

RELIANCE

Reliance Infrastructure Limited

Standalone Financial Results

Quarter ended June 30, 2018

Corporate Finance & Accounts

Mumbai

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Limited Review Report on Unaudited Quarterly Standalone Financial Results of Reliance Infrastructure Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of Reliance Infrastructure Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Reliance Infrastructure Limited ('the Company') for the quarter ended June 30, 2018 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI. Attention is drawn to the fact that the figures for the three months ended March 31, 2018 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on August 1, 2018. Our responsibility is to issue a report on this Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' specified under Section 143 (10) of the Companies Act, 2013 ('the Act'). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e., Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognized accounting practices and policies, except to the extent as modified by the Court Order dated March 30, 2011 and the option exercised by the Company in accordance with the Court Order as stated in paragraph 5 below, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

5. We draw attention to Note 3 of the Statement regarding the Scheme of Amalgamation ('the Scheme') between Reliance Infraprojects Limited (wholly owned subsidiary of the Company) and the Company sanctioned by the Hon'ble High Court of Judicature at Bombay vide its order dated March 30, 2011, wherein the Company, as determined by the Board of Directors, is permitted to adjust foreign exchange/derivative/hedging losses/gains debited/credited to the Statement of Profit and Loss by a corresponding withdrawal from or credit to General Reserve which overrides the relevant provisions

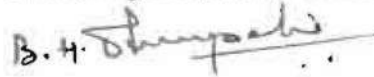


of Ind AS – 1 'Presentation of financial statements'. The net foreign exchange gain of Rs.66.01 Crore for the quarter ended June 30, 2018 has been credited to Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve in terms of the Scheme. Had such transfer not been made, profit before tax for the quarter ended June 30, 2018 would have been higher by Rs.66.01 Crore and General Reserve would have been lower by an equivalent amount.

Our conclusion is not modified in respect of above matters.

6. The comparative unaudited standalone financial results of the Company for the quarter ended June 30, 2017 included in this Statement had been jointly reviewed by Haribhakti & Co. LLP, Chartered Accountants and Pathak H.D. & Associates, Chartered Accountants, whose report dated August 2, 2017 expressed an unmodified conclusion on those unaudited standalone financial results for quarter ended June 30, 2017.

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



Bhavesh Dhupelia
Partner
Membership No: 042070

August 1, 2018
Mumbai



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



Vishal D. Shah
Partner
Membership No: 119303

August 1, 2018
Mumbai



RELIANCE INFRASTRUCTURE LIMITED

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

Statement of Standalone Financial Results for the Quarter ended June 30, 2018

Sr. No.	Particulars	Quarter ended			Year ended
		30-06-2018	31-03-2018	30-06-2017	31-03-2018
		(Unaudited)	(Unaudited)	(Unaudited)	Audited
1	Income from Operations				
	(a) Net Sales / Income from Power Business	2,207.02	1,799.15	2,055.95	7,602.15
	(b) Income from EPC and Contracts Business	221.32	227.37	321.28	894.67
	(c) Other Operating Income	13.88	20.24	302.28	478.48
	Total Income from Operations	2,442.22	2,046.76	2,679.51	8,975.30
2	Other Income (net) (Refer Note 3)	569.88	618.24	493.89	2,165.59
	Total Income	3,012.10	2,665.00	3,173.40	11,140.89
3	Expenses				
	(a) Cost of Power Purchased	823.06	657.49	746.85	2,809.26
	(b) Cost of Fuel	340.87	254.79	292.38	1,076.49
	(c) Construction Materials Consumed and Sub-contracting Charge	136.50	110.15	205.65	402.27
	(d) Employee Benefits Expense	234.09	247.65	246.15	995.09
	(e) Finance Costs	749.02	707.49	739.82	2,929.75
	(f) Depreciation and Amortisation Expense	220.72	217.03	225.48	889.09
	(g) Other Expenses	291.52	216.98	262.97	1,064.43
	Total Expenses	2,795.78	2,411.58	2,719.30	10,166.38
4	Profit before Rate Regulated Activities, Exceptional Items and Tax (1+2-3)	216.32	253.42	454.10	974.51
5	Add : Regulatory Income/(Expense) (net of deferred tax)	(9.82)	107.99	2.97	288.89
6	Profit before Exceptional Items and Tax (4+5)	206.50	361.41	457.07	1,263.40
7	Exceptional Items (Net)				
	Profit on Sale of Investments	-	-	-	284.19
	Income/(Expenses)	-	(213.00)	-	(411.50)
	Less : Transferred from General Reserve	-	213.00	-	411.50
		-	-	-	284.19
8	Profit before tax (6+7)	206.50	361.41	457.07	1,547.59
9	Tax Expenses				
	- Current Tax	-	-	53.00	-
	- Deferred Tax (net)	(12.60)	29.18	(2.00)	(83.02)
	- Tax adjustment for earlier years (net)	(143.65)	-	-	-
10	Net Profit for the period/year from Continuing Operations (8-9)	362.75	332.23	406.07	1,630.61
11	Net Profit for the period/year from Discontinuing Operations	-	-	11.19	33.76
12	Net Profit for the period/year (10+11)	362.75	332.23	417.26	1,664.37
13	Other Comprehensive Income				
	Items that will not be reclassified to Profit and Loss				
	Remeasurement of post employment benefit obligation	(5.00)	(49.63)	8.00	(29.63)
	Income Tax relating to the above	1.60	14.00	(1.50)	10.50
		3.40	35.63	(6.50)	19.13
14	Total Comprehensive Income (12+13)	366.15	367.86	410.76	1,683.50
15	Paid up Equity Share Capital (Face value of ₹ 10 per share)				263.03
16	Other Equity				21,721.63
17	Earnings Per Share (* not annualised) (Face value of ₹ 10 per share)				
	(a) Basic and Diluted Earnings per Share (in ₹) (for Continuing Operations)	13.79*	12.63*	15.44*	62.00
	(b) Basic and Diluted Earnings per Share (in ₹) (for Discontinued Operations)	-	-	0.43*	1.29
	(c) Basic and Diluted Earnings per Share (in ₹)	13.79*	12.63*	15.87*	63.29
	(d) Basic and Diluted Earnings per Share (in ₹) - Before Rate Regulated Activities	14.17*	8.53*	15.75*	52.30

RELIANCE INFRASTRUCTURE LIMITED

Segment-wise Revenue, Results and Capital Employed

₹ crore

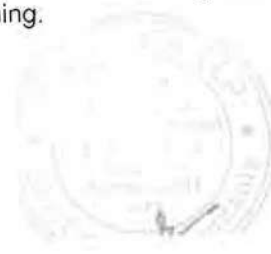
Sr. No.	Particulars	Quarter ended			Year ended
		30-06-2018	31-03-2018	30-06-2017	31-03-2018
		(Unaudited)	(Unaudited)	(Unaudited)	Audited
1	Segment Revenue				
	- Power Business	2,210.52	1,925.45	2,295.80	8,196.73
	- EPC and Contracts Business	221.88	229.30	386.68	1,067.46
	Total	2,432.40	2,154.75	2,682.48	9,264.19
	Less : Inter Segment Revenue	-	-	-	-
	Net Sales / Income from Continuing Operations (Including Regulatory Income / (Expenses))	2,432.40	2,154.75	2,682.48	9,264.19
2	Segment Results				
	Profit before Tax and Interest from each segment :				
	- Power Business	510.93	507.92	674.31	2,007.13
	- EPC and Contracts Business	22.19	66.15	121.31	465.70
	Total	533.12	574.07	795.62	2,472.83
	- Finance Costs	(749.02)	(707.49)	(739.82)	(2,929.75)
	- Interest Income	523.32	534.12	475.55	2,012.64
	- Exceptional Item - Unallocable segment	-	-	-	284.19
	- Other Un-allocable Income net of Expenditure	(100.92)	(39.29)	(74.28)	(292.32)
	Profit before Tax from continuing operations	206.50	361.41	457.07	1,547.59
3	Capital Employed				
	Segment Assets				
	- Power Business	18,873.50	18,955.13	19,412.42	18,955.13
	- EPC and Contracts Business	4,950.83	4,884.59	4,961.04	4,884.59
	- Unallocated Assets	34,984.44	34,947.20	32,913.06	34,947.20
		58,808.77	58,786.92	57,286.52	58,786.92
	Assets of Discontinued Operations	-	-	1,202.96	-
		58,808.77	58,786.92	58,489.48	58,786.92
	Segment Liabilities				
	- Power Business	11,135.81	10,784.05	10,226.36	10,784.05
	- EPC and Contracts Business	4,696.67	4,922.00	5,802.07	4,922.00
	- Unallocated Liabilities	20,528.34	21,096.21	20,388.95	21,096.21
		36,360.82	36,802.26	36,417.38	36,802.26
	Liabilities of Discontinued Operations	-	-	673.17	-
		36,360.82	36,802.26	37,090.55	36,802.26



Notes:

1. The Standalone Financial Results of Reliance Infrastructure Limited ("the Company") have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
2. The Scheme of Arrangement envisaging transfer of various operating divisions of the Company, namely Dahanu Thermal Power Station, Mumbai Power Transmission Division and Mumbai Power Distribution Division (together considered as Mumbai Power Business (MPB)) to its resulting wholly owned subsidiary viz. Reliance Electric Generation and Supply Limited (REGSL) with effect from April 1, 2018 has been approved by the Hon'ble Bombay High Court on January 19, 2017 as modified by order dated November 20, 2017. On December 21, 2017, the Company signed Share Purchase Agreement (SPA) with Adani Transmission Limited (ATL) for sale of its integrated business of generation, transmission and distribution of power for Mumbai City by sale of its entire interest in REGSL. Maharashtra Electricity Regulatory Commission (MERC) has given its approval vide order dated June 28, 2018 to the proposed 100% stake sale of the Company integrated Mumbai power business to ATL subject to certain conditions. Since the said transaction is subject to various conditions and approvals, the results of the Mumbai Power Business are continued to be classified as from continuing operations as per Ind AS 105 "Non Current Assets held for sale and discontinued operations".
3. Pursuant to the option exercised under the Scheme of Amalgamation of Reliance Infraprojects Limited with the Company, sanctioned by the Hon'ble High Court of Judicature at Bombay on March 30, 2011, net foreign exchange gain of ₹ 66.01 crore for the quarter ended June 30, 2018 has been credited to the Statement of Profit and Loss and an equivalent amount has been transferred to General Reserve. Had such transfer not been done, the Profit before tax for the quarter ended June 30, 2018 would have been higher ₹ 66.01 crore and General Reserve would have been lower by an equivalent amount. The treatment prescribed under the Scheme overrides the relevant provisions of Ind AS 1 "Presentation of Financial Statements". This matter has been referred to by the Auditors in the report as matter of emphasis.
4. Delhi Airport Metro Express Private Limited (DAMEPL), a SPV of the Company, had terminated the Concession Agreement with Delhi Metro Rail Corporation (DMRC) for the Delhi Airport Metro Line and the operations were taken over by DMRC with effect from July 1, 2013. As per the terms of the Concession Agreement, DMRC is liable to pay DAMEPL a Termination Payment. The matter was referred to arbitration tribunal and vide order dated May 11, 2017 DAMEPL was granted arbitration award of ₹ 2,950 crore along with interest. DMRC preferred an appeal against the Arbitration award before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court vide order dated March 06, 2018 upheld the arbitration award.

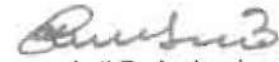
The Hon'ble Delhi High Court also passed an order on March 23, 2018 directing DMRC to pay ₹ 306 crore as an immediate interim relief to DAMEPL. DMRC has preferred an appeal against the order of the single judge dated March 6, 2018 before the Division Bench of the Hon'ble Delhi High Court. On April 09, 2018, the Division Bench of the Hon'ble Delhi High Court has directed DMRC to take over servicing of all debt liabilities of DAMEPL aggregating to ₹ 1,618 crore pending disposal of the Appeal and also directed listing of DMRC's Appeal for final hearing from July 25, 2018 onwards on daily basis. On DMRC's request, the Division Bench directed on July 20, 2018 to list DMRC Appeal for final hearing on August 7, 2018.
5. In view of expiry of validity period of Draft Red Herring Prospectus (DRHP) of Reliance Infrastructure Invit Fund filed with Securities and Exchange Board of India (SEBI) for proposed to transfer the controlling interest in seven Toll Road Companies viz. DS Toll Road Limited, GF Toll Road Private Limited, NK Toll Road Limited, JR Toll Road Private Limited, SU Toll Road Private Limited, TK Toll Road Private Limited and TD Toll Road Private Limited and hence have now been considered as continuing operations. Therefore the figures of the previous periods/year have been restated to make it comparable with current quarter ended June 30, 2018.
6. The listed non convertible debentures aggregating ₹ 2,708.70 crore as on June 30, 2018 are secured by way of first pari passu charge on the Company's certain fixed assets and regulatory assets, second mortgage on the Company's certain fixed assets and pledge of certain investments and asset cover thereof exceeds one hundred percent of the principal amount of the said debentures. Charge creation in respect of listed non convertible debentures of ₹ 385 crore issued on June 8, 2018 is under process.
7. The Company operates in two segments, namely, Power and Engineering, Procurement, Construction (EPC) and Contracts. Power segment comprises of generation, transmission and distribution and EPC segment renders comprehensive, value added services in construction, erection and commissioning.



8. Figures of the previous periods/year have been regrouped / reclassified wherever considered necessary. Similarly in view of transfer of Western Region System Strengthening Scheme (WRSSS) Transmission undertakings during the year ended March 31, 2018 the figures of the quarter ended June 30, 2017 have been restated after excluding the figures of the WRSSS undertakings to make them comparable with the current quarter ended June 30, 2018.
9. After review by the Audit Committee, the Board of Directors of the Company has approved the Standalone financial results at their meeting held on August 1, 2018. The statutory auditors have carried out a limited review of the standalone financial results for the quarter ended June 30, 2018 as per listing agreement entered into with the stock exchanges in India.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 1, 2018


Anil D. Ambani
Chairman

