

Reliance Infrastructure Limited

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
website: www.rinfra.com CIN L99999MH1929PLC001530

Statement of Consolidated Unaudited Results for the quarter and nine months ended December 31, 2015

Part - I		(₹ crore)					
Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2015 (Unaudited)	30-09-2015 (Unaudited)	31-12-2014 (Unaudited)	31-12-2015 (Unaudited)	31-12-2014 (Unaudited)	31-03-2015 (Audited)
1	Income from Operations						
	(a) Net Sales / Income from Power Business	2,832.25	3,086.16	3,265.38	9,042.90	9,861.42	12,973.82
	(b) Income from EPC and Contracts Business	484.13	680.71	728.01	1,791.04	1,893.99	2,731.17
	(c) Net Sales / Income from Infrastructure Business	215.37	205.94	187.05	630.13	531.76	728.37
	(d) Net Sales from Cement Business (Net of Excise Duty)	346.23	351.06	158.07	1,003.89	222.00	499.82
	(e) Other Operating Income	54.53	53.99	32.90	179.24	71.08	265.28
	Total Operating Income (Net)	3,932.51	4,377.86	4,371.41	12,647.20	12,580.25	17,198.46
2	Expenditure						
	(a) Cost of Power Purchased	1,584.77	1,819.36	1,809.56	5,240.36	5,699.15	7,811.62
	(b) Cost of Fuel and Materials Consumed	416.77	445.20	430.71	1,278.05	1,192.89	1,542.14
	(c) Construction Materials Consumed and Sub-Contracting Charges	278.59	425.70	573.61	1,212.31	1,447.60	2,134.27
	(d) Purchase of stock-in-trade	0.34	5.40	5.15	12.90	16.36	23.69
	(e) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3.13)	(16.11)	(15.04)	(17.13)	(13.40)	(29.83)
	(f) Employee Benefits Expense	335.04	325.51	316.85	995.47	896.04	1,215.56
	(g) Depreciation and amortisation	249.57	228.79	219.01	725.39	588.41	832.83
	(h) Other Expenses	489.45	541.15	472.07	1,514.31	1,152.88	1,590.37
	Total Expenditure	3,351.40	3,775.00	3,811.92	10,961.66	10,979.93	15,120.65
3	Profit from operations before Other Income (net), Finance Costs and Exceptional Items	581.11	602.86	559.49	1,685.54	1,600.32	2,077.81
4	Other Income (Refer Note 1 (b))	462.85	463.51	416.99	1,418.83	1,243.72	1,653.14
5	Profit from Ordinary Activities before Finance Costs and Exceptional Items	1,043.96	1,066.37	976.48	3,104.37	2,844.04	3,730.95
6	Finance Costs (Refer Note 1 (b))	691.64	638.77	618.47	1,974.14	1,663.86	2,347.32
7	Profit from Ordinary Activities after Finance Costs but before Exceptional Items	352.32	427.60	358.01	1,130.23	1,180.18	1,383.63
8	Exceptional Items	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax	352.32	427.60	358.01	1,130.23	1,180.18	1,383.63
10	Tax Expenses (including Deferred Tax and Tax for earlier years)	53.42	137.92	27.99	301.52	186.94	69.97
11	Net Profit from Ordinary Activities after Tax	298.90	289.68	330.02	828.71	993.24	1,313.66
12	Extraordinary Items	-	-	-	-	-	-
13	Net Profit for the period	298.90	289.68	330.02	828.71	993.24	1,313.66
	Share of Profit in Associates (net)	145.27	143.46	102.31	431.82	301.04	411.74
	Minority Interest	18.50	17.99	20.04	54.18	46.88	74.78
14	Net Profit after Taxes, Share of Profit in Associates and Minority Interest	462.67	451.13	452.37	1,314.71	1,341.16	1,800.18
15	Paid-up Equity Share Capital (Face Value of ₹ 10 per Share)	263.03	263.03	263.03	263.03	263.03	263.03
16	Reserves including Statutory Reserves excluding Revaluation Reserves						25,908.54
17	Earnings Per Share (* not annualised)						
	(a) Basic (₹)	17.59 *	17.15 *	17.20 *	49.99 *	51.00 *	68.45
	(b) Diluted (₹)	17.59 *	17.15 *	17.20 *	49.99 *	51.00 *	68.45

Reliance Infrastructure Limited
Consolidated Segment-wise Revenue, Results and Capital Employed

(₹ crore)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended	
		31-12-2015 (Unaudited)	30-09-2015 (Unaudited)	31-12-2014 (Unaudited)	31-12-2015 (Unaudited)	31-12-2014 (Unaudited)	31-03-2015 (Audited)	
1	Segment Revenue							
	- Power Business	2,851.74	3,116.63	3,283.92	9,115.77	9,929.14	13,228.39	
	- EPC and Contracts Business	491.93	682.24	741.13	1,803.01	1,907.60	2,752.36	
	- Infrastructure Business	220.64	211.59	196.56	645.40	541.27	742.94	
	- Cement Business	376.25	379.11	158.07	1,111.86	222.00	518.82	
	Total	3,940.56	4,389.57	4,379.68	12,676.04	12,600.01	17,242.51	
	Less: Inter Segment Revenue	8.05	11.71	8.27	28.84	19.76	44.05	
	Net Sales / Income from Operations	3,932.51	4,377.86	4,371.41	12,647.20	12,580.25	17,198.46	
	2	Segment Results						
		Profit before Interest, Tax, Share in Associates and Minority Interest from each segment:						
- Power Business		434.53	463.12	501.03	1,339.15	1,421.74	1,873.56	
- EPC and Contracts Business		150.11	129.72	104.59	344.89	251.73	302.16	
- Infrastructure Business		40.12	39.81	28.95	120.68	104.43	150.74	
- Cement Business		21.35	21.53	(24.05)	57.13	(25.60)	(37.81)	
Total		646.11	654.18	610.52	1,861.85	1,752.30	2,288.65	
- Finance Costs		(691.64)	(638.77)	(618.47)	(1,974.14)	(1,663.86)	(2,347.32)	
- Interest Income		352.82	371.32	295.40	1,107.07	897.25	1,189.30	
- Other un-allocable Income net of expenditure		45.03	40.87	70.56	135.45	194.49	253.00	
Profit before Tax, Share in Associates and Minority Interest	352.32	427.60	358.01	1,130.23	1,180.18	1,383.63		
3	Capital Employed							
	- Power Business	11,634.71	11,982.79	12,674.14	11,634.71	12,674.14	13,437.21	
	- EPC and Contracts Business	38.53	340.72	686.12	38.53	686.12	902.04	
	- Infrastructure Business	9,430.78	9,338.37	7,899.94	9,430.78	7,899.94	8,249.18	
	- Cement Business	3,204.93	3,196.67	3,177.77	3,204.93	3,177.77	3,154.53	
	- Unallocated Assets (net)	3,892.74	2,981.52	3,628.50	3,892.74	3,628.50	1,231.51	
	Total	28,201.69	27,840.07	28,066.47	28,201.69	28,066.47	26,974.47	

Notes:

1. a) The Group has opted for amortising the foreign exchange fluctuation gain / (loss) on the long term foreign currency monetary items over the balance life of depreciable assets / long term monetary items, as the case may be. The Group has carried forward unamortised portion of net gain of ₹ 271.88 crore to "Foreign Currency Monetary Items Translation Difference Account" as on December 31, 2015.
b) Pursuant to the option exercised under the Scheme of Amalgamation of Reliance Infraprojects Limited with the Parent Company sanctioned by the Hon'ble High Court of Judicature at Bombay, net foreign exchange loss of ₹ 103.30 crore and ₹ 141.80 crore (net off of foreign exchange loss of ₹ 73.30 crore and ₹ 216.81 crore attributable to finance cost) for the quarter and nine months ended December 31, 2015 of the Parent Company 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 done, the Profit before tax for the quarter and nine months ended December 31, 2015 would have been lower by ₹ 103.30 crore and ₹ 141.80 crore respectively and General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme overrides the relevant provisions of Accounting Standard 5 (AS-5) "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies". This matter has been referred to by the Auditors in their report.
2. During the quarter ended December 31, 2015 Reliance Defence Systems Pvt. Ltd.(RDSPL) (Acquirer), a wholly owned subsidiary of the Parent Company and Reliance Infrastructure Ltd. (Person Acting in Concert referred as PAC) made an open offer to the public equity shareholders of Pipavav Defence And Offshore Engineering Company Ltd.(PDOC) (Target Company) to acquire up to 19,14,13,630 fully paid-up equity shares of face value of ₹ 10 each of the Target Company, constituting 26% of the total fully diluted equity share capital of the Target Company at an offer price of ₹ 66 per share (plus ₹ 3.59 per share towards interest at 10% p.a. for delay in payment beyond scheduled payment date viz. June 15, 2015 as per the original offer till the date of actual payment i.e. 30.12.2015). In terms of the said offer, the Acquirer has acquired 13,87,12,427 shares of the Target Company, constituting 18.84% of the voting equity share capital at a total consideration of ₹ 965.30 crore (including interest of ₹ 49.80 crore). Post December 31, 2015 the Acquirer has acquired 8,13,90,598 equity shares of the Target Company at a total consideration of ₹ 512.76 crore whereby PDOC has become an associate of RDSPL with holding of 29.90%.
3. Delhi Airport Metro Express Private Limited (DAMEPL), a SPV of the Parent Company, had terminated the Concession Agreement with Delhi Metro Rail Corporation (DMRC) for the Delhi Airport Metro Line and the operations were taken over by DMRC with effect from July 1, 2013. As per the terms of the Concession Agreement, DMRC is now liable to pay DAMEPL a Termination Payment, which is estimated at ₹ 2,823 crore, as the termination has arisen owing to DMRC's Event of Default. The matter has been referred to arbitration and the process for the same is continuing. Pending final outcome of the arbitration, the Parent Company continues to fund the statutory and other obligations of DAMEPL post take over by DMRC and accordingly has funded ₹ 68.50 crore and ₹ 294.76 crore during the quarter and nine months ended December 31, 2015. The total investment made by the Parent Company in DAMEPL upto December 31, 2015 amounts to ₹ 1,996.86 crore.

The Parent Company had reviewed the progress in settlement of various claims and also on overall review of financial position of DAMEPL, the Company considered it prudent to write off ₹ 1,258.20 crore out of above investment during the previous year ended March 31, 2015. However, as legally advised, DAMEPL's claims for the termination payments are considered fully enforceable. This matter has been referred to by the Auditors in their report.
4. Unrealised gains amounting to ₹ 64.10 crore and ₹ 126.68 crore during the quarter and nine months ended December 31, 2015, pertaining to Engineering Procurement and Construction contracts entered into with associate companies, have not been eliminated as prescribed by a Scheme of Amalgamation between Reliance Bhavnagar Power Private Limited and Reliance Jamnagar Power Private Limited and Reliance Infrastructure Engineers Private Limited with the Parent Company sanctioned by the Hon'ble High Court of Judicature at Bombay in February 2013. The Parent Company considers that the prescribed accounting treatment leads to a more accurate reflection of the results of the working of the Parent Company. Had the relevant provisions of Accounting Standard 23 (AS -23) "Accounting for Investments in Associates in Consolidated Financial Statements" been followed, the Profit after tax and carrying cost of associate for the quarter and nine months ended December 31, 2015 would have been lower by ₹ 64.10 crore and ₹ 126.68 crore respectively. This matter has been referred to by the Auditors in their report.
5. Delhi Electricity Regulatory Commission (DERC) issued its Tariff Order on October 05,2015 to two joint ventures namely BSES Rajdhani Power Ltd. (BRPL) and BSES Yamuna Power Ltd. (BYPL)(JVs), whereby it has trued up the revenue gap upto March 31,2014 with certain dis-allowances. The JVs have preferred appeal against the Order before APTEL. Based on the legal opinion, the impact of such disallowances, which are subject matter of appeal, has not been considered. This matter has been referred to by the Auditors in their report.
6. NTPC Ltd. served notice to JVs for regulation (suspension) of power supply on February 01,2014 due to delay in payments. The JVs appealed against the notice before the Hon'ble Supreme Court (SC) and prayed for suitable direction from Hon'ble SC to DERC for providing cost reflective tariff and giving a roadmap for liquidation of the accumulated Regulatory Assets. The Hon'ble SC inter-alia in its interim order directed the JVs to pay the current dues. The JVs sought modification of the said order, so as to allow them to pay 70% of the current dues are awaiting decision of the Hon'ble Supreme Court, which is reserved. This matter has been referred to by the Auditors in their report.
7. Pursuant to the direction of the Department of Power (GoNCTD) on January 07,2014, the Comptroller Auditor General of India (CAG) conducted audit of two JVs and submitted the draft audit report. The JVs challenged the direction of GoNCTD before the Hon'ble High Court of Delhi (HC). The Hon'ble HC in its order dated October 30,2015 set aside the directions of GoNCTD and directed that "all actions taken pursuant to the directions and all acts undertaken in pursuance thereof are infructuous".The aggrieved parties have filed an appeal against the Hon'ble HC judgement before the Hon'ble SC which is listed for arguments on March 02, 2016.This matter has been referred to by the Auditors in their report.
8. The Company has opted to publish consolidated financial results. Standalone financial results, for the quarter and nine months ended December 31, 2015 can be viewed on the websites of the Company, National Stock Exchange of India Limited and BSE Limited at www.rinfra.com, www.nseindia.com, and www.bseindia.com respectively. Key standalone financial information is given below:

Particulars	(₹ crore)					
	Quarter ended (Unaudited)			Nine months ended (Unaudited)		Year ended (Audited)
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
Total Operating Income	2,400.67	2,571.26	2,730.77	7,566.31	7,733.73	10,535.56
Profit before Tax	578.48	500.53	406.50	1,497.87	1,216.42	1,518.06
Profit after Tax	541.48	385.53	405.90	1,256.87	1,083.42	1,533.39

9. After review by the Audit Committee, the Board of Directors of the Company has approved the consolidated financial results at their meeting held on January 20, 2016. The statutory auditors have carried out a limited review of the consolidated financial results for the quarter and nine months ended December 31, 2015 of the Company, as per listing agreement entered into with the Stock Exchanges in India.
10. There were no exceptional and extraordinary items during the quarter and nine months ended December 31, 2015.
11. Figures of the previous period / year have been regrouped / reclassified wherever considered necessary.

For and on behalf of the Board of Directors

Place: Mumbai
Date: January 20, 2016

Anil D. Ambani
Chairman