#### (xvi) Foreign Currency Monetary Item Translation Difference Account

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	77.77	71.59
Add: Addition during the year – Gain / (Loss)	39.52	3.19
Less: Amortisation during the year	(12.22)	(2.99)
Less: Transfer to Consolidated Statement of Profit and Loss	105.07	-
<b>Closing balance</b>	<b>-</b>	<b>77.77</b>

#### (xvii) Retained Earnings

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	(2,296.03)	(2,152.54)
Add: Net Profit for the year	(2,426.82)	1,255.50
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	53.09	22.77
Add: Adjustment to Carrying Cost	-	26.68
Less: Transfer to General Reserve	-	1,000.00
Less: Dividend paid	249.84	244.49
Less: Tax on dividend	54.26	52.85
Less: Transfer to Debenture Redemption Reserve	96.84	150.03
Less: Transfer to Self Insurance Reserve	1.01	1.07
<b>Closing balance</b>	<b>(5,071.71)</b>	<b>(2,296.03)</b>

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### (xviii) Treasury Shares

Particulars	(₹ Crore)	
	As at March 31, 2019	As at March 31, 2018
Balance as per last Balance Sheet	(19.13)	(25.58)
Less : Provision for diminution in value of equity shares	12.99	6.45
<b>Closing balance</b>	<b>(6.14)</b>	<b>(19.13)</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 created DRR out of the profit of the company in terms of the Companies (Share Capital and Debentures) Rules, 2014 (as amended) 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.

The reserves were created to meet specific statutory requirement for Mumbai Power business of the Company and no more required to be retained as statutory reserve post sale of Power Business, hence transferred to General Reserve during the year.

#### (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.



## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

## 11. Financial liabilities

## 11 (a) : Non-current borrowings

Sr. No.		Particulars		Maturity date	Terms of Repayment	Effective Interest Rate	As at March 31, 2019		As at March 31, 2018		₹ Crore
							Non-Current	Current	Non-Current	Current	
1	Secured	Non convertible debentures (Redeemable at par)	Various	2019-20 to 2024-25 onwards	Quarterly/Half Yearly /Yearly/ Bullet Refer Foot Note No. B	10.20% to 12.50%	858.40	363.05	1,477.40	1,397.30	
							159.05	-	159.05	-	
							8,670.69	1,347.80	11,238.94	3282.41	
2	Convertible Debentures	from Banks	from Financial Institutions	2019-20 to 2030-31	Monthly / Quarterly / Yearly	9.00 % to 14.80%	1,006.94	82.39	1,293.29	265.43	
							1,493.14	65.39	1,534.80	4.21	
3	Foreign Currency Loan:	External Commercial Borrowings		October 01, 2027	Quarterly	6 Months LIBOR+Margin(340 to 485 basis point)	-	-	346.85	30.73	
							106.59	23.16	115.23	9.55	
							298.46	29.39	300.44	9.78	
4	Term Loan from Financial Institutions			2019-20 to 2024-25	Quarterly	3 months USD LIBOR + margin (430 basis point)	278.82	-	286.64	20.71	
							12,872.09	1,911.17	16,752.64	5,020.12	
1	Unsecured	Rupee Term Loan:	from Banks	2019-20	Monthly/Bullet Quarterly	10.25% to 11.20 % 10.00% to 14.00%	-	-	-	8.00	
							3.22	0.15	8.17	6.00	
2	Foreign Currency Loan:	External Commercial Borrowings		2022-23	Bullet	EURIBOR + 2% Margin	132.42	-	32.25	-	
							135.64	0.15	40.42	14.00	
							13,007.73	1,911.33	16,793.06	5,034.12	
		Total (A + B)									

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### Secured borrowings (Principal undiscounted amounts) :

#### A. Non Convertible Debentures referred to above to the extent of

##### i. In case of Parent Company

₹ 385 Crore are secured by Pledge of 19,17,37,454 Equity shares of Reliance Power Limited which are held by the Company and all of the Parent Company's rights, title, interest and benefits in, to and under a specific bank account of the Company.

₹ 600 Crore are secured by first pari-passu charge on Parent Company's Land situated at Village Sancoale, Goa and Plant, property and equipment at Samalkot Mandal, East Godavari District Andhra Pradesh, one Flat located in Thane District in the State of Maharashtra, first pari-passu charge over Immoveable Property (free hold Land) & Moveable Property of BSES Kerala Power Limited and over the Identified Fixed assets (buildings) situated in Mumbai.

₹ 133.50 Crore are secured by pledge of 11,40,35,749 Equity shares of Reliance Power Limited which are held by the Company, exclusive charge on One Flat located in Thane District in the State of Maharashtra and all of the Company's rights, title, interest and benefits in, to and under a specific bank account of Company.

##### ii. In case of Other than Parent Company are secured by the followings:

₹ 115.33 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, intangible assets but not limited to goodwill, rights, undertaking and uncalled capital 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 authorized Investments or other securities representing all amounts credited to the Escrow Account.

The same is also secured by a first ranking pari passu 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 pldedge/Non Disposal Undertaking (NDU) of promoters equity interest representing 51% of the equity capital of the investee companies.

#### 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, 2019) 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 39 (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 be split between equity and financial liability as per features i.e. timeline, coupon rate, conversion ratio. The Project restructuring proposal of CBDTPL and the signing of amendment agreements should take place, after receipt of final communication from TSIIC. Therefore CBDTPL 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.

#### C. External Commercial Borrowings in Foreign Currency:

₹ 399.42 Crore, in case of Mumbai Metro Rail Concession Rights, are secured by first mortgage/charge of all immovable properties, moveable assets 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 availed from banks.

₹ 469.13 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, intangible assets but not limited to goodwill, rights, undertaking and uncalled capital 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/NDU of promoter's Equity Interest representing 51% of the equity capital of the investee companies.

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

**D. Term Loans from Financial Institutions are secured as under:**

₹ 304.84 Crore, in case of 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 save and except project assets, both present and future and the borrower's other assets, book debts, operating cash flow, commission, outstanding moneys including claims etc.

₹ 111.42 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 51% of the project Equity Capital.

₹ 951.89 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, intangible assets but not limited to goodwill, rights, undertaking and uncalled capital 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 and on all insurance contracts. The same is also secured by Pledge/NDU 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:**

**(i) ₹ 1,668.50 Crore are secured as under:**

₹ 44.44 Crore are secured by pledge of 1,88,28,000 Equity Shares of BSES Kerala Power Limited and Subservient charge on Current Assets of the Company, both present and future, ₹ 75 Crore 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, ₹ 33.32 Crore 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, ₹ 83 Crore by second charge on Company's current assets, ₹ 250 Crore by subservient charge on moveable Property, Plant and Equipment of the Company, ₹ 237.87 Crore by exclusive charge over receivable and cash flow from identified building and subservient charge on Current Assets of the Company, both present and future and ₹ 944.87 Crore by exclusive charge over identified Building and Investment property situated in Mumbai and exclusive charge over receivable and cash flow from Reliance center property.

**(ii) ₹ 975 Crore 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, 55,23,678 Equity Shares of SU Toll Road Private Limited, 2,462 Equity Shares of JR Toll Road Private Limited and 2,466 Equity Shares of PS Toll Road Private Limited.
- b. Non-disposal Undertaking on 45,99,180 Equity Shares of DA Toll Road Private Limited.
- c. 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 Limited and DS Toll Road Limited. (Pledge of this 19% Equity Shares is yet to be created).
- d. Second pari passu charge on the current assets of Company.
- e. First pari passu charge on all receivable arising out of sub-debt / loan advanced / to be advanced to Road Companies, as mentioned above.

**(iii) ₹ 1,550 Crore are secured by the following.**

- a. Exclusive charge over on identified Building and Investment property situated in Mumbai.
- b. Exclusive charge over receivables and cash flow from Investment property.
- c. Second pari passu charge on Current Assets of the Company, both present and future.
- d. Exclusive charge over all amounts owing to, and received and/or receivable by the Company on its behalf from Delhi Airport Metro Express Private Limited

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

- e. Second pari passu charge over all amounts owing to and/or received and/or receivable by the Company from certain liquidity events.
  - f. First pari passu charge over all amounts owing to and received and/or receivables by the Company and/ or any persons (s) on its behalf from claims under unapproved regulatory assets.
  - g. Pledge of 23,33,00,000 Equity shares of Reliance Power Limited and 22,01,00,000 Equity shares of Reliance Naval and Engineering Limited
- (iv) Further loan aggregating to ₹ 3,627.18 Crore included in above are secured by exclusive charge over the 'Surplus Proceeds' from Sale of Shares of BSES Rajdhani Power Limited (BRPL) and / or BSES Yamuna Power Limited (BYPL), to be received by the Borrower or any Group Company of the Borrower (incl. subsidiary, affiliates, etc.). Charge on these loans shall rank pari-passu subject to, other lender(s)/security trustee having charge, on the charged assets, sharing pari- passu letters wherever applicable.

### (ii) In case of Other than Parent Company are secured by the following:

₹ 387.04 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 51 % of the project Equity Capital.

₹ 1,408.86 Crore in case of Mumbai Metro Rail Concession Rights are secured by first mortgage/charge of all immovable properties, moveable assets, all other intangible assets both present and future, save and except project assets. The same are 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

₹ 4,403.55 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, intangible assets but not limited to goodwill, rights, insurance contracts, undertaking and uncalled capital 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 and insurance contracts. The same is also secured by Pledge/NDU of promoter's Equity Interest representing 51% of the equity capital of the investee companies.

₹ 1,206.13 Crore, in case of Delhi Metro Rail Concession Rights is secured by first charge against moveable properties, machinery, machinery spares, equipment, tools and accessories, vehicles, and all other movable assets save and except project assets, both present and future and the borrower's other assets, book debts, operating cash flow, commission, outstanding moneys including claims etc.

### F. Loans from Others are secured as under:

₹ 27.00 Crore in case of Parent Company is secured by subservient charge on all current assets of the Parent Company, present and future.

₹ 537.97 Crore and ₹ 1,000.00 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 equivant to interest and principal dues of ensuing two quarters in the form of fixed deposit.
- c. As per the terms of "The BSES Rajdhani Distribution and Retail Supply of Electricity License (License No. 2/DIST of 2004)", Discoms is required to obtain permission of the DERC for creating charges for loans and other credit facilities availed by it. As on March 31, 2019 the required permission from DERC is sought and is under process.

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

As at March 31, 2019, the Group has overdue of ₹ 651.26 Crore included in current maturities of long term debts in note no 11(e) and ₹ 364.64 Crore included in interest accrued in note no 11 (d) towards the principal and interest respectively. Further the Company has delayed payments of interest and principal to the lenders as detailed below:

Name of lender	Due as at March 31, 2019				Delay in repayment during the year			
	Principal		Interest		Principal		Interest	
	₹ Crore	Maximum days of delay	₹ Crore	Maximum days of delay	₹ Crore	Maximum days of delay	₹ Crore	Maximum days of delay
Canara Bank	250.00	11	18.97	161				
Canara Bank	14.68	274	15.67	59				
IDFC Bank	125.00	106	2.08	33	62.50	75	5.58	88
Jammu and Kashmir Bank	15.00	90	2.18	90	7.50	62	2.37	90
Yes Bank Limited	8.76	81	71.13	90	198.06	62	195.76	88
Indusind Bank	-	-	-	-	544.50	90	28.79	72
Srei Equipment Finance Limited	-	-	0.93	59	27.00	275	6.04	275
Syndicate Bank	-	-	56.29	335	-	-	3.17	63
Axis Bank	35.48	274	4.47	90	71.68	62	4.25	90
Bank of Baroda	5.58	274	2.69	32	150.00	60	-	-
IFCI	-	-	1.94	32	90.90	27	10.54	17
NCD Series 13A	-	-	-	-	50.00	34	4.90	34
NCD Series 5	-	-	-	-	585.00	33	30.46	33
NCD Series 3	-	-	-	-	125.00	10	8.38	11
Bank Of India	19.64	274	7.48	59	3.64	274	-	-
Corporation Bank	29.24	274	11.09	59	-	-	-	-
IIFCL	13.88	274	25.88	60	-	-	-	-
OBC Bank	6.08	274	5.46	59	-	-	-	-
UCo Bank	21.98	274	10.50	59	-	-	-	-
Indian Overseas Bank	4.58	274	-	-	-	-	-	-
Andhra Bank	7.73	197	3.25	58	-	-	-	-
Central Bank	-	-	3.21	58	-	-	-	-
Dena Bank	-	-	3.93	58	-	-	-	-
Bank of Maharashtra	5.25	197	17.31	335	-	-	-	-
Karnataka Bank	2.60	197	-	-	-	-	-	-
Punjab and Sindh Bank	5.25	197	2.37	58	-	-	-	-
State Bank of India	13.16	274	21.64	335	-	-	-	-
ECB	7.24	105	1.09	105	-	-	-	-
Allahabad Bank	3.96	274	2.16	58	-	-	-	-
Indian Bank	7.07	274	44.12	335	-	-	-	-
Union Bank of India	10.18	274	2.69	32	-	-	-	-
United Bank	4.95	274	-	-	-	-	-	-
INTESA	4.15	3	4.80	3	-	-	-	-
SBI MAURITIUS	1.04	3	1.26	3	-	-	-	-
IDBI Bank	-	-	8.35	335	-	-	-	-
IIFC UK	28.80	365	11.71	335	-	-	-	-

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 11 (b) : Current borrowings

		₹ Crore	
Sr No.	Particulars	As at March 31, 2019	As at March 31, 2018
<b>Secured</b>			
1	<b>Rupee Loan:</b>		
	Working Capital Loans from banks	550.37	1,245.15
	Term Loans from banks	1,408.86	1,180.00
2	<b>Foreign Currency Loan:</b>		
	External Commercial Borrowings	399.42	-
	<b>Total (A)</b>	<b>2,358.65</b>	<b>2,425.15</b>
<b>Unsecured</b>			
	<b>Rupee Loan:</b>		
1	Term Loans from banks	-	151.30
2	Commercial Paper	-	568.00
3	Inter Corporate Deposits		
	- from Related Parties (Refer Note 24)	392.53	390.00
	- Others	101.33	79.32
	<b>Total (B)</b>	<b>493.86</b>	<b>1,188.62</b>
	<b>Total (A + B)</b>	<b>2,852.51</b>	<b>3,613.77</b>

### Secured borrowings and assets pledged as security

Working Capital Loans from 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.

In case of Delhi Discom working capital loans are also secured by i) First pari-passu charge on all movable and immovable properties and assets, regulatory assets, on present and future revenue of whatsoever nature and wherever arising (ii) Second pari-passu charge on the receivable. Delhi Discoms is in process to obtain the sanction letters with new security structure, and thereafter joint documentation for working capital consortium facilities will be executed and charge will be modified accordingly.

As at March 31, 2019, the Group has overdue of ₹ 347.79 Crore towards the principal. Further the Group has delayed payments of interest and principal to the banks as detailed below:

Name of lender	Due as at March 31, 2019				Delay in repayment during the year			
	Principal		Interest		Principal		Interest	
	Amount (₹ Crore)	Maximum days of delay	(₹ Crore)	Maximum days of delay	(₹ Crore)	Maximum days of delay	(₹ Crore)	Maximum days of delay
Canara Bank	299.97	186	-	-	787.52	102	15.93	55
IDBI Bank	-	-	-	-	258.11	103	6.46	103
Yes Bank Limited	10.54	60	-	-	13.85	86	1.06	86
Central Bank of India	-	-	-	-	150.00	33	13.08	33
ICICI Bank	-	-	-	-	35.00	31	-	-
Union Bank	37.28	111	-	-	109.11	107	7.58	107

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

#### 11(c): Trade payables

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non- Current	Current	Non-Current
Total outstanding dues to micro enterprises and small enterprises	35.46	-	19.80	-
Total outstanding dues to other than micro enterprises and small enterprises (Including retention payable)	19,783.80	17.53	22,172.50	8.80
<b>Total</b>	<b>19,819.26</b>	<b>17.53</b>	<b>22,192.30</b>	<b>8.80</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 March 31, 2019		As at March 31, 2018	
	Current	Non- Current	Current	Non-Current
Principal amount due to suppliers at year end	35.46	-	19.80	-
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	0.01	-	0.09	-
Payment made to suppliers(other than interest) beyond the appointed date under Section 16 of MSMED	-	-	3.78	-
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	-	0.19	-
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	0.29	-	0.28	-
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	0.01	-	0.18	-

#### 11(d): Other financial liabilities

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non- Current	Current	Non-Current
Security deposits				
- from consumers	1,260.17	7.82	1,215.17	8.81
- from others	258.04	-	326.55	376.58
Current maturities of long-term debt	1,911.33	-	5,034.12	-
NHAI premium payable	274.96	2,628.02	249.28	2,533.37
Financial guarantee obligation	-	22.90	-	9.24
Interest accrued	650.31	-	695.52	153.43
Unpaid dividends	16.05	-	15.46	-
MTM on Derivative Financial Instrument (including forward contract)	-	0.18	-	15.60
Creditors for capital expenditure	781.00	-	790.88	-
Employee benefits payable	8.20	-	15.60	-
Other Payables	131.02	4.37	974.47	3.98
<b>Total</b>	<b>5,291.08</b>	<b>2,663.29</b>	<b>9,317.05</b>	<b>3,101.01</b>



# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 11(e): Other liabilities

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ Crore		₹ Crore	
	Current	Non- Current	Current	Non-Current
Advance received from customers	894.52	1,338.90	798.59	1,362.53
Service Line Contribution	-	431.54	-	633.35
Consumer Contribution for Capital works	-	1,078.55	-	1,010.97
Grant in Aid (Under Accelerated Power Development & Reforms Programme to the Government of India)	-	14.27	-	15.31
Contingencies Reserve Fund	-	-	-	157.90
Amount due to customers for contract work	885.64	-	978.52	-
Other liabilities (Including statutory dues)	1,760.28	226.80	5,934.93	228.74
<b>Total</b>	<b>3,540.44</b>	<b>3,090.06</b>	<b>7,712.04</b>	<b>3,408.80</b>

### 12. Provisions

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ Crore		₹ Crore	
	Current	Non- Current	Current	Non-Current
Provision for Disputed Matters	-	160.00	-	160.00
Provision for Employee Benefits:				
Provision for Leave Encashment	75.38	132.27	62.77	217.29
Provision for Gratuity (Refer Note 36)	31.15	3.62	70.30	88.60
Provision for Major Maintenance and Overhaul Expenses	243.52	161.07	224.89	198.00
Provision for Tax on Dividend	47.62	-	-	-
Provision for Legal Claim	8.23	-	8.07	-
Provision-Others	180.14	-	136.32	-
<b>Total</b>	<b>586.04</b>	<b>456.96</b>	<b>502.35</b>	<b>663.89</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 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	Disputed Matters	Legal Claim	Major Maintenance & Overhaul Expenses	Total
<b>As at April 01, 2017</b>	<b>380.00</b>	<b>6.26</b>	<b>354.41</b>	<b>740.67</b>
Add : Provision made	-	1.81	81.75	83.56
Less : Provision used / reversed	220.00	-	13.27	233.37
<b>As at March 31, 2018</b>	<b>160.00</b>	<b>8.07</b>	<b>422.89</b>	<b>590.96</b>
Add : Provision made	-	0.26	94.21	94.48
Less : Provision used / reversed	-	0.10	112.51	112.61
<b>As at March 31, 2019</b>	<b>160.00</b>	<b>8.23</b>	<b>404.59</b>	<b>572.83</b>

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

13. Income and deferred taxes

13(a) Income tax expense

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
<b>Income tax Expense:</b>		
<b>Current tax:</b>		
Current tax on profits for the year	77.88	55.83
Adjustments for income tax of prior periods	(274.11)	15.23
<b>Total current tax expense (A)</b>	<b>(196.23)</b>	<b>71.06</b>
<b>Deferred tax:</b>		
Decrease/(increase) in deferred tax assets	932.18	(2.32)
(Decrease)/increase in deferred tax liabilities	(3,203.38)	(209.98)
<b>Total deferred tax expense/(benefit) (B)</b>	<b>(2,271.20)</b>	<b>(212.30)</b>
<b>Income tax expense (A + B)</b>	<b>(2,467.43)</b>	<b>(141.24)</b>
Income tax expense is attributable to:		
Continuing operations	(175.54)	(141.24)
Discontinued operations	(2,291.89)	-
	<b>(2,467.43)</b>	<b>(141.24)</b>

13(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Profit from Continuing Operations before income tax expense	(5,161.74)	178.26
Profit from Discontinued Operation before income tax expense	1,749.50	827.95
<b>Total profit before tax</b>	<b>(3,412.24)</b>	<b>1,006.21</b>
Tax at the Indian tax rate of 34.944% (34.608%)	(1,192.37)	348.23
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Income not considered for Tax purpose	(11.95)	(112.32)
Expenses withdrawn from general reserve and allowable for Income Tax	(368.20)	(4.04)
Expenses not allowable for tax purposes	1,468.44	18.40
Income Chargeable to tax at special rate	111.59	62.40
Utilisation of Losses brought forward	(110.65)	(62.40)
Corporate social responsibility expenditure not allowable for Tax purpose	6.13	7.35
Fair Valuation of Preference shares / Debentures	(79.54)	(83.25)
Expected Credit Loss Provision on Inter-corporate Deposits	-	26.65
Tax paid at lower rate (as per Section 115JB including deductions allowable under section 115JB)	-	0.51
Deductions allowable under section 115JB	-	0.03
Effect of Change in Tax Rate	25.55	8.48
Notional Direct Tax Reversal on Land Revaluation	-	(2.45)
Reversal of DTL on Sale of Undertaking	(2,291.89)	77.72
Tax losses for which no deferred tax was recognized	101.03	135.71
Recognition of Deferred Tax on Tax Losses	(205.94)	(94.40)
Deductions under chapter VIA of the Income Tax Act (Sections 80IA/80G)	-	(551.02)
Unrecognised MAT Credit	70.98	55.58
Previous year disallowance allowed in current year	157.07	-
Adjustments for current tax of prior periods	(274.11)	15.23
Other items	126.44	12.35
Income tax expense charged to Consolidated Statement of Profit and Loss (Including Other Comprehensive Income)	<b>(2,467.43)</b>	<b>(141.24)</b>

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 13(c) Amounts recognised in respect of current tax / deferred tax directly in equity:

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
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, 2019	As at March 31, 2018
Unused Capital Gains tax losses for which no deferred tax asset has been recognised	341.77	820.77
Unused losses for which no deferred tax asset has been recognised by subsidiary	4,046.26	3,618.78
Unused Tax Credits – MAT credit entitlement – Continuing operations	333.25	262.27
– Discontinuing operations	-	-

During the year ended March 31, 2019 the unrecognised past Capital Loss of ₹ 479.00 (₹ 263.41 Crore) has been used to reduce the Current year's Capital Gains Tax of ₹ 111.59 Crore. (₹ 60.77 Crore).

In the absence of reasonable certainty of future profit, the Group has not recognised deferred tax assets on unused losses.

### 13(e) Unrecognised temporary differences

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
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	1,726.42	1,362.34

### 13(f) Deferred tax balances

The balance comprises temporary differences attributable to:

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
<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	33.85	883.04
Fair Valuation of Property, Plant and Equipment	551.25	2,585.31
Impact of Effective Interest Rate on Borrowings / other financial assets / liabilities	69.26	73.76
Fair Valuation of Financial Instruments	7.94	21.52
Intangible Assets	944.19	1,255.61
<b>Total Deferred Tax Liabilities</b>	<b>1,606.49</b>	<b>4,819.24</b>
<b>Deferred Tax Asset on account of:</b>		
Provisions	136.25	244.35
NHAI Premium Payable	633.56	901.89
Service Concession Arrangements (Appendix D to Ind AS 115 )	-	154.31
Finance Lease Arrangement (Appendix C to Ind AS 17)	-	292.84
Disallowances u/s 40(a)/43B of the Income Tax Act, 1961	-	3.14
Unabsorbed losses (including depreciation)	344.36	434.97
<b>Total Deferred Tax Assets</b>	<b>1,114.17</b>	<b>2,031.50</b>
<b>Net Deferred Tax Liability</b>	<b>492.32</b>	<b>2,787.74</b>
<b>Deferred Tax Liabilities (net) as per Consolidated Balance Sheet</b>	<b>681.63</b>	<b>3,072.88</b>
<b>Deferred Tax Assets (net) as per Consolidated Balance Sheet</b>	<b>189.31</b>	<b>285.14</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 9 for disclosures as per Ind AS 114.

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

13(g) Movement in deferred tax balances:

Particulars	₹ Crore Deferred Tax Liability
As At March 31, 2018	2,787.74
(Charged)/credited:	
- to profit or loss – Continued Operations	20.69
- to profit or loss – Discontinued Operations	(2,291.89)
- to other comprehensive income	(24.22)
<b>As At March 31, 2019</b>	<b>492.32</b>

14. Revenue from operations

Particulars	₹ Crore Year ended March 31, 2019	Year ended March 31, 2018
<b>Revenue from Power Business :</b>		
Income from sale of power and transmission charges	17,198.11	15,555.98
Less: Discount for Prompt payment of Bills	-	0.38
Less - Tax on Sale of Electricity	556.61	622.34
Less - Pension Trust Surcharge Recovery (Refer Note 37(g))	525.73	220.73
	16,115.77	14,712.53
Cross subsidy charges	(2.32)	(1.94)
Miscellaneous income	-	0.30
	16,113.45	14,710.89
<b>Revenue from Engineering and Construction Business :</b>		
Value of contracts billed and service charges	1,016.11	1,277.86
Increase / (decrease) in work in progress -		
Work-in-progress at close	576.68	389.55
Less: Work-in-progress at commencement	389.55	328.64
Net increase / (decrease) in work-in-progress	187.13	60.91
Miscellaneous income	18.41	47.29
	1,221.65	1,386.06
<b>Revenue from Infrastructure Business :</b>		
Income from Toll business	1,219.72	1,092.05
Income from Metro business	293.24	254.48
Income from Airport business	1.79	0.89
	1,514.75	1,347.42
<b>Other Operating Income :</b>		
Provisions / Liabilities written back	119.75	160.63
Other Income	309.40	280.15
	429.15	440.78
<b>Total</b>	<b>19,279.00</b>	<b>17,885.15</b>

14.1 Refer Note No 25 on Segment Reporting for Revenue disaggregation

14.2 Performance Obligation: The aggregate value of transaction price allocated to unsatisfied or partially satisfied performance obligation is ₹ 20,222.86 Crore as at March 31, 2019, out of which ₹ 5,226.41 Crore is expected to be recognised as revenue in next year and balance thereafter. The unsatisfied or partially satisfied performance obligations are subject to variability due to several commercial and economic factors.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 14.3 Changes in balance of Contract Assets and Contract Liabilities are as under:

#### Contract Assets

Particulars	₹ Crore 2018-19
Contract Assets including retention receivable as at April 1, 2018	1,495.16
Increase as a result of change in the measure of progress	252.53
Transfers from contract assets recognised at the beginning of the year to receivables	(32.61)
Contract Assets including retention receivable as at March 31, 2019	1,715.08

#### Contract Liabilities

Particulars	₹ Crore 2018-19
Contract Liabilities including advance from customer as at April 1, 2018	2,673.24
Revenue recognised during the year out of opening Contract Liabilities	(429.98)
Increases due to cash received/advance billing done, excluding amount recognised as revenue during the period	322.75
Contract Liabilities including advance from customer as at March 31, 2019	2,566.01

### 14.4 Reconciliation of contracted prices with the revenue during the year:

Particulars	₹ Crore	₹ Crore
Opening contracted price of orders as at April 1, 2018*		19,950.42
Add:		
Fresh orders/change orders received (net)		10,255.91
Increase due to additional consideration recognised as per contractual terms		438.73
Less:		
Orders completed during the year		-
<b>Closing contracted price of orders as at March 31, 2019</b>		<b>30,645.06</b>
Revenue recognised during the year	1,221.65	
Less: Revenue out of orders completed during the year including incidental Income	230.03	
Revenue out of orders under execution at the end of the year (I)	-	991.62
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	-	9,430.58
Balance revenue to be recognised in future viz. Order book (IV)	-	20,222.86
Closing contracted price of orders as at March 31, 2019* (I+II+III+IV)		30,645.06

The above note represent reconciliation of Revenue from E&C Business.

\* Excluding the contracts, where E&C activities has been physically completed but the same has not been closed due to its fulfilment of the technical parameters and pending receipt of final take over certificate from the Customer.

### 15. Other Income

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Fair Value Gains on financial instrument through FVTPL /amortised cost	217.46	231.57
Interest income from other financial assets at amortised cost		
Intercompany deposits	1,243.44	1,679.95
On Fixed Deposit with banks	35.84	12.46
Others	116.13	53.91
Dividend income	0.96	0.99
Income from Lease of Investment Property	60.45	62.89
Net gain/(loss) on sale of Investments	18.65	21.56
Gain on foreign exchange /derivative contracts (net) (including MTM on forward contracts)	196.04	5.79
Provisions / Liabilities written back	266.36	63.59
Profit on sale of Property, Plant & Equipments	0.19	2.61
Miscellaneous Income	766.14	27.39
<b>Total</b>	<b>2,921.66</b>	<b>2,162.71</b>

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

#### 16. Employee Benefit Expenses

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, Wages, Bonus	915.94	877.51
Contribution to Provident and Other Funds (Refer Note 36)	91.43	144.70
Gratuity Expense (Refer Note 36)	25.90	62.20
Workmen and Staff Welfare	61.03	66.17
<b>Total</b>	<b>1,094.30</b>	<b>1,150.58</b>

#### 17. Finance Cost

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Interest and financing charges on financial liabilities:		
Debentures	150.35	157.94
Term Loan	979.79	998.29
Foreign currency loan & buyers credit	37.90	28.63
External Commercial Borrowings and Commercial Paper	17.57	95.64
Working capital and other borrowings	1,008.03	1,244.27
Security Deposits from Consumers	99.48	89.91
Late Payment Surcharge on Power Purchase	1,890.79	2,157.65
Unwinding of discount on NHAI premium payable and maintenance obligations under concession arrangements	266.87	264.40
Unwinding of discount on other financial liabilities and provisions	24.45	18.23
Other finance charges	95.58	148.98
<b>Total</b>	<b>4,570.81</b>	<b>5,203.94</b>

#### 18. Other Expenses

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of stores and spares (Net of allocation to Repairs and other relevant revenue accounts)	87.37	62.13
Rent (Refer Note 35(iii))	4.80	58.02
Repairs and Maintenance:		
Buildings	7.95	10.53
Plant and Machinery (including Distribution Systems)	241.89	223.97
Other Assets	35.44	40.08
Insurance	21.54	19.91
Rates and Taxes	35.69	53.25
Community Development and Environment Monitoring Expenses	0.52	2.02
Corporate Social Responsibility Expenditure	19.28	24.57
Legal and Professional Charges	165.46	175.71
Bad Debts	4.16	0.86
Directors' Sitting fees and Commission	0.48	6.57
Miscellaneous Expenses	595.04	497.00
Loss on foreign currency translations or transactions (net)	8.20	19.00
Loss on Sale/Disposal of Property, Plant & Equipments (net)	39.75	111.21
Impairment Provision/ (reversed)	18.00	(31.04)
Provision for Doubtful debts / Advances / Deposits / Diminuation of Investments	102.43	116.75
Provision for Expected Credit Loss	11.30	77.60
Operation and Maintenance Expenses	267.94	273.66
Provision for Major Maintenance and Overhaul Expenses	17.86	25.15
Provision for Retirement of Inventory and Property, Plant and Equipment	0.31	11.64
<b>Total</b>	<b>1,685.41</b>	<b>1,778.59</b>

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 19. Earnings per share

Particulars	Year ended March 31, 2019	Year ended March 31, 2018 *
	₹ Crore	₹ Crore
<b>i. Profit /(Loss) for the year for basic and diluted earnings per share:</b>		
From Continuing Operations (a)	<b>(6,468.21)</b>	427.55
From Discontinued Operations (b)	<b>4,041.39</b>	827.95
Total Profit /(Loss) for the year (c)	<b>(2,426.82)</b>	1,255.50
Profit / (Loss) before effect of withdrawal from scheme (d)	<b>(9,187.23)</b>	1,022.71
Profit /(Loss) before Rate Regulated Activities (e)	<b>(2,328.23)</b>	684.22
<b>ii. Basic and diluted earnings per share:</b>	₹	₹
From Continuing Operations (a / f)	<b>(245.95)</b>	16.26
From Discontinued Operations (b / f)	<b>153.67</b>	31.48
From Continuing and Discontinued Operations (c / f)	<b>(92.28)</b>	47.74
Before withdrawal from scheme (d / f)	<b>(349.34)</b>	38.89
Before Rate Regulated Activities (e / f)	<b>(88.53)</b>	26.02
<b>iii. Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (f)</b>	<b>26,29,90,000</b>	26,29,90,000

\* Restated – Refer note 38 (b))

- 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.** The figures for the year ended March 31, 2018 have been regrouped and reclassified to make them comparable with those of current year. The Assets and Liabilities as at March 31, 2018 include those pertaining to MPB, hence are not comparable with current year's figures. Figures in bracket indicate previous year's figures. @ represents figures less than ₹ 50,000 which have been shown at actual in brackets with @.

### 22. Contingent Liabilities

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
(i) Claims against the Group not acknowledged as debts and under litigation	<b>5,106.07</b>	5,197.77
These include:-		
a) Claims from suppliers	<b>1,212.92</b>	1,140.34
b) Income tax / Wealth tax claims	<b>474.52</b>	402.33
c) Indirect tax claims	<b>841.35</b>	1,132.34
d) Claims from consumers	<b>48.61</b>	47.82
e) Claims by MMRDA for delay in achieving milestone	<b>1,643.80</b>	1,643.80
f) Other claims	<b>884.87</b>	831.14
(ii) Corporate Guarantee of ₹ 1,947 Crore (net of Corporate Guarantee of ₹ 5,010.31 Crore cancelled subsequent to the balance sheet date)		
(iii) 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.		



Notes to the consolidated financial statements as at and for the year ended March 31, 2019

- (iv) In case of Mumbai Metro One Private Limited (MMOPL):
- 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. The Government of Maharashtra vide its letter dated April 17, 2018 has directed MCGM to provide concession from payment of local taxes/property tax to the Company since it is a public transportation project. The order from MCGM is however awaited.
  - The Honorable High Court directed the constitution of 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 to ₹ 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. The Ministry of Housing and Urban Affairs, Government of India has constituted a fresh FFC as on November 28, 2018 for the purpose of recommending the metro fare.
  - 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, 2019 aggregate ₹ 1,766.25 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.
- (v) 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.  
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.
- (vi) Proportionate share of claims not acknowledged as debt and other contingent liabilities in respect of Associate and Joint Venture Companies amounts to ₹ 261.88 Crore (₹ 294.53 Crore).

23. Commitments

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
(i) Estimated amount of contracts remaining unexecuted on capital account and not provided for (net off of advances)	607.35	929.91
(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 ₹ 2,977.94 Crore (₹ 4,214.05 Crore).		

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 24. Related party Disclosures

As per Ind AS – 24 "Related Party Disclosures", 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	Samalkot Power Limited (SaPoL)
	7	Rajasthan Sun Technique Energy Private Limited (RSTEPL)
	8	Dhursur Solar Power Private Limited (DSPPL)
	9	Reliance Naval and Engineering Limited (RNEL)
	10	RMOL Engineering and Offshore Limited (formerly Reliance Marine and Offshore Limited) (RMOL)
	11	E Complex Private Limited (ECPL)
	12	REDS Marine Services Limited (formerly Reliance Engineering and Defence Services Limited) (REDSL)
	13	Reliance Geothermal Power Private Limited (RGPPL)
	14	Metro One Operations Private Limited (MOOPL)
(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 General Insurance Company Limited (RGI)
	2	Reliance Capital Limited (RCap)
	3	Reliance Reality Limited (formerly Reliance Infocomm Infrastructure Limited (RRL))
	4	Reliance Securities Limited (RSL)
	5	Reliance Infratel Limited (RITL)
	6	Reliance Webstore Limited (RWL)
	7	Reliance Communication Limited (RCom)
	8	Reliance Big Entertainment Private Limited (RBEPL)
	9	Reliance Assets Reconstruction Company Limited (RARCL)
	10	Unlimit IOT Private Limited (UIPL)
	11	Reliance Infocomm Limited (RInfo)
	12	Reliance Health Insurance Limited (RHIL)
	13	Reliance Home Finance Limited (RHL)
	14	Reliance Nippon Life Asset Management Limited (RNLAML)
	15	Reliance Commercial Finance Limited (RCFL)
	16	GlobalCom IDC Limited (formerly Reliance IDC Limited) (GIDC)
	17	Reliance Nippon Life Insurance Company Limited (RNLICL)
	18	Reliance Transport and Travels Private Limited (RTTPL)
	19	Reliance Broadcast Network Limited (RBNL)
	20	Reliance Wealth Management Limited (RWML)
	21	Reliance Innoventures Private Limited (REIL)
	22	Reliance Big Private Limited (RBPL)

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

(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) Consolidated Statement of Profit and Loss heads:</b>			
<b>(I) Income:</b>			
(i) Revenue from Power business	2018-19	-	7.52
	2017-18	-	-
(ii) Gross revenue from E&C business	2018-19	19.45	-
	2017-18	50.66	-
(iii) Dividend received	2018-19	1.89	-
	2017-18	1.32	-
(iv) Interest earned	2018-19	292.26	17.53
	2017-18	223.51	13.18
(v) Other Income (including Income from Investment Property)	2018-19	5.86	52.68
	2017-18	19.23	68.13
<b>(II) Expenses:</b>			
(i) Purchase of Power (Including Open Access Charges - Net of Sales)	2018-19	446.38	-
	2017-18	414.01	-
(ii) Purchase / Services of other items on revenue account	2018-19	-	-
	2017-18	82.01	0.15
(iii) Purchase of other items on Capital account	2018-19	-	-
	2017-18	0.94	-
(iv) Receiving of services	2018-19	76.62	14.74
	2017-18	0.52	31.37
(v) Rent Paid	2018-19	-	-
	2017-18	-	75.40
(vi) Dividend Paid	2018-19	100.84	19.35
	2017-18	95.53	18.33
(vii) Interest Paid	2018-19	19.95	24.57
	2017-18	23.48	25.98
<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	2018-19	2,220.14	23.64
	2017-18	2,061.82	98.94
(ii) Inter Corporate Deposit taken	2018-19	217.53	175.00
	2017-18	201.95	200.00
(iii) Investment	2018-19	6,940.75	-
	2017-18	10,704.75	-
(iv) Inter Corporate Deposit (ICD) given	2018-19	1,104.48	-
	2017-18	2,177.60	226.13
(v) Interest receivable on Investments and Deposits	2018-19	115.15	-
	2017-18	284.18	19.85
(vi) Trade Receivables, Advance given and other receivables for rendering services	2018-19	2,515.34	53.47
	2017-18	2,416.47	35.33
(vii) Other Receivable	2018-19	526.11	0.01
	2017-18	526.11	-
(viii) Interest Payable	2018-19	37.37	5.36
	2017-18	-	-
<b>(c) Guarantees and Collaterals (Closing balances):</b>			
Guarantees and Collaterals	2018-19	1,083.75	1,548.74*
	2017-18	300.00	0.24

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

₹ Crore			
Particulars	Year	Investing party, Associates and Joint Ventures	Enterprises over which person described in (iv) above, has significant influence
<b>(d) Transactions during the year:</b>			
(i) Guarantees and Collaterals provided earlier-expired/encashed/surrendered	2018-19 2017-18	122.15 -	- -
(ii) Guarantees and Collaterals provided	2018-19 2017-18	905.90 -	1,548.50* -
(iii) ICD Given to	2018-19 2017-18	2,328.04 1,983.15	- 135.00
(iv) ICD Returned by	2018-19 2017-18	803.66 1,378.14	12.15 3.84
(v) Recoverable Expenses:-			
(a) incurred for related parties	2018-19 2017-18	0.01 -	- 3.57
(b) incurred by related parties on our behalf	2018-19 2017-18	- 0.24	- 0.05
(vi) ICD Taken from	2018-19 2017-18	27.53 40.00	- 25.00
(vii) ICD Repaid by	2018-19 2017-18	- -	25.00 -
(viii) EPC Advance return back	2018-19 2017-18	- 180.00	- -
(ix) Sale of Property, Plant and Equipment	2018-19 2017-18	- 0.52	- -
(x) ICD written off	2018-19 2017-18	- -	210.85 -

\* net of Corporate Guarantee of ₹ 286.90 Crore cancelled subsequent to the balance sheet date

(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	2018-19 2017-18	- -	0.14 0.12	0.04 5.52
Shri Lalit Jalan	Chief Executive Officer	2018-19 2017-18	2.17 3.10	- -	- -
Shri Sridhar Narasimhan	Chief Financial Officer w.e.f. June 04, 2016	2018-19 2017-18	1.77 1.96	- -	- -
Shri Anil C Shah	Company Secretary w.e.f February 05, 2019	2018-19 2017-18	0.09 -	- -	- -
Ms Srilatha T. G.	Company Secretary from November 05, 2018 to February 05, 2019)	2018-19 2017-18	0.04 -	- -	- -
Shri Aashay Khandwala	Company Secretary up to November 05, 2018	2018-19 2017-18	0.40 0.22	- -	- -

\*Remuneration does not include post-employment benefits, as they are determined on an actuarial basis for the Company as a whole.

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

(e) Details of Material Transactions with Related Party

(i) Balance sheet heads (Closing balance)

As at March 31, 2019

Investment in Equity of RePL ₹ 5,469.82 Crore. Trade Receivables, Advances given and other receivables for rendering services SaPoL ₹ 2,490.27 Crore.

As at March 31, 2018

Investment in Equity of RePL ₹ 9,177.80 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) 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.

**25. Segment information**

(a) Description of segments and principal activities

The Group has identified three business segments as reportable viz. 'Power', 'Engineering and Construction' (E&C) 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 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. 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 Himachal Pradesh. The segment also includes operations from trading of power.

E&C 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.

(f) Information about Major Customer

No single customer represents 10% or more of the Group's total revenue for the years ended March 31, 2019 and 2018 respectively.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### Segment Information:

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Power*	E&C	Infrastructure	Total	Power*	E&C	Infrastructure	Total
<b>Continuing Operations</b>								
<b>Revenue:</b>								
Total segment revenue	16,299.57	1,329.44	1,551.40	19,180.41	15,513.03	1,558.93	1,384.47	18,456.43
Less : Inter Segment revenue	-	-	-	-	-	-	-	-
Revenue from external customers	16,299.57	1,329.44	1,551.40	19,180.41	15,513.03	1,558.93	1,384.47	18,456.43
Less: Regulatory Income/(expenses)				(98.59)				571.28
Revenue from Operations as per Consolidated Statement of Profit and Loss				19,279.00				17,885.15
<b>Result</b>								
Segment Result	2,488.82	182.88	533.26	3,204.96	2,556.57	475.34	396.10	3,428.01
Finance Cost				(4,570.81)				(5,203.94)
Interest Income including fair valuation of financial instruments				1,612.86				1,971.14
Exceptional Item				(6,065.06)				295.39
Other un-allocable Income net of expenditure				656.31				(312.34)
Net (Loss)/Profit before Tax, Share of Profit in Associates, Joint Ventures				(5,161.74)				178.26
Less : Tax Expenses				(180.55)				(151.47)
Add : Share of (Loss)/Profit in Associates and Joint Ventures (net)				(1,382.84)				56.78
Less : Non-controlling Interest				104.18				(41.04)
(Loss)/Profit after tax from Continuing Operations				(6,468.21)				427.55
Profit after tax from Discontinued Operations				4,041.39				827.95
<b>(Loss)/Profit for the year</b>				<b>(2,426.82)</b>				<b>1,255.50</b>
Capital Expenditure	881.31	1.14	485.97		1,472.76	2.05	602.07	
Depreciation	663.06	45.03	575.40		646.30	53.81	518.16	
Provision /(Reversal) of Impairment loss	18.00	-	-		(31.04)	-	-	
Non cash expenses other than depreciation (Pertaining to segment only)	18.32	-	-		112.35	0.51	-	

\*Total segment revenue includes Regulatory Income

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Segment Assets:</b>		
Power	27,720.62	46,317.33
Engineering and Construction Business	5,337.31	4,884.59
Infrastructure	19,235.33	18,984.61
<b>Total Segment Assets</b>	<b>52,293.26</b>	<b>70,186.53</b>
Unallocated Assets	16,089.90	29,930.58
<b>Total Assets</b>	<b>68,383.16</b>	<b>100,117.11</b>
<b>Segment Liabilities:</b>		
Power	20,983.40	31,611.72
Engineering and Construction Business	4,666.74	4,922.00
Infrastructure	4,979.72	4,736.40
<b>Total Segment Liabilities</b>	<b>30,629.86</b>	<b>41,270.12</b>
Unallocated Liabilities (Including Non-controlling Interest)	23,577.56	35,166.88
<b>Total Liabilities</b>	<b>54,207.42</b>	<b>76,437.00</b>

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

**26. 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 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 foreign exchange gain of ₹ 192.24 Crore for the year ended March 31, 2019 (Net Loss of ₹ 11.68 Crore for the year ended March 31, 2018) has been credited/debited to the Consolidated Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. The Parent 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 Loss before tax for year ended March 31, 2019 would have been lower/higher and General Reserve would have been lower/higher by respective amount. The treatment prescribed under the Scheme override the relevant provisions of Ind AS 1: "Presentation of Financial Statements".

**27. Investment in Delhi Airport Metro Express Private Limited**

Delhi Airport Metro Express Private Limited (DAMEPL), a subsidiary 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 ₹ 4,662.59 crore. DMRC preferred an appeal against the Arbitration award before the Hon'ble Delhi High Court. The Single Judge 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. However it was set aside by the Division Bench of Hon'ble Delhi High Court vide its Judgement dated January 15, 2019. DAMEPL has filed Special Leave Petition (SLP) before the Hon'ble Supreme Court against the said Judgement of Division Bench of Hon'ble Delhi High Court. Hon'ble Supreme Court, while hearing the Interlocutory Application seeking interim relief, on April 22, 2019 has directed that DAMEPL's accounts shall not be declared as NPA till further orders and directed listing of the SLP for hearing on July 23, 2019. Based on the facts of the case and the applicable law, DAMEPL is confident of succeeding in the Hon'ble Supreme Court. In view of the above, pending outcome of SLP before the Hon'ble Supreme Court, DAMEPL has continued to prepare the financial statements on going concern basis.

**28. The lack of new orders, losses in the operations, erosion of net worth and calling back of loans by secured lenders has resulted into financial constraints on Reliance Naval and Engineering Limited (RNaval), an associate of the Parent Company. Additionally two of the secured financial creditors and few operational creditors have applied before the National Company Law Tribunal (NCLT), Ahmedabad for the debt resolution under the Insolvency and Bankruptcy Code, 2016 (IBC), none of which has been admitted so far.**

The Board of Directors of RNaval had mandated committee of directors to carry out the in depth analysis to arrive at workable solution of the business restructuring. During the year, the committee based on the valuation exercise carried out by the independent expert, recommended the impairment of the Property Plant and Equipment, Capital Work in Progress, certain advances and receivables.

Further, the Honorable Supreme Court in the matter of Shipyard Association of India, in which RNaval is also a member, has quashed the RBI Circular dated February 12, 2018 vide its order dated April 02, 2019. Based on the new guidelines from RBI for resolution of stress assets, RNaval is engaged with the lenders to achieve debt resolution. In view of above, RNaval continues to prepare its accounts on going concern basis.

**29. Certain subsidiaries and associates have continued to prepare the financial statements on a going concern basis. The details thereof together with the reasons for the going concern basis of preparation of the respective financial statements are summarised below on the basis of the related disclosures made in the separate financial statements of such subsidiaries and associates:**

- a. In respect of Mumbai Metro One Private Limited (MMOPL), a subsidiary of the Parent Company, the net worth has eroded and as at the year end, its current liabilities exceeded its current assets. MMOPL is taking a number of steps to improve overall commercial viability which will result in an improvement in cash flows and enable the Company to meet its financial obligations. It has shown year-on-year growth in passenger traffic and the revenues of the Company have been sufficient to recover its operating costs and the EBITA (Earnings before Interest, Tax and Amortization) has been positive since commencement of operations. Additionally, the overall infrastructure facility has a long useful life and the remaining period of concession is approximately 25 years. MMOPL is also in active negotiations with its bankers for restructuring of their loans and has received in-principle approvals for the debt resolution plan from lead lender and two other consortium members subject to approval from the other consortium members and compliance with certain terms and conditions. The Parent Company has confirmed to provide necessary support to enable MMOPL to operate as a going concern and accordingly, the financial statements of MMOPL have been prepared on a going concern basis.



## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

- b. In case of GF Toll Road Private Limited (GFTR), due to its inability to pay the overdue amount of Rupee Term Loan installments aggregating to ₹ 75.21 crore (previous year ₹ Nil) upto March 31, 2019, Rupee Term Loans have been classified as a Non Performing Assets (NPA) by the consortium lenders. The consortium lenders have stopped charging monthly interest amount with effect from the date of classifying the account as NPA. However, GFTR has been regular in paying the monthly interest amount on accrual basis. GFTR is under discussion with the consortium lenders and has proposed a Resolution Plan (RP). The Lead Lender and the consortium is in the process of appointing Techno Economic Viability consultant for presenting RP to the consortium. In view of the above, in spite of the Loan account being classified as NPA by the lenders and the ongoing RP, the management of GFTR has continued to be prepare the financial statements as a 'Going Concern'.
- c. In case of TK Toll Road Private Limited (TKTR) a wholly owned subsidiary of the Parent Company, as at March 31, 2019, the current liabilities of the TKTR have exceeded its current assets. TKTR is undertaking a number of steps which will result in an improvement in cash flows and enable TKTR to meet its financial obligations. There has also been improvement in the revenues of TKTR and such revenues have been sufficient to recover the operating costs and the EBITA (Earnings before Interest, Tax & Amortisation) has been positive since the commencement of the operations. Additionally, it enjoys long concession period extending upto FY 2038 and the current cash flow issues have occurred due to mismatch in the repayment schedule vis a vis the concession period. TKTR is also in advanced stages of discussion with its lenders for restructuring of their loans and is confident that the restructuring plan would be approved. Further it has filed arbitration claims worth ₹ 1,030.37 crore, and is confident of favourable outcome, which will further improve the financial position of the TKTR. Based on the foregoing, the going concern assumption is considered to be appropriate.
- d. In case of TD Toll Road Private Limited ("TDTR") a wholly owned subsidiary of the Parent Company, as at March 31, 2019, the current liabilities of TDTR have exceeded its current assets. TDTR is undertaking a number of steps which will result in an improvement in cash flows and enable TDTR to meet its financial obligations. There has also been improvement in the revenues of TDTR and such revenues have been sufficient to recover the operating costs and the EBITA (Earnings before Interest, Tax & Amortisation) has been positive since the commencement of the operations. Additionally, it enjoys long concession period extending upto FY 2038 and the current cash flow issues have occurred due to mismatch in the repayment schedule vis a vis the concession period. It is also in advanced stages of discussion with its lenders for restructuring of their loans and is confident that the restructuring plan would be approved. Further it has won arbitration claim worth ₹ 158.45 crore, which will further improve the financial position of the TDTR. Based on the foregoing, the going concern assumption is considered to be appropriate. In respect of TKTR and TDTR referred above, the Parent Company has provided a guarantee in favour of the bankers to meet any shortfall in the Debt Service Reserve that these subsidiaries are required to maintain in accordance with the lending arrangements.
- e. Two of the subsidiaries of RPower, an associate of the Parent Company, namely Samalkot Power Limited (SMPL) (which was intended to set up a gas based power plant) and Rajasthan Sun Technique Energy Private Limited (RSTEPL) (which operates a concentrated solar power facility based on pioneering technology) have sought restructuring of their loans obtained from US Exim and a consortium of international lenders led by ADB respectively.

In the case of SMPL, after considering the significant likelihood of SMPL selling one of its modules (745 MW) of gas based power plant to Reliance Bangladesh LNG & Power Ltd. (RBLPL), which is in the process of executing its initialed project agreements (i.e. Power Purchase Agreement, Implementation Agreement, Land Lease Agreement and Gas Supply Agreement) with the Government of Bangladesh authorities and implement its projects, US Exim has in principle agreed to restructure its term loan whereby outstanding principal would be paid in three equal annual installments starting from June 2020. US Exim requires completion of certain conditions by May 31, 2019.

Considering that not all the specified conditions have been completed by May 31, 2019, the loans have been classified as current liabilities. For balance two modules (1508 MW) of gas based power plant equipment, SMPL along with US Exim is evaluating options to sell and is in the process of appointing internationally reputed marketing agent. Considering these plans, including relocation of one module to Bangladesh, plan to sell two modules and support from RPower, SMPL would be able to meet its financial obligations and has prepared its Financial Statements on a going concern basis.

In the case of RSTEPL, in view of default by RSTEPL in the payment of the installment due during the year, part of which has been discharged after the end of the year, the Lenders have a right to declare the loan fully payable immediately. The lenders have not called upon RSTEPL to repay the loan. However, RSTEPL has disclosed full loan as current liabilities considering terms of the agreement. RSTEPL is actively engaged with the lenders for restructuring the terms of the loan and is confident that the same would be completed in near future. The repayment of future loan installments (including interest) is partly dependent on financial assistance from RPower.

Considering the above, RSTEPL Financial Statements are prepared on a going concern basis based on the management assessment of restructuring of the loan terms and support from RPower.

As at March 31, 2019, including loans of SMPL and RSTEPL reclassified as current liabilities and guaranteed by RPower, the current liabilities of RPower exceeds the current assets. RPower is confident of restructuring the loans consequent to which there would be no mismatch in the cash flows. Even otherwise RPower expects to generate sufficient and

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

timely cash flows through time bound monetization of gas based power plant equipments and other assets of certain subsidiaries as also realize amount from regulatory/ arbitration claims. Notwithstanding the dependence on material uncertain events including finalization of restructuring of lending arrangements, sale of equipment and favourable and timely outcome of various claims, RPower is confident that such cash flows would enable it to service its debt, realize its assets and discharge its liabilities in the normal course of its business. Accordingly, the consolidated financial statements of RPower have been prepared on a going concern basis

Further, the Parent Company has additionally provided a guarantee aggregating ₹ 905.90 crore to US Exim Bank towards the aforesaid arrangement.

- f. Notwithstanding the dependence on material uncertain events including restructuring of loans, achievement of debt resolution and restructuring plans, time bound monetisation of assets as well as favourable and timely outcome of various claims, the Group is confident that such cash flows would enable it to service its debt, realise its assets and discharge its liabilities, including devolvement of any guarantees / support to the subsidiaries and associates in the normal course of its business. Accordingly, the consolidated financial statements of the Group have been prepared on a going concern basis.

30. KM Toll Road Private Limited (KMTR), a subsidiary of the Parent Company, has after the end of the Accounting Year terminated the Concession Agreement with National Highways Authority of India (NHAI) for Kandla Mundra Road Project (Project) on May 7, 2019, on account of Material Breach and Event of Default under the provisions of the Concession Agreement by NHAI. The operations of the Project have been taken over by NHAI and NHAI has given a contract to a third party for toll collection with effect from April 16, 2019. Consequently NHAI is now liable to pay KMTR a termination payment estimated at ₹ 1,205.47 crore as the termination has arisen owing to NHAI Event of Default. KMTR vide its letter dated May 06, 2019 has also issued a notice to NHAI for the Termination Payment. Pending final outcome of the notice and possible arbitration proceedings and as legally advised, the claims for the Termination Payment are considered fully enforceable and the Group is confident of recovering its entire investment in KMTR and hence, no provision for impairment on the KMTR is considered in the financial statements.

31. Exceptional Items:

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Write off /Impairment / loss (profit) on sale of Investments	1,850.23	(272.78)
Provision/write-off/Loss on Sale of loans given and w/off of interest accrued thereon	8,410.99	-
Loss on invocation of Pledged Shares	1,741.24	-
Loss on transfer of Western Region System Strengthening Scheme (WRSS)-Transmission Undertaking		198.50
Provision for diminution in value of investments	678.62	-
Expenses/ (Income)	12,681.08	(74.28)
Less: Withdrawn from General Reserve	6,616.02	221.11
Exceptional Items (net)	6,065.06	(295.39)

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 Parent Company, which was subsequently amalgamated with the Parent Company w.e.f. April 1, 2013, during the year ended March 31, 2019 an amount of ₹ 6,616.02 crore (March 31, 2018- ₹ 221.11 Crore) has been withdrawn from General Reserve and credited to the Consolidated Statement of Profit and Loss against the exceptional items of ₹ 12,681.08 crore ((₹ 74.28 Crore) for the year ended March 31, 2018) as stated above which was debited to the Consolidated Statement of Profit and Loss. Had such withdrawal not been done, the Loss before tax for the year ended March 31, 2019 would have been higher by ₹ 6,616.02 Crore (March 31, 2018 - ₹ 221.11 Crore) and General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme overrides the relevant provisions of IndAS 1 "Presentation of Financial Statements".

32. Ind AS Transition Facilitation Group (ITFG) formed by Ind AS implementation Committee of the Institute of the Chartered Accountants of India (the "ICAI") has issued clarification on July 31, 2017 and has interalia made observations regarding method of estimating depreciation for preparing standalone financial statements of the subsidiary and for preparing consolidated financial statements. RPower, an associate of the Parent Company, has been advised by reputed legal and accounting firms that the clarification issued by ITFG will not be applicable to RPower, as RPower has been following the different methods, in subsidiaries and in consolidated financial statements since inception and as required by Ind AS 101 read with Ind AS 16 has continued the methods of providing depreciation even under Ind AS regime. RPower has accordingly, continued to provide depreciation in its consolidated financial statements by the straight line method, which is different as compared to the written down value method considered appropriate by two of its subsidiaries.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

33. The Reliance Group of companies of which the Parent Company is a part, supported an independent company in which the Parent Company holds less than 2% of equity shares ("EPC Company") to inter alia undertake contracts and assignments for the large number of varied projects in the fields of Power (Thermal, Hydro and Nuclear), Roads, Cement, Telecom, Metro Rail, etc. which were proposed and/or under development by the Reliance Group. To this end along with other companies of the Reliance Group the Parent Company funded EPC Company by way of EPC advances, subscription to Debentures & Preference Shares and Inter corporate Deposits. The aggregate funding provided by the Parent Company as on March 31, 2019 was ₹ 7,082.96 crore (₹ 10,936.62 crore) net of provision of ₹ 3,972.17 crore (₹ 2,697.17 crore). In addition, the Parent Company has provided corporate guarantees during the year aggregating (net of subsequent cancellation) of ₹ 1,775 crore.

The activities of EPC Company have been impacted by the reduced project activities of the companies of the Reliance Group. In the absence of the financial statements of the EPC Company for the year ending March 31, 2019 which are under compilation it has not been possible to complete the evaluation of nature of relationship, if any, between the independent EPC Company and the Parent Company. Presently, based on the analysis carried out in earlier years, the EPC Company has not been treated as related party.

Similarly, in the absence of full visibility on the assets and liabilities of the EPC Company and after considering the reduced ability of the holding company of the Reliance Group of Companies to support the EPC Company, the Parent Company has provided/written off further ₹ 2,042.16 crore during the year (₹ Nil for the year ended March 31, 2018) in respect of the outstanding amount advanced to the EPC Company.

Given the huge opportunity in the EPC field particularly considering the Government of India's thrust on infrastructure sector coupled with increasing project and EPC activities of the Reliance Group, the EPC Company with its experience will be able to achieve substantial project activities in excess of its current levels, thus enabling the EPC Company to meet its obligations.

The Parent Company is reasonably confident that the provision will be adequate to deal with any contingency relating to recovery from the EPC Company.

**34. (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 Company had 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 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 the Company had withdrawn after complying with the conditions specified and accounted the said amount as Other Liabilities pending final adjustment. The Hon'ble Supreme Court has dismissed the appeal filed by TPC vide Order dated May 2, 2019. Pending final determination of the final amount receivable from TPC including interest thereon no impact of the Order has been given in the accounts for the year ended March 31, 2019.

**(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:

- (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. 22 above.

**35. 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%.

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

The following table summarises the reconciliation of lease liabilities in the arrangement:

Particulars	Gross Value of Finance Lease Liabilities		Present Value of Finance lease Liabilities	
	As at	As at	As at	As at
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
- Not later than one year	-	509.47	-	58.68
- Later than one year and not later than five years	-	2,037.87	-	310.00
- Later than five years	-	7,854.30	-	3,800.92
<b>Total</b>	-	10,401.64	-	4,169.60
Less: future interest	-	6,232.04	-	-
<b>Present value of minimum lease liabilities</b>	-	4,169.60	-	-

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 42 for fair value disclosure of lease liabilities.

Pursuant to sale of MPB the lease arrangement has been transferred as referred in Note 8

(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

**Operating leases: future minimum lease receipts under non cancellable leases**

Particulars	₹ Crore	
	As at March 31, 2019	As at March 31, 2018
- Not later than one year	4.24	4.64
- Later than one year and not later than five years	3.35	6.52
- 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	4.80	0.21	0.04	0.20	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".

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 36. Disclosure under Ind AS 19 "Employee Benefits":

#### Post-employment obligations

##### Defined contribution plans

The Group has following defined contribution plans:

- (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 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, 2019	Year ended March 31, 2018*
Contribution to Provident Fund	17.08	50.57
Contribution to Employees Superannuation Fund	2.62	10.13
Contribution to Employees Pension Scheme	55.45	103.32
Contribution to National Pension Scheme	3.98	8.83
Contribution to Employees State Insurance (@ ₹ 34,987)	-	@

(\* includes ₹ 56.92 Crore and ₹ 0.13 Crore from Discontinued Operations of MPB and WRSSS respectively).

##### 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 respective 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.

Particulars	₹ Crore	
	2018-19	2017-18
<b>Assumptions :</b>		
Expected Return on Plan Assets	5.97% to 7.54%	6.00% to 7.25%
Rate of Discounting	7.48% to 7.66%	7.01% to 7.88%
Rate of Salary Increase	5.00% to 9.00%	6.00% to 10.00%
Rate of Employee Turnover	4.00% to 10.00%	4.00% to 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.

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

	₹ Crore	
Particulars	2018-19	2017-18
<b>Change in the Present Value Of Defined Benefit Obligation</b>		
Present value of Benefit Obligation at the beginning of the year	659.64	597.19
Liability Transferred Out	(570.17)	(2.09)
Liability Transferred In	2.59	2.24
Interest Cost	24.44	42.06
Current Service Cost	23.15	68.89
Benefit Paid Directly by the Employer	(17.58)	(25.37)
Benefit Paid From the Fund	(2.91)	(1.63)
Actuarial Losses on Obligation- Due to Change in Financial Assumptions	(8.80)	(18.88)
Actuarial (Gain)/Losses on Obligation- Due to Change in Demographic Assumptions	(2.98)	8.29
Actuarial Losses on Obligation-Due to Experience	29.63	(11.05)
<b>Present Value of Benefit Obligation at the End of the year</b>	<b>136.48</b>	<b>659.64</b>
<b>Change in the Fair Value of Plan Assets</b>		
Fair Value of Plan Asset at the beginning of the year	501.20	41.67
Asset Transferred In/Out	1.61	1.98
Asset Transferred Out/Divestment	(453.95)	(2.44)
Interest Income	38.64	31.72
Benefit Paid From the Fund	(2.42)	(1.27)
Benefit Paid Directly by the Employer	(0.62)	(0.39)
Contribution by the Employer	37.64	20.55
Return on Plan Assets Excluding Interest Income #	(20.47)	(0.26)
Actuarial Losses - Due to Experience	2.47	(0.36)
<b>Fair Value of Plan Asset at the End of the year</b>	<b>104.10</b>	<b>501.20</b>
<b>Amount Recognised in the Consolidated Balance Sheet</b>		
Present Value of Benefit Obligation at the end of the year	136.48	659.64
Fair Value of Plan Assets at the end of the year	104.10	501.20
<b>Funded Status (Deficit)</b>	<b>(32.38)</b>	<b>(158.45)</b>
Amount not recognized as asset (asset ceiling)	0.07	0.08
<b>Net (Liability) Recognized in the Consolidated Balance Sheet</b>	<b>(32.45)</b>	<b>(158.53)</b>
<b>Expenses Recognized in the Consolidated Statement of Profit and Loss</b>		
Current Service Cost	23.39	68.89
Net Interest Cost ##	2.51	10.35
<b>Expenses Recognised</b>	<b>25.90</b>	<b>79.24 *</b>
<b>Expenses Recognised in Other Comprehensive Income (OCI)</b>		
Actuarial Losses on Obligation (net of plan assets) for the year	6.18	(21.22)
Return on Plan Assets Excluding Interest Income	0.92	0.26
<b>Net Expenses for the year Recognised in OCI (including discontinued operations)</b>	<b>7.10</b>	<b>(20.96)</b>

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

	₹ Crore	
Particulars	2018-19	2017-18
<b>Major Categories of plan asses as a percentage of total</b>		
Insurance Fund	100%	100%
<b>Prescribed Contribution For Next Year</b>	<b>29.64</b>	<b>70.30</b>
<b>Maturity Analysis of Project Benefit Obligation : From Fund</b>		
Projected Benefit in Future Years From Date of Reporting		
Within next 12 months	12.22	72.95
Between 2 to 5 years	22.71	179.16
Beyond 6 years	107.90	419.61
<b>Sensitivity Analysis</b>		
Present value of Defined Benefits Obligation at the end of the year	137.07	659.64
<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	(2.78%) to (6.40%)	(2.33%) to (8.32%)
Impact on defined benefit obligation –in % decrease	2.96% to 7.38%	2.52% to 8.32%
<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	2.75% to 6.85%	2.50% to 9.07%
Impact on defined benefit obligation –in % decrease	(2.65%) to (6.20%)	(2.50%) to (8.21%)

\* Includes ₹ Nil (₹ 0.07 Crore) for Discontinued Operations of WRSS.

# Includes ₹ 21.23 Crore for the financial year 2018-19 towards discontinued operations of MPB

# # Includes ₹ 17.48 Crore towards discontinued operations of MPB

### 37. Notes related to BRPL and BYPL (Delhi 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 (₹ 35.32 Crore) and in case of BYPL ₹ 12.27 Crore (₹ 12.10 Crore) is lying under provision for retirement of fixed assets.
- (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 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. Pending outcome of this case and as per the instructions of DERC, the Company has been refunding the security deposit to DVB consumers.
- (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, 2018 is @ 8.15 %. Accordingly, BRPL and BYPL have provided for interest amounting ₹ 63.54 Crore (₹ 56.63 Crore) and ₹ 35.94 Crore (₹ 33.28 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 GoNCTD if the contention is upheld by the High Court of Delhi.



Notes to the consolidated financial statements as at and for the year ended March 31, 2019

**(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.

Delhi Power Utilities had filed contempt case in January 2015 against Senior Officials of the Companies alleging non compliance of the Supreme Court order 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 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. In last hearing on May 02, 2018, the Hon'ble Judge did not pronounce the judgement. Since then, both the Judges have retired. However, on April 11, 2019 new interim application have been filed by certain power utilities in pending contempt petitions of 2015 alleging non compliance of Supreme Court order regarding payment of current dues. Applications are yet to be listed. The matter shall be re-heard before another Bench.

**(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 (Delhi 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. Delhi 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, Delhi 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 Delhi 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 Delhi 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, Delhi 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. Delhi discoms have submitted their replies. Matter was last listed on 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 Bench opined that the instant appeals need not be referred to the Constitution Bench and adjudication of the appeals should not await the outcome of the decision of the Constitution Bench. In terms of the signed order, appeals were directed to be listed for hearing on merits. Next date of hearing is not yet fixed.

# Reliance Infrastructure Limited

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### (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 ₹ 568.19 Crore (₹ 336.32 Crore) and ₹ 378.90 Crore (₹ 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 Orders on September 29, 2015 upto March 31, 2014 and on August 31, 2017 for the Financial Years 2014-15 and 2015-16 and on March 28, 2018 for the Financial Year 2016-17 to two subsidiaries of the Parent Company, namely BRPL and BYPL, whereby DERC had trued up the revenue gap with certain dis-allowances. The Delhi Discoms have preferred appeals against the orders before Hon'ble Appellate Tribunal for Electricity (APTEL). Based on legal opinion, the impacts of such disallowances, which are subject matter of appeal, have not been considered in the computation of regulatory assets for the respective years.

### (g) Pension Trust Surcharge:

As per DERC directives in the Tariff order dated March 28, 2018, a surcharge of 3.80% has been allowed w.e.f. April 01, 2018 (Previous year 3.70% w.e.f. September 01, 2017) towards recovery of Pension Trust surcharge of erstwhile DVB Employees/Pensioners as recommended by GoNCTD. Accordingly Delhi Discoms are billing and collecting the same from the consumers for onwards payment to the pension trust on monthly basis. As per DERC directive, any under recovery/over recovery from customers shall be considered by DERC at the time of true up, therefore, no impact on profit or loss for the period is envisaged by Delhi Discoms.

## 38. Notes related to RPower :

### (a) The Parent Company has an investment of ₹ 5,756.85 Crore as at March 31, 2019 which represents 33.10% shareholding in RPower. Further, the Parent Company also has net recoverable amounts aggregating to ₹ 1,400.29 crore from RPower Group as at March 31, 2019. RPower has incurred a net loss (after impairment of certain assets) of ₹ 2,951.83 crore for the year ended March 31, 2019 and its current liabilities exceeded its current assets by ₹ 12,249.17 crore as at that date. Management has performed an impairment assessment of its investment and recoverable amounts in RPower as required by Indian Accounting Standard 36 Impairment of assets/ Indian Accounting Standard 109 Financial Instruments, by considering inter alia the valuations of the underlying subsidiaries of RPower which are based on their value in use (considering discounted cash flows) and valuations of other assets of RPower/its subsidiaries based on their fair values, which have been determined by external valuation experts and / or management's internal evaluation. The determination of the value in use / fair value involves significant management judgment and estimates on the various assumptions including relating to growth rates, discount rates, terminal value, time that may be required to identify buyers, negotiation discounts etc. Further, management believes that the above assessment based on value in use / fair value appropriately reflects the recoverable amount of the investment as the current market price of shares of RPower does not reflect the fundamentals of the business and is an aberration. Based on management's assessment and the independent valuation reports, the Group has recorded an impairment loss on investment of ₹ 287.03 crore, as an exceptional item, as at and for the year ended March 31, 2019, which represents the excess of the carrying amount of the investment over its estimated recoverable amount. Further, management believes that no impairment is required in respect of the recoverable amounts.

### (b) Rosa Power Supply Company Limited (RPSCL), the wholly owned subsidiary of RPower, an associate of the Parent Company, Uttar Pradesh Electricity Regulatory Commission (UPERC) passed the Tariff Order on August 22, 2017 rejecting various claims of RPSCL pursuant to the provisions of the Power Purchase Agreement (PPA). RPSCL filed a review petition with the UPERC and also preferred an appeal before APTEL on October 03, 2017 on the tariff determined/trued-up for the period March 12, 2010 to March 31, 2014. RPSCL also preferred a writ petition before Lucknow Bench of Hon'ble Allahabad High Court challenging the UPERC (Terms & Condition of Generation Tariff) Regulations, 2014, which was applied by UPERC for the tariff determined for the period April 01, 2014 to March 31, 2019. In respect of the review petition, UPERC issued order on April 25, 2018 rejecting certain contentions of RPSCL. Pending the appeal before APTEL and the writ petition before Lucknow Bench of Hon'ble Allahabad High Court, RPSCL has been recognizing revenues based on the UPERC Tariff Order dated March 28, 2011 and UPERC Order dated May 21, 2012.

Hon'ble Supreme Court, vide its Judgment dated April 19, 2018 and January 21, 2019 issued in other cases has held that UPERC (Terms & Condition of Generation Tariff) Regulations, 2014 override the Power Purchase Agreement (PPA) unless a carve out within the Regulation enables the applicability of the PPA.

In view of the above, RPSCL believes that revenue must be recognized as per the Tariff Order of UPERC dated August 22, 2017 subject only to the extent that the Regulations have a carve out relating to earlier PPAs. As the Supreme Court judgement would be held to lay down the law as it always was, effect of the same has also to be given in the financial statements of RPSCL for the financial year 2017-18.

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

Vidarbha Industries Power Limited (VIPL) the wholly owned subsidiary of RPower, had filed a petition with Maharashtra Electricity Regulatory Commission (MERC) for tariff determined/ true-up for the period FY 2014-15 to FY 2019-20. MERC, in its order dated 20 June 2016, disallowed actual cost of coal claimed by the VIPL. Against the said Order of MERC, VIPL filed an appeal with APTEL. In its Judgment dated November 03, 2016, APTEL directed MERC to re-determine the tariff by allowing the pass through of actual cost of coal with a certain cap. On January 03, 2017, MERC filed a civil appeal against the said Order of APTEL in Hon'ble Supreme Court of India. Pending the adjudication of above referred matters, VIPL has recognised the revenue based on complete pass through of costs as per the terms of PPA and without considering disallowance. Subsequent to the civil appeal filed by MERC, Hon'ble Supreme Court, vide its Judgment dated April 11, 2017 has laid down the law with respect to non-availability/ supply of indigenous coal as Change in Law event, requiring passing through of the cost of coal procured from alternate sources in tariff.

Further, in accordance with the ratio determined in the said Judgment of Hon'ble Supreme Court, MERC has granted relief in several similar matters of other power generating companies.

Consequently, upon the petitions filed by VIPL, MERC, vide its Order September 14, 2018 has directed VIPL to file a revised Mid Term Review Petition (MTR). Pending the final Order from MERC in MTR Petition, VIPL considers it appropriate to revise its financial statement and to limit its recognition of revenue on the basis of principles enumerated by APTEL.

RPSCL and VIPL therefore, filed Writ Petitions in the Hon'ble Bombay High Court for seeking liberty to file application under Section 131 of the Companies Act 2013 along with the revised financial statements for year ended March 31, 2018 before National Company Law Tribunal (NCLT), Mumbai Bench. The Hon'ble Bombay High Court, has vide its order dated March 26, 2019, granted liberty to RPSCL and VIPL to revise their financial statements for the year ended March, 31, 2018 and seek the approval of the NCLT under section 131 of the Companies Act, 2013.

Accordingly share of Profit for the year ended March 31, 2018 is lower by ₹ 84.00 crore. Similarly Earning per Share (Basic/ Diluted) (EPS) has been restated to ₹ 47.74 from the reported EPS of ₹ 50.93. Carrying Cost of Associate (RPower) has been restated as at April 01, 2017 and the same is lower by ₹ 454.87 crore.

- (c) The subsidiaries of RPower, an associate of the Parent Company carried out impairment testing of Property, plant and equipments and other assets considering overall situations and accordingly, as required, certain subsidiaries provided for the impairment in the Statement of Profit and Loss for the year ended March 31, 2019. Rajasthan Sun Technique Energy Private Limited (RSTEPL) (which operates a concentrated solar power facility based on pioneering technology) and Samalkot Power Limited (which was intended to set up a gas based power plant), based on the valuation exercise carried out by independent experts, have provided for impairment of Property, plant and equipments on March 31, 2019, as a result of the gas based power project being stranded due to non-availability of gas, in line with a large number of gas based power projects, Rosa Power Supply Company Limited (RPSCL) has written off certain receivables and Reliance Natural Resources (Singapore) Pte. Ltd. has provided for impairment of receivables relating to advances for mining, power and other projects during the year ended March 31, 2019.

During the year, RPower, an associate of the Parent Company has carried out impairment testing of its assets and provided for impairment aggregating to ₹ 1,430.37 crore and considered the same as an exceptional item and adjusted by withdrawing ₹ 1,017.02 crore from General Reserve pursuant to the composite scheme of arrangement between RPower, Reliance Natural Resources Limited, erstwhile Reliance Futura Limited and four wholly owned subsidiaries of RPower viz. Atos Trading Private Limited, Atos Mercantile Private Limited, Reliance Prima Limited and Coastal Andhra Power Infrastructure Limited approved by the Hon'ble High Court of Judicature of Mumbai vide order dated October 15, 2010 wherein RPower is permitted to offset any expenses or losses, which in the opinion of the Board of Directors are beyond the control of RPower. Had such provision of expenses not been met from General Reserve, the share of loss of associate would have been higher by ₹ 337.98 crore.

- (d) RPL Solar Power Private Limited, RPL Sunlight Power Private Limited, RPL Surya Power Private Limited, RPL Solaris Power Private Limited and Vinayak Ventures Private Limited have lent an amount aggregating to ₹ 384.56 crore during the year ended March 31, 2019 to RPower. RPower does not have any influence on the directors and/ or its operations of the said companies and hence, without regarding the said companies as related parties. However, in view of the qualifying remark by its Statutory Auditors, Audit Committee of RPower at its meeting held on June 8, 2019 has out of abundant caution and in compliance with the highest standards of corporate governance considered and ratified the transactions.

**39. 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.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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.

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 CBDTPL 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 CBDTPL vide letter dated December 28, 2017, has submitted the Revised Restructuring Proposal to TSIIC, to ensure that the viability of the project is maintained.

Further TSIIC vide letter dated June 21, 2018 asked the CBDTPL to submit the fresh proposal/commitment taking the zero date for the project as January 01, 2019. Therefore CBDTPL has resubmitted the Proposal dated July 09, 2018 considering the effective date to be later of January 01, 2019 or the date on which both party execute the Proposal. Further, the CBDTPL, on advise of TSIIC, revised few of the terms of the proposal and re submitted the proposal on December 12, 2018. The CBDTPL has been assured of early decision on its proposal. Based on the revised proposal, TSIIC has appointed E&Y to study and give its recommendation on the revised proposal to it.

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 ₹ 278.79 Crore @ 12% p.a compounded annually on ₹ 230.27 Crore balance land cost payment of module- II and (b) Interest of ₹ 101.84 Crore on Debentures, both for the period from April 01, 2012 to March 31, 2019, as per the existing agreements.

### (b) Project Status of NKTCL and TTCL:

- i) 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. The ATE vide its order dated February 01, 2019 directed to approach CERC, so that CERC may seek necessary advice from the CEA (u/s 73(n) of EA), as to whether the project is required or not. If required, CERC may also adjudicate on the monetary compensation. NKTCL and TTCL filed a petition in CERC (40 of 2019) and an order for no coercive action against the Bank Guarantees (BGs) against the IA has been granted by the CERC. A petition has been filed in CERC as directed by ATE. Date of hearing is awaited

- iii) As the approval by Ministry of Power (MoP) u/s 68 of Electricity Act 2003 to the project have already expired, NKTCL and TTCL has filed a letter on January 14, 2014 requesting extension of the same, but MoP's response is still awaited. Pending the said approval, the Transmission Service Agreement (TSA) would not become operative and implementation of the Project could not be commenced.

## Reliance Infrastructure Limited

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#### 40. Interests in other entities

##### (a) Subsidiaries

The Group's subsidiaries at March 31, 2019 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, 2019 %	March 31, 2018 %	March 31, 2019 %	March 31, 2018 %
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	99.95	0.05	0.05
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	100.00	-	-
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 Limited (erstwhile Nanded Airport Private Limited)	Airport Operation and Maintenance	India	74.24	74.24	25.76	25.76
Baramati Airport Limited (erstwhile Baramati Airport Private Limited)	Airport Operation and Maintenance	India	74.24	74.24	25.76	25.76
Latur Airport Limited (erstwhile Latur Airport Private Limited)	Airport Operation and Maintenance	India	74.24	74.24	25.76	25.76
Yavatmal Airport Limited (erstwhile Yavatmal Airport Private Limited)	Airport Operation and Maintenance	India	74.24	74.24	25.76	25.76
Osmanabad Airport Limited (erstwhile Osmanabad Airport Private Limited)	Airport Operation and Maintenance	India	74.24	74.24	25.76	25.76
Reliance Airport Developers Limited	Airport Operation and Maintenance	India	65.21	65.21	34.79	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 Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

Name of entity	Principal activities	Place of business/ country of incorporation	Controlling interest held by the group		Non-controlling interest	
			March 31, 2019 %	March 31, 2018 %	March 31, 2019 %	March 31, 2018 %
Reliance Cement Corporation Private Limited	Cement manufacture	India	100.00	100.00	-	-
Reliance Electric Generation and Supply Limited (upto August 28, 2018)	Power, generation, transmission and distribution	India	-	100.00	-	-
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	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	51.00	49.00	49.00
Reliance Aero Systems Private Limited (erstwhile 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	-	-
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 Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

Name of entity	Principal activities	Place of business/ country of incorporation	Controlling interest held by the group		Non-controlling interest	
			March 31, 2019 %	March 31, 2018 %	March 31, 2019 %	March 31, 2018 %
Reliance Energy Limited	Power generation, operations & maintenance of power stations and power trading	India	100.00	100.00	-	-
Thales Reliance Defence System Limited	Defence systems manufacture	India	51.00	51.00	49.00	49.00
Reliance Global Limited (w.e.f. July 16, 2018)	Engineering and Construction	South Korea	100.00	-	-	-
Reliance Property Developers Private Limited	Power, generation, transmission and distribution	India	100.00	100.00	-	-
Reliance Armaments Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Ammunition Limited	Defence systems manufacture	India	100.00	100.00	-	-
Reliance Velocity Limited	Urban Transport Systems	India	100.00	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 which 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, 2019	1,490.50	10,909.75	(9,419.25)	13,916.95	2,052.71	11,864.25	2,445.00	1,198.05
March 31, 2018	1,278.05	10,819.06	(9,541.01)	13,739.86	1,995.77	11,744.09	2,203.07	1,079.51
<b>BSES Yamuna Power Limited</b>								
March 31, 2019	641.20	8,785.35	(8,144.16)	10,830.37	1,547.35	9,283.01	1,138.86	558.04
March 31, 2018	619.16	8,857.12	(8,237.96)	10,824.21	1,592.43	9,231.78	993.82	486.97
<b>Mumbai Metro One Private Limited</b>								
March 31, 2019	12.07	2,866.76	(2,854.69)	2,831.72	2,02.57	2,629.15	(225.54)	(289.23)
March 31, 2018	10.22	982.91	(972.62)	2,919.90	1,937.25	982.65	10.03	(216.20)
<b>PS Toll Road Private Limited</b>								
March 31, 2019	51.93	265.97	(214.06)	3,462.44	1,901.55	1,560.89	1,346.83	69.85
March 31, 2018	71.75	284.27	(212.52)	3,549.63	1,922.20	1,627.43	1,414.91	87.55



# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 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>						
March 31, 2019	10,335.38	241.35	0.57	241.92	118.54	-
March 31, 2018	9,683.79	94.00	0.27	94.27	46.19	-
<b>BSES Yamuna Power Limited</b>						
March 31, 2019	5,908.81	144.89	0.28	145.17	71.13	-
March 31, 2018	5,659.20	25.34	0.18	25.52	12.50	-
<b>Mumbai Metro One Private Limited</b>						
March 31, 2019	322.33	(235.35)	0.22	(235.57)	(73.03)	-
March 31, 2018	318.52	(238.31)	0.02	(238.29)	(73.87)	-
<b>PS Toll Road Private Limited</b>						
March 31, 2019	352.87	(68.52)	0.45	(68.06)	(17.70)	-
March 31, 2018	346.91	(110.80)	0.10	(110.70)	(28.78)	-

### 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>				
March 31, 2019	550.42	(540.27)	(73.24)	(63.09)
March 31, 2018	1,397.39	(454.19)	(992.61)	(49.41)
<b>BSES Yamuna Power Limited</b>				
March 31, 2019	529.26	(264.09)	(310.49)	(45.32)
March 31, 2018	841.53	(325.04)	(447.81)	68.68
<b>Mumbai Metro One Private Limited</b>				
March 31, 2019	161.98	1.37	(164.86)	(1.51)
March 31, 2018	136.38	14.34	(147.53)	3.20
<b>PS Toll Road Private Limited</b>				
March 31, 2019	262.07	(210.37)	(53.90)	(2.20)
March 31, 2018	169.96	(142.60)	(30.10)	(2.74)

### (c) 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.

### (d) Interest in Jointly Controlled Operations

**Coal Bed Methane:** 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 CBM gas from these four CBM blocks. The Parent Company as part of the consortium had 45% 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. In SP(N) CBM block, Company subsequently acquired 10% share and Operatorship from M/s. Geopetrol International Inc.

**MZ-ONN-2004 / 2:** 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 had 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 to the consolidated financial statements as at and for the year ended March 31, 2019

**Rinfra Astaldi Joint Venture (Metro):** The Parent Company along with ASTALDI S.P.A. (ASTALDI), a company incorporated under the law of Italy, consortium was allotted a project for Part Design and Construction of Elevated Viaduct and Elevated Stations [Excluding Architectural Finishing & Pre-engineered steel roof structure of Stations] from Chainage (-) 550 M TO 31872.088 M of LINE-4 CORRIDOR [Wadala-Ghatkopar-Mulund-Thane Kasarvadavali] of Mumbai Metro Rail Project of MMRDA

**Reliance Astaldi JV (VBSL):** The Parent Company along with ASTALDI S.P.A. (ASTALDI), a company incorporated under the law of Italy, consortium was allotted a project from Maharashtra State Road Development Corporation Ltd. (MSRDC) for Design, Construction and Maintenance of 17.17 km length of Versova Bandra Sea Link (VBSL) in the State of Maharashtra.

**Kashedighat JV:** The Parent Company along with "Construction Association Interbudmontazh" (CAI), a company registered at Ukraine, consortium was allotted a project from Ministry of Road Transport & Highways (MoRTH) through PWD, Maharashtra for Rehabilitation and Upgradation of NH-66 (Erstwhile NH-17) including 6 Lanes near Parshuram village in the State of Maharashtra under NHDP-IV on EPC Mode of Contract.

#### Disclosure of the Company's share in Joint Controlled Operations:

Name of the Field in the Joint Venture	Location	Participating Interest (%) March 31, 2019	Participating Interest (%) March 31, 2018
SP-(North) – CBM – 2005 / III	Sohagpur, Madhya Pradesh	55 % **	55 % **
MZ-ONN-2004 / 2	Mizoram	Terminated ***	70% ***
Rinfra Astaldi Joint Venture (Metro)	Mumbai, Maharashtra	74%	-
Reliance Astaldi JV (VBSL)	Mumbai, Maharashtra	70%	-
Kashedighat	Parshuram Village, Maharashtra	90%	-

\*\*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. DGH approved exploration Phase-II commencement date as February 28, 2018 with Company as Operator.

\*\*\* 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 Parent 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 Parent 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. 22 above.

(\* Share of RNRL has since been demerged to 4 Subsidiary Companies of Reliance Power Limited).

Based on the audited statement of accounts of the JV, the Company's shares in respect of assets and liabilities and expenditure for the year have been accounted as under.

₹ Crore

Particulars	2018-19					2017-18				
	Rinfra Astaldi JV (Metro)	Reliance Astaldi JV (VBSL)	Kashedighat JV	Mizo Block	CBM Block	Rinfra Astaldi JV (Metro)	Reliance Astaldi JV (VBSL)	Kashedighat JV	Mizo Block	CBM Block
Income	61.90	15.35	17.91	-	-	-	-	-	-	-
Expenses	61.90	15.35	17.91	-	0.03	-	-	-	-	1.34
Non Current Assets	4.79	0.65	0.32	-	-	-	-	-	-	-
Current Assets	55.12	18.28	7.69	0.24	3.53	-	-	-	0.24	3.53
Non Current Liabilities	33.97	0.69	1.03	-	-	-	-	-	-	-
Current Liabilities	25.94	18.24	6.98	-	0.01	-	-	-	-	0.01

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

#### (f) Interests in Associates and Joint Venture accounted using the equity method

##### (i) Details of carrying value of Associates and Joint Venture

₹ Crore

Name of entity	Place of business/ country of incorporation	% of ownership interest as at		Quoted fair value	Carrying amount
Reliance Power Limited	India	March 31, 2019	33.10%	1,053.85	5,469.82
		March 31, 2018	43.22%	4,375.31	9,177.80
Metro One Operation Private Limited	India	March 31, 2019	30.00%	*	2.47
		March 31, 2018	30.00%	*	1.14
Reliance Geo Thermal Power Private Limited	India	March 31, 2019	25.00%	*	-
		March 31, 2018	25.00%	*	-
RPL Sun Technique Private Limited	India	March 31, 2019	50.00%	*	-
		March 31, 2018	50.00%	*	-
RPL Photon Private Limited	India	March 31, 2019	50.00%	*	-
		March 31, 2018	50.00%	*	-
RPL Sun Power Private Limited	India	March 31, 2019	50.00%	*	-
		March 31, 2018	50.00%	*	-
Reliance Naval and Engineering Limited	India	March 31, 2019	29.84%	237.71	-
		March 31, 2018	30.76%	620.08	967.04
Utility Powertech Limited	India	March 31, 2019	19.80%	*	24.22
		March 31, 2018	19.80%	*	19.95
<b>Total</b>		<b>March 31, 2019</b>			<b>5,496.51</b>
		March 31, 2018			10,165.93

\* 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.

##### **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**

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.

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

#### a) Summarised Balance Sheet (Material Associates)

Particulars	Reliance Power Limited		Reliance Naval and Engineering Limited	
	As at	As at	As at	As at
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Total current assets	5,959.28	7,997.40	1,678.13	1,841.59
Total non-current assets	52,119.12	54,176.54	2,468.18	11,152.89
Total current liabilities	18,208.45	12,283.86	14,231.90	11,365.48
Total non-current liabilities	22,492.48	28,655.12	335.90	1,185.56
<b>Net assets</b>	<b>17,377.47</b>	<b>21,234.96</b>	<b>(10421.49)</b>	<b>443.44</b>

#### Reconciliation to carrying amounts

Particulars	Reliance Power Limited		Reliance Naval and Engineering Limited	
	As at	As at	As at	As at
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Opening carrying value	9,177.80	8,784.52	967.04	1,318.34
Profit / (Loss) for the year	(1,052.70)	363.25	(337.68)	(311.37)
Other comprehensive income	45.20	2.87	0.03	0.08
Stake increased/(decreased) during the year	(2,075.47)	-	-	(40.01)
Carrying cost adjustments	(337.98)	27.16	-	-
Impairment Loss/Written Off (Refer note 31)	(287.03)	-	(629.40)	-
<b>Closing carrying value</b>	<b>5,469.82</b>	<b>9,177.80</b>	<b>-</b>	<b>967.04</b>
Group's share in %	33.10%	43.22%	29.84%	29.84%
Group's share in ₹	5,469.82	9,177.80	-	967.04
Including Goodwill	-	-	-	901.92
<b>Carrying amount</b>	<b>5,469.82</b>	<b>9,177.80</b>	<b>-</b>	<b>967.04</b>

#### Summarised Statement of Profit and Loss

Particulars	Reliance Power Limited		Reliance Naval and Engineering Limited	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue	8,534.26	9,871.01	184.66	457.13
Profit / (Loss) from Continuing Operations	(2,955.91)	835.70	(10,926.55)	(1,011.97)
Profit / (Loss) after tax from Discontinued Operations	4.09	4.75	-	-
Other comprehensive income	119.62	6.63	(0.12)	0.27
<b>Total comprehensive income</b>	<b>(2,832.20)</b>	<b>847.09</b>	<b>(10,926.67)</b>	<b>(1,011.70)</b>
Dividends received	-	-	-	-

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### b) Summarised Statement of Profit and Loss of Immaterial Associates

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Share in profit or (loss)	1.89	0.66
Share in other comprehensive income	-	(0.05)
Share in total comprehensive income	1.89	0.61

### c) Summarised Statement of Profit and Loss of Immaterial Joint Venture

Particulars	₹ Crore	
	Year ended March 31, 2019	Year ended March 31, 2018
Share in profit or (loss)	5.65	4.16
Share in other comprehensive income (@ ₹ 21,384)	@	(0.27)
Share in total comprehensive income	5.65	3.89

### 41. 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, 2019	100.81%	14,290.88	37.64%	(913.39)	10.49%	5.62	38.25%	(907.77)
March 31, 2018	92.84%	21,984.66	132.57%	1,664.37	83.23%	19.13	131.68%	1,683.50
<b>Subsidiaries (group's share)</b>								
<b>Indian</b>								
<b>BSES Kerala Power Limited</b>								
March 31, 2019	2.58%	365.60	0.86%	(20.91)	0.00%	0.00	0.88%	(20.91)
March 31, 2018	1.63%	386.50	-0.99%	(12.37)	0.00%	0.00	-0.97%	(12.37)
<b>Reliance Power Transmission Limited</b>								
March 31, 2019	0.28%	40.17	0.01%	(0.17)	0.00%	0.00	0.01%	(0.17)
March 31, 2018	0.17%	40.33	-0.06%	(0.77)	0.16%	0.04	-0.06%	(0.73)
<b>North Karanpura Transmission Company Limited</b>								
March 31, 2019	0.00%	(0.40)	0.01%	(0.15)	0.00%	0.00	0.01%	(0.15)
March 31, 2018	0.00%	(0.42)	-0.02%	(0.31)	0.00%	0.00	-0.02%	(0.31)
<b>Talcher II Transmission Company Limited</b>								
March 31, 2019	0.00%	(0.25)	0.01%	(0.16)	0.00%	0.00	0.01%	(0.16)
March 31, 2018	0.00%	(0.27)	-0.02%	(0.27)	0.00%	0.00	-0.02%	(0.27)
<b>Parbati Koldam Transmission Company Limited</b>								
March 31, 2019	2.85%	403.84	-2.03%	49.24	0.12%	0.06	-2.08%	49.30
March 31, 2018	1.72%	407.17	2.17%	27.18	-0.52%	(0.12)	2.12%	27.06
<b>Mumbai Metro One Private Limited</b>								
March 31, 2019	-1.16%	(164.15)	9.70%	(235.35)	-0.42%	(0.22)	9.93%	(235.57)
March 31, 2018	0.30%	71.42	-18.98%	(238.31)	0.08%	0.02	-18.64%	(238.29)
<b>Reliance Sea Link One Private Limited</b>								
March 31, 2019	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
March 31, 2018	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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>DS Toll Road Limited</b>								
March 31, 2019	0.44%	61.84	-0.24%	5.74	-0.86%	(0.46)	-0.22%	5.28
March 31, 2018	0.24%	56.57	-0.16%	(2.01)	0.00%	0.00	-0.16%	(2.01)
<b>NK Toll Road Limited</b>								
March 31, 2019	1.15%	162.94	0.49%	(11.84)	0.00%	0.00	0.50%	(11.84)
March 31, 2018	0.74%	174.78	-0.10%	(1.32)	0.00%	0.00	-0.10%	(1.32)
<b>GF Toll Road Private Limited</b>								
March 31, 2019	1.18%	167.47	1.07%	(25.89)	0.15%	0.08	1.09%	(25.82)
March 31, 2018	0.79%	185.90	-2.61%	(32.79)	0.03%	0.01	-2.56%	(32.79)
<b>KM Toll Road Private Limited</b>								
March 31, 2019	2.55%	361.38	3.58%	(86.78)	0.08%	0.04	3.65%	(86.74)
March 31, 2018	1.76%	416.81	-2.48%	(31.09)	-0.04%	(0.01)	-2.43%	(31.10)
<b>PS Toll Road Private Limited</b>								
March 31, 2019	9.50%	1,346.83	2.82%	(68.53)	0.85%	0.45	2.87%	(68.08)
March 31, 2018	5.98%	1,414.91	-8.83%	(110.80)	0.45%	0.10	-8.66%	(110.70)
<b>DA Toll Road Private Limited</b>								
March 31, 2019	5.86%	831.34	0.05%	(1.14)	0.80%	0.43	0.03%	(0.71)
March 31, 2018	3.51%	832.05	-0.06%	(0.70)	-0.52%	(0.12)	-0.06%	(0.82)
<b>HK Toll Road Private Limited</b>								
March 31, 2019	1.73%	245.80	2.34%	(56.84)	-0.26%	(0.14)	2.40%	(56.97)
March 31, 2018	1.28%	302.78	-3.19%	(40.06)	0.55%	0.13	-3.12%	(39.93)
<b>TK Toll Road Private Limited</b>								
March 31, 2019	2.33%	331.00	0.51%	(12.37)	0.09%	0.05	0.52%	(12.32)
March 31, 2018	1.43%	339.80	-0.72%	(8.99)	-0.20%	(0.05)	-0.71%	(9.04)
<b>TD Toll Road Private Limited</b>								
March 31, 2019	0.56%	79.16	0.01%	(0.35)	0.35%	0.19	0.01%	(0.16)
March 31, 2018	0.33%	77.61	-1.00%	(12.57)	-0.49%	(0.11)	-0.99%	(12.68)
<b>SU Toll Road Private Limited</b>								
March 31, 2019	0.85%	120.18	1.15%	(27.87)	-0.34%	(0.18)	1.18%	(28.05)
March 31, 2018	0.63%	148.24	-1.47%	(18.45)	-0.03%	(0.01)	-1.44%	(18.46)
<b>JR Toll Road Private Limited</b>								
March 31, 2019	0.45%	63.75	0.43%	(10.54)	0.12%	0.06	0.44%	(10.48)
March 31, 2018	0.28%	66.13	-1.65%	(20.76)	-0.33%	(0.08)	-1.63%	(20.84)
<b>Reliance Energy Trading Limited</b>								
March 31, 2019	0.06%	8.02	0.23%	(5.53)	0.00%	0.00	0.23%	(5.53)
March 31, 2018	0.06%	13.84	0.04%	0.52	0.00%	0.00	0.04%	0.52
<b>CBD Tower Private Limited</b>								
March 31, 2019	1.32%	186.55	0.00%	0.00	0.00%	0.00	0.00%	0.00
March 31, 2018	0.79%	186.55	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Reliance Electric Generation and Supply Limited</b>								
March 31, 2019	0.00%	0.00	0.00%	0.00	4.94%	2.65	-0.11%	2.65
March 31, 2018	-0.18%	(43.79)	-3.78%	(47.48)	0.00%	0.00	-3.71%	(47.48)

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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>Utility Infrastructure &amp; Works Private Limited</b>								
March 31, 2019	0.03%	3.66	0.13%	(3.14)	0.00%	0.00	0.13%	(3.14)
March 31, 2018	0.03%	6.80	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Airport Developers Limited</b>								
March 31, 2019	0.50%	70.82	0.00%	0.02	0.00%	0.00	0.00%	0.02
March 31, 2018	0.30%	70.80	-0.01%	(0.10)	0.00%	0.00	-0.01%	(0.10)
<b>Baramati Airport Limited</b>								
March 31, 2019	0.10%	14.78	0.01%	(0.33)	0.00%	0.00	0.01%	(0.33)
March 31, 2018	0.06%	15.12	-0.02%	(0.31)	0.00%	0.00	-0.02%	(0.31)
<b>Latur Airport Limited</b>								
March 31, 2019	0.02%	3.41	0.02%	(0.40)	0.00%	0.00	0.02%	(0.40)
March 31, 2018	0.02%	3.81	-0.03%	(0.38)	0.00%	0.00	-0.03%	(0.38)
<b>Nanded Airport Limited</b>								
March 31, 2019	-0.07%	(10.52)	0.11%	(2.58)	0.00%	0.00	0.11%	(2.58)
March 31, 2018	-0.03%	(7.93)	-0.73%	(9.12)	0.00%	0.00	-0.71%	(9.12)
<b>Osmanabad Airport Limited</b>								
March 31, 2019	0.04%	5.75	0.01%	(0.24)	0.00%	0.00	0.01%	(0.24)
March 31, 2018	0.03%	5.99	-0.03%	(0.43)	0.00%	0.00	-0.03%	(0.43)
<b>Yavatmal Airport Limited</b>								
March 31, 2019	0.01%	1.27	0.01%	(0.34)	0.00%	0.00	0.01%	(0.34)
March 31, 2018	0.01%	1.61	-0.02%	(0.29)	0.00%	0.00	-0.02%	(0.29)
<b>Reliance Cement Corporation Private Limited</b>								
March 31, 2019	-0.07%	(9.32)	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	-0.04%	(9.32)	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Reliance Defence Systems Private Limited</b>								
March 31, 2019	0.00%	(0.18)	62.13%	(1,507.72)	0.03%	0.02	63.53%	(1,507.70)
March 31, 2018	6.04%	1,429.53	-2.39%	(30.07)	0.04%	0.01	-2.35%	(30.06)
<b>Reliance Defence Technologies Private Limited</b>								
March 31, 2019	0.00%	(0.01)	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	(0.00)	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Defence &amp; Aerospace Private Limited</b>								
March 31, 2019	0.00%	(0.04)	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	(0.04)	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Defence Limited</b>								
March 31, 2019	0.00%	0.44	0.41%	(10.05)	0.83%	0.44	0.40%	(9.61)
March 31, 2018	0.00%	(0.55)	-1.55%	(19.43)	-1.02%	(0.23)	-1.54%	(19.67)
<b>Reliance Defence Infrastructure Limited</b>								
March 31, 2019	0.00%	0.03	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
March 31, 2018	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance SED Limited</b>								
March 31, 2019	0.00%	0.04	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
March 31, 2018	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)



# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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>Reliance Propulsion System Limited</b>								
March 31, 2019	0.00%	0.03	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Defence Systems &amp; Tech Limited</b>								
March 31, 2019	0.00%	(0.16)	-0.01%	0.16	0.00%	0.00	-0.01%	0.16
March 31, 2018	-0.01%	(2.82)	-0.18%	(2.22)	0.01%	0.00	-0.17%	(2.22)
<b>Reliance Helicopters Limited</b>								
March 31, 2019	0.00%	0.03	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
March 31, 2018	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Land Systems Limited</b>								
March 31, 2019	0.00%	0.02	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
March 31, 2018	0.00%	0.03	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Naval Systems Limited</b>								
March 31, 2019	0.00%	0.03	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	0.03	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Unmanned Systems Limited</b>								
March 31, 2019	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Aerostructure Limited</b>								
March 31, 2019	-0.02%	(2.68)	-0.12%	2.94	0.00%	0.00	-0.12%	2.94
March 31, 2018	-0.02%	(5.62)	-0.11%	(1.32)	0.00%	0.00	-0.10%	(1.32)
<b>Reliance Cruise and Terminals Limited</b>								
March 31, 2019	0.00%	0.03	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	0.04	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Dassault Reliance Aerospace Limited</b>								
March 31, 2019	0.34%	48.45	0.25%	(6.02)	-0.05%	(0.03)	0.25%	(6.04)
March 31, 2018	0.05%	11.73	-0.32%	(3.97)	0.00%	0.00	-0.31%	(3.97)
<b>Reliance Aero Systems Private Limited</b>								
March 31, 2019	0.00%	0.00	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	0.01	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Smart Cities Limited</b>								
March 31, 2019	0.00%	0.03	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	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>								
March 31, 2019	0.00%	0.01	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	0.01	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Energy Limited</b>								
March 31, 2019	0.00%	0.03	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	0.04	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>BSES Rajdhani Power Limited</b>								
March 31, 2019	12.48%	1,769.29	-12.00%	291.27	1.06%	0.57	-12.30%	291.84
March 31, 2018	6.24%	1,477.40	11.56%	145.11	1.17%	0.27	11.37%	145.38

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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>BSES Yamuna Power Limited</b>								
March 31, 2019	6.63%	939.86	-7.08%	171.73	0.53%	0.28	-7.25%	172.01
March 31, 2018	3.24%	767.85	3.21%	40.31	0.79%	0.18	3.17%	40.49
<b>Tamil Nadu Industries Captive Power Company Limited</b>								
March 31, 2019	-0.01%	(0.72)	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
March 31, 2018	0.00%	(0.71)	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
<b>Delhi Airport Metro Express Private Limited</b>								
March 31, 2019	0.15%	21.60	0.37%	(9.05)	0.03%	0.02	0.38%	(9.03)
March 31, 2018	0.13%	30.64	-1.74%	(21.84)	-0.25%	(0.06)	-1.71%	(21.90)
<b>Mumbai Metro Transport Private Limited</b>								
March 31, 2019	0.00%	0.42	0.00%	(0.02)	0.00%	0.00	0.00%	(0.02)
March 31, 2018	0.00%	0.44	0.00%	(0.02)	0.00%	0.00	0.00%	(0.02)
<b>Western Transco Power Limited</b>								
March 31, 2019	-	-	-	-	-	-	-	-
March 31, 2018	-	-	0.15%	1.84	0.00%	0.00	0.14%	1.84
<b>Western Transmission (Gujarat) Limited</b>								
March 31, 2019	-	-	-	-	-	-	-	-
March 31, 2018	-	-	0.24%	3.01	0.00%	0.00	-0.13%	3.01
<b>Reliance Property Developers Private Limited</b>								
March 31, 2019	0.00%	0.00	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	0.01	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
<b>Reliance Armaments Limited</b>								
March 31, 2019	0.00%	0.04	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
March 31, 2018	0.00%	0.05	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Reliance Ammunition Limited</b>								
March 31, 2019	0.00%	0.04	0.00%	(0.01)	0.00%	0.00	0.00%	(0.01)
March 31, 2018	0.00%	0.05	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Reliance Velocity Limited</b>								
March 31, 2019	0.00%	(0.10)	0.00%	(0.11)	0.00%	0.00	0.00%	(0.11)
March 31, 2018	0.00%	0.01	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Reliance Toll Road Trust</b>								
March 31, 2019	-	-	-	-	-	-	-	-
March 31, 2018	0.04%	9.35	0.00%	-	0.00%	0.00	0.00%	0.00
<b>Reliance Delhi Metro Trust</b>								
March 31, 2019	0.00%	0.03	0.00%	-	0.00%	0.00	0.00%	0.00
March 31, 2018	0.00%	0.01	0.00%	-	0.00%	0.00	0.00%	0.00
<b>Thales Reliance Defence System Limited</b>								
March 31, 2019	-0.02%	(4.99)	0.25%	(6.00)	0.00%	0.00	0.25%	(6.00)
March 31, 2018	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Reliance Global Limited</b>								
March 31, 2019	0.00%	0.04	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
March 31, 2018	-	-	-	-	-	-	-	-

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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>Non-controlling interests in all subsidiaries</b>								
March 31, 2019	-11.92%	(1,690.11)	4.29%	(104.18)	-0.90%	(0.48)	4.41%	(104.66)
March 31, 2018	-6.66%	(1,576.47)	3.27%	41.04	-0.97%	(0.22)	-1.72%	40.82
<b>Associates</b>								
<b>(Investment as per equity method)</b>								
<b>Indian</b>								
<b>Reliance Power Limited</b>								
March 31, 2019	38.59%	5,469.82	43.38%	(1,052.70)	84.37%	45.20	42.45%	(1,007.50)
March 31, 2018	38.76%	9,177.80	28.93%	363.25	12.49%	2.87	28.64%	366.12
<b>Metro One Operation Private Limited</b>								
March 31, 2019	0.02%	2.47	-0.08%	1.89	0.02%	0.01	-0.08%	1.90
March 31, 2018	0.00%	1.14	0.05%	0.66	-0.04%	(0.01)	0.05%	0.65
<b>Reliance Naval and Engineering Limited</b>								
March 31, 2019	0.00%	-	13.91%	(337.68)	0.19%	0.03	14.22%	(337.58)
March 31, 2018	4.08%	967.04	-24.80%	(311.37)	0.36%	0.08	-24.35%	(311.29)
<b>Reliance Geo Thermal Power Private Limited</b>								
March 31, 2019	0.00%	-	0.00%	-	0.00%	-	0.00%	-
March 31, 2018	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>RPL Sun Technique Private Limited</b>								
March 31, 2019	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
March 31, 2018	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
<b>RPL Photon Private Limited</b>								
March 31, 2019	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
March 31, 2018	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
<b>RPL Sun Power Private Limited</b>								
March 31, 2019	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
March 31, 2018	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
<b>Joint ventures</b>								
<b>(Investment as per equity method)</b>								
<b>Indian</b>								
<b>Utility Powertech Limited</b>								
March 31, 2019	0.17%	24.22	-0.23%	5.65	0.00%	0.00	-0.24%	5.65
March 31, 2018	0.08%	19.95	0.33%	4.16	-1.17%	(0.27)	-0.16%	3.89
<b>Inter Co. Elimination/Adjustments arising out of consolidation</b>								
March 31, 2019	-80.31%	(11,384.10)	-64.40%	1,562.99	0.00%	0.00	-65.86%	1,562.99
March 31, 2018	-66.62%	(15,775.47)	-4.46%	(55.95)	0.00%	0.00	2.36%	(55.95)
<b>Total</b>								
March 31, 2019	100%	14,175.74	100%	(2,426.82)	100%	53.57	100%	(2,373.25)
March 31, 2018	100%	23,680.11	100%	1,255.50	100%	22.99	100%	1,278.49

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### 42. Fair Value Measurement and Financial Risk Management

#### (A) Fair Value Measurement

##### (a) Financial Instruments by category

₹ Crore

Particulars	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
<b>Investments</b>						
- Equity instruments	78.24	-	-	3.73	-	-
- Preference shares	678.62	-	-	1,412.64	-	-
- Debentures	1,151.53	-	-	1,010.11	-	-
- Mutual funds	16.63	-	-	378.88	-	-
- Government securities	-	-	-	-	-	120.80
Trade receivables	-	-	4,471.08	-	-	5,423.39
Inter Corporate Deposits	-	-	5,546.20	-	-	13,137.13
Security deposits	-	-	114.01	-	-	137.94
Loan to Employees	-	-	10.47	-	-	49.77
Other receivables	-	-	998.98	-	-	1,087.39
Receivable from DMRC	-	-	1,374.60	-	-	1,173.20
Claim receivable from NHAI	-	-	38.20	-	-	55.47
Grant receivable from NHAI	-	-	36.93	-	-	54.23
Unbilled Revenue	-	-	512.39	-	-	470.02
Margin Money with bank	-	-	133.97	-	-	126.36
Interest receivable	-	-	690.19	-	-	1,174.38
Cash and cash equivalents	-	-	634.95	-	-	525.77
Bank deposits with original maturity of more than 3 months but less than 12 months	-	-	259.38	-	-	619.51
Bank deposits with more than 12 months original maturity	-	-	40.15	-	-	8.64
<b>Total financial assets</b>	<b>1,925.02</b>	<b>-</b>	<b>14,861.50</b>	<b>2,805.36</b>	<b>-</b>	<b>24,164.00</b>
<b>Financial liabilities</b>						
Borrowings (including finance lease obligations and interest accrued thereon)	-	-	18,421.88	-	-	30,459.50
Trade payables	-	-	19,836.79	-	-	22,201.10
Other payable	-	-	143.77	-	-	1,009.65
Deposits from consumers	-	-	1,267.99	-	-	1,223.98
Deposits from Others	-	-	258.04	-	-	703.13
NHAI premium payable	-	-	2,902.98	-	-	2,782.65
Creditors for Capital Expenditure	-	-	781.00	-	-	790.88
Financial guarantee obligation	22.90	-	-	9.24	-	-
Unpaid dividends	-	-	16.05	-	-	15.46
<b>Total financial liabilities</b>	<b>22.90</b>	<b>-</b>	<b>43,628.51</b>	<b>9.24</b>	<b>-</b>	<b>59,186.35</b>

This section explains the judgments 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.

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# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

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 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	Financial Assets	Financial Liabilities
As at March 31, 2018	2,426.48	9.24
Other fair value gains(losses) recognised in Consolidated Statement of Profit and Loss (unrealised)	271.94	13.66
Loss recognised in Consolidated Statement of profit and loss	860.44	-
Sale Proceeds	4.10	-
<b>As at March 31, 2019</b>	<b>1,833.88</b>	<b>22.90</b>

### (e) Fair value of financial assets and liabilities measured at amortised cost

	₹ Crore			
Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Government securities	-	-	120.80	120.71
Service concession receivables	-	-	-	-
<b>Financial liabilities</b>				
Borrowings (including finance lease obligations and interest accrued thereon)	<b>18,421.88</b>	<b>18,449.55</b>	30,459.50	30,764.47

The carrying amounts of trade receivables, trade payables, advances to employees including interest thereon (secured/unsecured), intercorporate deposits, security deposits, deposits from customers, other receivable, 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.

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

(f) Valuation Inputs and relationship to fair value

Particulars	Fair Value as at		Valuation Techniques	Significant unobservable inputs and range
	March 31, 2019	March 31, 2018		
Equity Instruments	3.73	3.73	Earnings/EBIDTA Multiple Method	Earning growth Factor 7% to 9%
Preference Shares	678.62	1,412.64	Discounted Cash Flow	Discount rate: 12% to 16%
Debentures	1,151.53	1,010.11	Discounted Cash Flow	Discount rate: 12% to 16%
Financial Guarantee Obligation	22.90	9.24	Credit Default Swap (CDS)	One year CDS spread for respective entity's credit rating

(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 Company's risk management is carried out by the treasury department under policies approved by the board of directors. Treasury Department identifies, evaluates and hedge financial risks in close cooperation the Company's operating units

(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. 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

(ii) Provision for expected credit losses

**Trade receivables, retentions on contract and amounts due from customers for contract work**

The provision for expected credit losses on 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, based on the Company's past history, existing market conditions, current creditability of the party as well as forward looking estimates at the end of each reporting period.

**Investments other than equity instruments**

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



# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### Year ended March 31, 2019:

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	Security deposits	Rating 2	114.01	0%	NIL	114.01
		Other receivables	Rating 1	3,796.12	4%	144.83	3,651.29
		Inter Corporate Deposit	Rating 2 / 3	9,378.48	41%	3,832.28	5,546.20

### 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	Loss allowance measured at 12 month /Life time expected credit losses	Government securities	Rating 1	120.80	0%	-	120.80
		Security deposits	Rating 2	155.64	11%	17.70	137.94
		Other receivables	Rating 1	4,157.72	3%	143.03	4,014.69
		Inter Corporate Deposit	Rating 2 / 3	15,691.27	16%	2,554.14	13,137.13

### (iii) Reconciliation of loss allowance provision –Trade receivables, retentions on contract under general model approach

₹ Crore

Reconciliation of loss allowance	Lifetime expected credit losses measured using simplified approach
Loss allowance as at March 31, 2018	467.75
Changes in loss allowance	(116.14)
<b>Loss allowance as at March 31, 2019</b>	<b>351.61</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, 2018	2,714.87
Add / (Less): Changes in loss allowances due to assets originated or purchased (Net)	1,262.24
<b>Loss allowance as at March 31, 2019</b>	<b>3,977.11</b>

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

(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

Further in view of the net losses in the current financial year and certain cash flow mismatches the Company is considering debt resolution plan. Also the time bound monetisation of assets as well as favorable and timely outcome of various claims will enable the Company to meet its obligation. The Company is confident that such cash flows would enable it to service its debt, realise its assets and discharge its liabilities in the normal course of its business

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturities based on their contractual maturities for all financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payment.

	₹ Crore		
Contractual maturities of financial liabilities	Less than 1 year	More than 1 year	Total
<b>March 31, 2019</b>			
<b>Non-derivatives</b>			
Borrowings*	6,053.43	17,636.51	23,689.94
Trade payables (Including Retention payable)	19,819.26	17.53	19,836.79
Financial guarantee obligation	-	22.90	22.90
Security and Other Deposits	1,518.21	7.82	1,526.03
NHAI Premium Payable	290.91	6,577.15	6,868.06
Creditors for Capital Expenditure	781.00	-	781.00
Other finance liabilities	155.27	4.37	159.64
<b>Total non-derivative liabilities</b>	<b>28,618.08</b>	<b>24,266.28</b>	<b>52,884.36</b>
<b>Derivateive</b>			
Forward Contract	-	0.18	0.18
Contractual maturities of financial liabilities	Less than 1 year	More than 1 year	Total
<b>March 31, 2018</b>			
<b>Non-derivatives</b>			
Borrowings*	10,140.13	21,843.36	31,983.49
Finance lease obligations	509.47	9,892.17	10,401.64
Trade payables (Including Retention payable)	22,192.30	8.80	5,304.77
Security and other deposits	1,541.72	385.39	1,927.11
Financial guarantee obligation	-	9.24	9.24
NHAI Premium Payable	277.06	6,868.06	7,145.12
Creditors for Capital Expenditure	790.88	-	790.88
Other finance liabilities	1,005.53	3.98	1,009.51
<b>Total non-derivative liabilities</b>	<b>36,457.09</b>	<b>39,011.00</b>	<b>75,468.09</b>
Derivatives (not settled)			
Forward Contract	-	15.60	15.60

\*Includes contractual interest payments based on the interest rate prevailing at the reporting date.

(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. 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.

## Reliance Infrastructure Limited

### Notes to the consolidated financial statements as at and for the year ended March 31, 2019

Foreign exchange forward contracts are taken to manage such risk.

₹ Crore

	As at March 31, 2019		As at March 31, 2018	
	USD	EUR	USD	EUR
<b>Financial assets</b>				
Investment in preference shares	9.81	-	9.81	-
Investment in equity shares	1.49	-	-	-
Trade Receivable	27.10	1.34	27.14	1.33
Bank balance in EEFC accounts @10.10	0.01	@	0.07	-
<b>Exposure to foreign currency risk (assets)</b>	<b>38.41</b>	<b>1.34</b>	37.02	1.33
<b>Financial liabilities</b>				
Borrowing	17.02	1.70	17.45	0.40
Trade payables	4.80	2.61	12.43	2.56
Other payable payables	1.89	0.98	-	-
<b>Exposure to foreign currency risk (liabilities)</b>	<b>23.71</b>	<b>5.29</b>	29.88	2.96

#### 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, 2019	March 31, 2018
INR/USD - Increase by 6%*	61.00	27.98
INR/USD - Decrease by 6%*	(61.00)	(27.98)
INR/EURO - Increase by 6%*	(24.68)	(7.90)
INR/EURO - Decrease by 6%*	24.68	7.90

\*Holding all other variables constant

#### (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. During March 31, 2019 and March 31, 2018, the Company's borrowings at variable rate were mainly denominated in INR. 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

##### (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:

₹ Crore

Particulars	As at March 31, 2019	As at March 31, 2018
Variable rate borrowings	16,115.59	16,216.44
Fixed rate borrowings	1,826.31	6,927.50
<b>Total borrowings</b>	<b>17,941.90</b>	<b>23,143.94</b>

Notes to the consolidated financial statements as at and for the year ended March 31, 2019

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	March 31, 2019			March 31, 2018		
	Weighted average interest rate	Balance (₹ Crore)	% of total loans	Weighted average interest rate	Balance (₹ Crore)	% of total loans
Borrowings	11.15%	16,115.59	89.82%	11.23%	16,216.44	70%

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

₹ Crore

Particulars	Impact on profit before tax	
	March 31, 2019	March 31, 2018
Interest rates – increase by 100 basis points*	(161.16)	(162.16)
Interest rates – decrease by 20 basis points*	32.23	32.43

\*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

₹ Crore

Particulars	Impact on other components of equity	
	March 31, 2019	March 31, 2018
Price increase by 10%	9.49	36.66
Price decrease by 10%	9.49	(36.66)

43. 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.

# Reliance Infrastructure Limited

## Notes to the consolidated financial statements as at and for the year ended March 31, 2019

### (b) Dividends

Particulars	₹ Crore	
	As at March 31, 2019*	As at March 31, 2018*
<b>Equity Shares</b>		
Final dividend for the year ended March 31, 2018 of ₹ 9.50 per fully paid share for financial year 2018-19 (including dividend tax)	<b>297.45</b>	283.44
<b>Dividends not recognised at the end of the reporting period</b>	<b>-</b>	301.20
For the financial year ended March 31, 2018 the director had recommended payment of final dividend of ₹ 9.50 per fully paid equity shares		

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

**Ryna Karani**

DIN - 00116930

**B C Patnaik**

DIN - 08384583

Chairman

Vice Chairman

} Directors

**Punit Garg**

Executive Director &  
Chief Executive Officer

**Sridhar Narasimhan**

**Anil C Shah**

Chief Financial Officer  
Company Secretary

Date : June 14, 2019

Place : Mumbai

Date : June 14, 2019

Place : Mumbai

Date : June 14, 2019

Place : Mumbai

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results – Consolidated)**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019  
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] Consolidated**

I	Sr. Particulars No.	Audited Figures (₹ Crore) (as reported before adjusting for qualifications)	Audited Figures (₹ Crore) (audited figures after adjusting for qualifications) quoted in II (a)(ii)
	1	Turnover / Total income	22,008.42
	2	Total Expenditure including exceptional items	27,170.16
	3	Net profit/(loss) for the year	(2,426.82)
	4	Earnings Per Share (₹.)	(92.28)
	6	Total Assets	68,383.16
	7	Total Liabilities	52,517.31
	8	Net worth-Other Equity	15,865.85

**II Audit Qualification (each audit qualification separately):**

a. Details of Audit Qualification:

- i. The Parent Company has investments in and has various amounts recoverable from a party aggregating ₹ 7,082.96 crore (net of provision of ₹ 3,972.17 crore) (₹ 10,936.62 crore as at 31 March 2018, net of provision ₹ 2,697.17 crore) comprising inter-corporate deposits including accrued interest / investments / receivables and advances. In addition, the Parent Company has provided corporate guarantees during the year aggregating to ₹ 1,775 crore (net of corporate guarantees aggregating to ₹ 5,010.31 crore cancelled subsequent to the balance sheet date) in favour of the aforesaid party towards borrowings of the aforesaid party from various companies including certain related parties of the Parent Company.

According to the Management of the Parent Company, these amounts have been mainly given for general corporate purposes and towards funding of working capital requirements of the party which has been engaged in providing Engineering, Procurement and Construction (EPC) services primarily to the Group and its associates and joint venture. We were unable to obtain sufficient appropriate audit evidence about the relationship of the aforementioned party with the Parent Company, the underlying commercial rationale/purpose for such transactions relative to the size and scale of the business activities with such party and the recoverability of these amounts. Accordingly, we are unable to determine the consequential implications arising therefrom and whether any adjustments, restatement, disclosures or compliances are necessary in respect of these transactions, investments and recoverable amounts in the consolidated annual financial results of the Group and its associates and joint venture.

- ii. The Method of depreciation adopted by the Parent Company's associate, Reliance Power Limited ('RPower') for the purpose of preparing its consolidated annual financial results being different from the depreciation method adopted by RPower's subsidiaries which is a departure from the requirements of Indian Accounting Standard 8 Accounting Policies, changes in accounting estimate and errors since selection of the method of depreciation is an accounting estimate and depreciation method once selected in the standalone financial statements is not changed while preparing consolidated financial statements in accordance with Indian Accounting Standard 110 Consolidated Financial Statements.

Had the method of depreciation adopted by the subsidiaries of RPower been considered for the purpose of preparation of consolidated financial statements of RPower, the share of loss after tax from the associate in the consolidated annual financial results of the Group would increase by ₹ 166.13 crore with an equivalent amount being reduced from the investment in the associate.

- b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion      Disclaimer of Opinion
- c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing      First Time

- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's views:

With respect to II (a)(ii) above Management view is set out in note 14 to the Consolidated Financial Results, which is reproduced below:

Ind AS Transition Facilitation Group (ITFG) formed by Ind AS implementation Committee of the Institute of the Chartered Accountants of India (the "ICAI") has issued clarification on July 31, 2017 and has *inter alia* made observations regarding method of estimating depreciation for preparing standalone financial statements of the subsidiary and for preparing consolidated financial statements. RPower, an associate of the Parent Company, has been advised by reputed legal and accounting firms that the clarification issued by ITFG will not be applicable to RPower, as RPower has been following the different methods, in subsidiaries and in consolidated financial statements since inception and as required by Ind AS 101 read with Ind AS 16 has continued the methods of providing depreciation even under Ind AS regime. RPower has accordingly, continued to provide depreciation in its consolidated financial statements by the straight line method, which is different as compared to the written down value method considered appropriate by two of its subsidiaries.

- e. For Audit Qualification(s) where the impact is not quantified by the auditor (with respect to II(a)(i) above:

(i) Management's estimation on the impact of audit qualification: Not Determinable

(ii) If management is unable to estimate the impact, reasons for the same:

The Reliance Group of companies of which the Company is a part, supported an independent company in which the Company holds less than 2% of equity shares ("EPC Company") to inter alia undertake contracts and assignments for the large number of varied projects in the fields of Power (Thermal, Hydro and Nuclear), Roads, Cement, Telecom, Metro Rail, etc. which were proposed and/or under development by the Group. To this end along with other companies of the Group the Company funded EPC Company by way of EPC advances, subscription to Debentures & Preference Shares and Intercompany Deposits. The aggregate funding provided by the company as on March 31, 2019 was ₹ 7,082.96 crore (Previous Year ₹ 10,936.62 crore) net of provision of ₹ 3,972.17 crore (₹ 2,697.17 crore). In addition, the Company has provided corporate guarantees during the year aggregating (net of subsequent cancellation) to ₹ 1,775 crore.

The activities of EPC Company have been impacted by the reduced project activities of the companies of the Group. In the absence of the financial statements of the EPC Company for the year ending March 31, 2019 which are under compilation it has not been possible to complete the evaluation of nature of relationship, if any, between the independent EPC Company and the Company. Presently, based on the analysis carried out in earlier years, the EPC Company has not been treated as related party.

Similarly, in the absence of full visibility on the assets and liabilities of the EPC Company and after considering the reduced ability of the holding company of the Reliance Group of Companies to support the EPC Company, the Company has provided/written-off further ₹ 2,042.16 crore during the year in respect of the outstanding amount advanced to the EPC Company. Given the huge opportunity in the EPC field particularly considering the Government of India's thrust on infrastructure sector coupled with increasing project and EPC activities of the Reliance Group, the EPC Company with its experience will be able to achieve substantial project activities in excess of its current levels, thus enabling the EPC Company to meet its obligations. The Company is reasonably confident that the provision will be adequate to deal with any contingency relating to recovery from the EPC Company.

(iii) Auditors' Comments on (i) or (ii) above:

Impact is not determinable.

### III Signatories:

<b>Punit Garg</b>	(Executive Director and Chief Executive Officer)
<b>Sridhar Narasimhan</b>	(Chief Financial Officer)
<b>S S Kohli</b>	(Audit Committee Chairman)

#### Statutory Auditors

##### For B S R & Co. LLP

Chartered Accountants  
Firm Registration No: 101248W /W-100022

##### For Pathak H. D. & Associates

Chartered Accountants  
Firm Registration No:107783W

##### Bhavesh Dhupelia

Partner  
Membership No. 042070

##### Vishal D Shah

Partner  
Membership No. 119303

Place: Mumbai

Date: June 14, 2019



**Form AOC-1**  
**[Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]**  
**Statement containing salient features of the financial statements of Subsidiaries/Associates/Joint Ventures**  
**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
											₹ Crore
BSES Rajdhani Power Limited	April 01, 2015	1,040.00	729.29	14,366.64	12,597.35	-	10,335.38	283.26	(8.01)	291.27	51.00
BSES Yamuna Power Limited	April 01, 2015	556.00	383.86	11,159.53	10,219.67	-	5,908.81	125.33	(46.40)	171.73	51.00
BSES Kerala Power Limited	November 20, 2006	62.76	302.84	369.89	4.30	0.74	5.62	(20.91)	@	(20.91)	100.00
Reliance Power Transmission Limited	October 6, 2006	0.05	40.12	40.18	@	-	0.31	(0.17)	@	(0.17)	100.00
Parbati Koldam Transmission Company Limited	November 23, 2007	272.84	131.00	943.10	539.25	-	174.52	65.94	16.70	49.24	74.00
Mumbai Metro One Private Limited	February 28, 2007	512.00	(737.54)	2,843.79	3,069.33	-	322.33	(235.35)	@	(235.35)	69.00
Mumbai Metro Transport Private Limited	April 01, 2015	0.05	0.37	0.53	0.13	-	-	(0.02)	@	(0.02)	48.00
Delhi Airport Metro Express Private Limited	April 01, 2015	0.96	1,746.88	4,157.31	2,409.47	-	0.49	(9.05)	@	(9.05)	99.95
Tamil Nadu Industries Captive Power Company Limited	April 01, 2015	36.51	(37.23)	@	0.73	-	@	(0.01)	@	(0.01)	33.70
Reliance Sea Link One Private Limited	May 26, 2010	-	-	-	-	-	-	-	-	-	90.00
SU Toll Road Private Limited	April 01, 2015	18.41	101.77	891.33	771.15	-	107.09	(22.47)	5.41	(27.87)	100.00
TD Toll Road Private Limited	April 01, 2015	10.74	68.42	410.57	331.41	-	70.88	10.78	11.14	(0.36)	100.00
TK Toll Road Private Limited	April 01, 2015	12.76	318.24	676.72	345.73	-	54.24	(10.31)	2.06	(12.37)	100.00
DS Toll Road Limited	May 23, 2008	5.21	56.63	344.34	282.50	10.87	77.96	5.81	0.07	5.74	100.00
NK Toll Road Limited	May 23, 2008	4.48	158.47	265.24	102.30	4.90	45.00	(7.27)	4.57	(11.84)	100.00
GF Toll Road Private Limited	December 23, 2008	1.96	165.51	638.89	471.42	-	74.93	(25.90)	@	(25.90)	100.00
JR Toll Road Private Limited	April 01, 2015	0.01	63.74	419.92	356.17	-	72.82	0.39	10.93	(10.54)	100.00
PS Toll Road Private Limited	February 09, 2010	0.01	1,346.84	3,514.37	2,167.51	-	352.87	(107.34)	(38.82)	(68.52)	74.00
KM Toll Road Private Limited	February 04, 2010	3.41	357.97	1,563.20	1,201.82	-	112.68	(29.19)	57.59	(86.78)	100.00
HK Toll Road Private Limited	May 19, 2010	3.71	242.09	1,877.11	1,631.31	-	176.82	(61.49)	(4.65)	(56.84)	100.00
DA Toll Road Private Limited	May 26, 2010	9.02	822.32	2,764.89	1,933.55	-	553.80	2.13	3.27	(1.14)	100.00
Nanded Airport Limited	September 29, 2009	2.85	(13.37)	18.88	29.40	-	1.31	(2.58)	@	(2.58)	74.24
Baramati Airport Limited	September 29, 2009	2.13	12.65	24.70	9.92	-	0.45	(0.33)	@	(0.33)	74.24
Latur Airport Limited	September 29, 2009	0.83	2.58	5.95	2.54	-	0.08	(0.40)	@	(0.40)	74.24
Yavatmal Airport Limited	September 29, 2009	0.34	0.94	3.16	1.89	-	@	(0.34)	@	(0.34)	74.24
Osmanabad Airport Limited	September 29, 2009	0.80	4.95	9.13	3.38	-	0.07	(0.24)	@	(0.24)	74.24
Reliance Airport Developers Limited	September 25, 2009	7.14	63.68	83.06	12.24	-	0.06	0.02	@	0.02	65.21
CBD Tower Private Limited	May 21, 2008	190.44	(3.88)	665.95	479.39	-	-	-	-	-	89.00
Reliance Energy Trading Limited	December 31, 2007	2.00	6.02	8.02	@	-	0.47	(5.53)	@	(5.53)	100.00
Reliance Cement Corporation Private Limited *	September 05, 2009	0.13	(9.45)	0.01	9.33	-	@	@	@	@	100.00
Reliance Electric Generation and Supply Limited ^	January 19, 2009	-	-	-	-	-	3,315.44	(58.49)	-	-	100.00
Utility Infrastructure and Works Private Limited*	December 28, 2010	0.69	2.96	3.66	@	-	@	(3.14)	@	(3.14)	100.00

# Reliance Infrastructure Limited

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 Systems Private Limited	December 22, 2014	0.01	(0.19)	0.38	0.55	-	0.07	(1,507.28)	0.44	(1,507.72)	100.00
Reliance Defence Technologies Private Limited *	December 22, 2014	0.01	(0.02)	@	0.01	-	@	@	@	@	100.00
Reliance Defence and Aerospace Private Limited *	December 22, 2014	0.01	(0.05)	@	0.04	-	@	@	@	@	100.00
Reliance Defence Limited	Mar 28, 2015	0.05	0.39	4.38	3.94	0.49	0.92	(9.92)	0.13	(10.05)	100.00
Reliance Defence Infrastructure Limited *	April 27, 2015	0.05	(0.02)	0.12	0.08	0.04	@	(0.01)	@	(0.01)	100.00
Reliance SED Limited *	May 2, 2015	0.05	(0.01)	0.04	@	0.02	@	(0.01)	@	(0.01)	100.00
Reliance Propulsion System Limited *	April 27, 2015	0.05	(0.02)	0.04	@	0.02	@	@	@	@	100.00
Reliance Defence Systems & Tech Limited	April 27, 2015	0.05	(0.21)	0.08	0.25	0.01	0.18	0.16	@	0.16	100.00
Reliance Helicopters Limited *	April 27, 2015	0.05	(0.02)	0.03	@	0.00	0.00	(0.01)	@	(0.01)	100.00
Reliance Land Systems Limited *	April 27, 2015	0.05	(0.03)	0.02	@	@	0.00	(0.01)	@	(0.01)	100.00
Reliance Naval Systems Limited *	May 2, 2015	0.05	(0.02)	0.03	@	0.02	0.00	@	@	@	100.00
Reliance Unmanned Systems Limited *	April 27, 2015	0.05	(0.01)	0.04	@	0.02	0.00	@	@	@	100.00
Reliance Aerostructure Limited	April 27, 2015	0.05	(2.73)	89.37	92.04	-	5.19	4.39	1.44	2.94	100.00
Reliance Cruise and Terminals Limited *	February 22, 2016	0.05	(0.02)	0.04	@	-	@	@	@	@	100.00
Dassault Reliance Aerospace Limited *	February 10, 2017	58.46	(10.01)	191.94	143.49	-	1.94	(5.95)	0.07	(6.02)	51.00
Reliance Aero Systems Private Limited *	December 16, 2016	0.01	(0.01)	@	@	-	@	@	@	@	100.00
Thales Reliance Defence Systems Limited	March 01, 2018	1.01	(6.00)	22.67	27.66	-	0.19	(5.95)	0.05	(6.00)	51.00
North Karanpura Transmission Company Limited	May 20, 2010	0.64	(1.04)	19.08	19.48	-	@	(0.15)	@	(0.15)	100.00
Talcher II Transmission Company Limited	April 27, 2010	0.74	(0.99)	18.64	18.89	-	@	(0.16)	@	(0.16)	100.00
Reliance Delhi Metro Trust	April 01, 2015	0.03	@	0.03	@	-	@	@	@	@	100.00
Reliance Smart Cities Limited *	August 06, 2015	0.05	(0.02)	0.04	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	(0.02)	0.04	0.01	-	@	@	@	@	100.00
Reliance Property Developers Private Limited *	June 02, 2016	0.01	(0.01)	0.01	@	-	@	@	@	@	100.00
Reliance Armaments Limited *	November 16, 2017	0.05	(0.01)	0.04	@	-	@	@	@	@	100.00
Reliance Ammunition Limited *	November 29, 2017	0.05	(0.01)	0.04	@	-	@	(0.01)	@	(0.01)	100.00
Reliance Velocity Limited *	February 17, 2018	0.01	(0.11)	0.01	0.11	-	-	(0.11)	@	(0.11)	100.00
Reliance Global Limited*	July 16, 2018	0.06	(0.02)	0.04	0.04	-	-	(0.02)	-	(0.02)	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

Part "B" : Associates and Joint Ventures										₹ Crore	
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		Extend of Holding %	Networth attributable to shareholding as per latest audited Balance Sheet (₹ Crore)	Profit/ (Loss) for the year		Discription 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 (₹ Crore)			Considered in Consolidated (₹ Crore)	Not Considered in Consolidation			
Associates											
Reliance Power Limited	June 13, 2016	31.03.2019	92,84,98,193	5,231.18	33.10	5,469.82	(1,052.70)	-	Note - A	-	
Reliance Naval and Engineering Limited	January 08, 2016	31.03.2019	22,01,03,025	-	29.84	-	(337.68)	-	Note - A	-	
Metro One Operation Private Limited	April 01, 2009	31.03.2019	3,000	@	30	2.47	1.89	-	Note - A	-	
Reliance Geo Thermal Power Private Limited	January 17, 2015	31.03.2019	2,500	@	25	-	-	-	Note - A	-	
RPL Photon Private Limited	June 16, 2016	31.03.2019	5,000	0.01	50	-	-	-	Note - A	-	
RPL Sun Technique Private Limited	June 16, 2016	31.03.2019	5,000	0.01	50	-	-	-	Note - A	-	
RPL Sun Power Private Limited	June 16, 2016	31.03.2019	5,000	0.01	50	-	-	-	Note - A	-	
Joint Ventures											
Utility Powertech Limited	November 23, 1995	31.03.2019	7,92,000	0.40	19.80	24.22	5.65	-	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  
Ryna Karani  
B C Patnaik

DIN - 00004878  
DIN - 00004631  
DIN - 00169907  
DIN - 00119753  
DIN - 00116930  
DIN - 08384583

Chairman  
Vice Chairman

Directors

Executive Director &  
Chief Executive Officer  
Chief Financial Officer  
Company Secretary

Sridhar Narasimhan  
Anil C Shah

Date : June 14, 2019  
Place : Mumbai

Punit Garg

## Reliance Infrastructure Limited

## Notes

Notes

## Reliance Infrastructure Limited

## Notes

Notes



### Route Map to the AGM Venue

Venue : Rama & Sundri Watumull Auditorium, Vidyasagar, Principal K. M. Kundnani Chowk, 124, Dinshaw Wachha Road, Churchgate, Mumbai – 400020



Landmark : K.C. Collage

Distance from Churchgate Station : 0.7 km

Distance from Chhatrapati Shivaji Terminus : 1.9 km

**RELIANCE****Infrastructure****Reliance Infrastructure Limited**

Registered Office: Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001  
 Tel: +91 22 4303 1000 Fax: +91 22 4303 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 **90<sup>th</sup> ANNUAL GENERAL MEETING** of the Members of Reliance Infrastructure Limited held on Monday, September 30, 2019 at 11.15 A.M. or soon after the conclusion of the Annual General Meeting of Reliance Capital Limited convened on the same day, whichever is later, at Rama & Sundri Watumull Auditorium, Vidyasagar, Principal K M Kundnani Chowk, 124, Dinshaw Wachha Road, Churchgate, Mumbai – 400 020.

Member's/Proxy's Signature

TEAR HERE

**PROXY FORM****RELIANCE****Infrastructure****Reliance Infrastructure Limited**

Registered Office: Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001  
 Tel: +91 22 4303 1000 Fax: +91 22 4303 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 **90<sup>th</sup> ANNUAL GENERAL MEETING** of the members of the Company, to be held on Monday, September 30, 2019 at 11.15 A.M. or soon after the conclusion of the Annual General Meeting of Reliance Capital Limited convened on the same day, whichever is later, at Rama & Sundri Watumull Auditorium, Vidyasagar, Principal K M Kundnani Chowk, 124, Dinshaw Wachha Road, Churchgate, 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 financial statement of the Company for the financial year ended March 31, 2019 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, 2019 and the report of the Auditors thereon.		
2.	To appoint a Director in place of Shri S. Seth (DIN:00004631), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment.		
3.	To confirm M/s. Pathak H.D. & Associates, Chartered Accountants (Firm Registration no. 107783W) continuing as sole Statutory Auditors of the Company		
4.	Appointment of Shri Punit Garg as an Executive Director		
5.	Appointment of Ms. Manjari Kacker as an Independent Director		
6.	Re-appointment of Ms. Ryna Karani as an Independent Director		
7.	Re-appointment of Shri S. S. Kohli as an Independent Director		
8.	Re-appointment of Shri K. Ravikumar as an Independent Director		
9.	Private placement of Non Convertible Debentures (NCDs) and/or other Debt Securities		
10.	Remuneration to Cost Auditors		

Signed this ..... day of ..... 2019.

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 Fintech 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. no. : +91 40 6716 1500

Fax no. : +91 40 6716 1791

E-mail : [rinfra@karvy.com](mailto:rinfra@karvy.com)

Website : [www.karvyfintech.com](http://www.karvyfintech.com)