

RELIANCE

Reliance Infrastructure Limited

Consolidated Financial Results

Quarter ended June 30, 2017

Reliance Infrastructure Limited

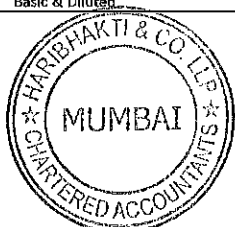
Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710

website: www.rinfra.com CIN L75100MH1929PLC001530

Statement of Consolidated Financial Results for the quarter ended June 30, 2017

(₹ crore)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30-06-2017 (Unaudited)	31-03-2017 (Unaudited)	30-06-2016 (Unaudited)	31-03-2017 (Audited)
1	Revenue from Operations				
	(a) Net Sales / Income from Power Business	6,433.66	4,320.69	6,002.47	20,989.46
	(b) Income from EPC and Contracts Business	525.67	482.29	719.32	2,472.84
	(c) Net Sales / Income from Infrastructure Business	229.88	189.57	214.01	806.96
	(d) Other Operating Income	370.17	70.49	65.77	397.20
	Total Operating Income	7,559.38	5,063.04	7,001.57	24,666.46
2	Other income (Refer Note 1)	526.12	186.61	710.14	2,370.01
	Total Income	8,085.50	5,249.65	7,711.71	27,036.47
3	Expenses				
	Cost of Power Purchased	3,790.04	2,829.46	3,741.34	13,146.06
	Cost of Fuel and Materials Consumed	354.77	304.46	227.90	1,051.61
	Construction Material Consumed and Sub-Contracting Charges	406.03	322.84	595.39	1,974.80
	Employee benefit expenses	434.60	393.48	443.07	1,706.21
	Finance cost	1,491.64	1,443.87	1,264.50	5,649.90
	Depreciation and amortization expenses	453.44	536.66	301.10	1,688.33
	Other expenses (Refer Note 1)	559.48	645.30	507.43	2,069.74
	Total Expenses	7,490.00	6,476.06	7,080.73	27,286.65
4	Profit / (Loss) before Rate Regulated Activities, Exceptional Items and Tax (1+2-3)	595.50	(1,226.41)	630.98	(250.18)
5	Regulatory Income / (Expenses) (net of deferred tax)	(237.28)	895.64	(173.73)	1,185.55
6	Profit / (Loss) before Exceptional Items and Tax (4+5)	358.22	(330.77)	457.25	935.37
7	Exceptional Items - (Net)	-	555.58	-	470.00
	Less: Transfer from General Reserve	-	555.58	-	555.58
		-	-	-	(85.58)
8	Profit / (Loss) before income tax (6+7)	358.22	(330.77)	457.25	1,020.95
9	Tax Expenses				
	Current Tax	74.46	(217.81)	98.16	95.66
	Deferred Tax (net)	(34.96)	(81.23)	1.00	(221.43)
	Taxation for Earlier Years	0.72	(16.50)	-	(16.41)
10	Profit / (Loss) from Continuing Operations (8-9)	318.00	(15.23)	358.09	1,163.13
11	Profit / (Loss) from Discontinued Operations before tax	(32.14)	(0.40)	(18.36)	(109.68)
12	Tax Expenses of Discontinued Operations				
	Current Tax:	0.74	0.04	1.33	3.43
	Deferred Tax	(9.72)	9.85	-	(35.27)
	Taxation for Earlier Years	-	(0.09)	-	(0.09)
13	Profit / (Loss) from Discontinued Operations (11-12)	(23.16)	(10.20)	(19.69)	(77.75)
14	Profit / (Loss) before Share of net profit of associates and joint venture (10+13)	294.84	(25.42)	338.40	1,085.38
15	Share of net profit of associates and joint ventures accounted for using the equity method	25.88	49.83	105.86	309.05
16	Non Controlling Interest	(13.45)	(16.53)	5.46	(30.76)
17	Net Profit / (Loss) for the year (14+15-16)	334.17	40.94	438.80	1,425.18
18	Other Comprehensive Income (OCI)				
	Items that will not be reclassified to Profit and Loss				
	Remeasurements of net defined benefit plans : Gains / (Loss)	(8.27)	(16.13)	7.10	(32.83)
	Net movement in Regulatory Deferral Account balances related to OCI	0.50	-	-	2.41
	Income tax relating to the above	1.58	-	-	6.01
	Other Comprehensive Income, net of taxes	(6.19)	(16.13)	7.10	(24.41)
19	Total Comprehensive income for the year	314.53	8.28	451.36	1,370.02
20	Profit / (Loss) attributable to :				
	(a) Owners of the Parent	334.17	40.94	438.80	1,425.18
	(b) Non Controlling Interest	(13.45)	(16.53)	5.46	(30.76)
		320.72	24.41	444.26	1,394.42
21	Other Comprehensive attributable to :				
	(a) Owners of the Parent	(6.20)	(15.86)	7.10	(24.14)
	(b) Non Controlling Interest	0.01	(0.27)	-	(0.27)
		(6.19)	(16.13)	7.10	(24.41)
22	Total Comprehensive attributable to :				
	(a) Owners of the Parent	327.97	25.09	445.90	1,401.04
	(b) Non Controlling Interest	(13.44)	(16.80)	5.46	(31.03)
		314.53	8.28	451.36	1,370.02
23	Paid up equity Share Capital (Face Value of ₹ 10/- each)	263.03	263.03	263.03	263.03
24	Other Equity				23,084.49
25	Earning Per Equity Share (face value of Rs. 10 each) (quarter not annualised) *				
	Earning Per Equity Share (for continuing operation) :				
	Basic & Diluted	13.59 *	1.94 *	17.43 *	57.14
26	Earning Per Equity Share (for discontinued operation) :				
	Basic & Diluted	(0.88) *	(0.39) *	(0.75) *	(2.96)
27	Earning Per Equity Share (for discontinued and continuing operation) :				
	Basic & Diluted	12.71 *	1.56 *	16.69 *	54.18
28	Earning Per Equity Share (before regulatory activities) :				
	Basic & Diluted	21.73 *	(32.49) *	23.29 *	9.11



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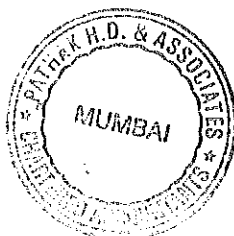
Consolidated Segment-wise Revenue , Results and Capital Employed

(₹ crore)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30-06-2017 (Unaudited)	31-03-2017 (Unaudited)	30-06-2016 (Unaudited)	31-03-2017 (Audited)
1	Segment Revenue				
	- Power Business	6,502.56	5,270.82	5,895.89	22,556.71
	- EPC and Contracts Business	591.14	486.62	723.17	2,492.39
	- Infrastructure Business	235.96	204.80	217.09	831.40
	Total	7,329.66	5,962.24	6,836.15	25,880.50
	Less: Inter Segment Revenue	7.56	3.56	8.31	28.49
	Net Sales / Income from Operations (Including Regulatory Income / (expense))	7,322.10	5,958.68	6,827.84	25,852.01
2	Segment Results				
	Profit before Interest, Tax, Share in Associates, Joint Venture and Non Controlling Interest from each segment:				
	- Power Business	1,252.31	1,059.82	968.42	4,165.31
	- EPC and Contracts Business	125.32	104.63	28.73	268.96
	- Infrastructure Business	45.24	(82.90)	90.11	173.48
	Total	1,422.87	1,081.55	1,087.26	4,607.75
	- Finance Costs	(1,491.64)	(1,443.87)	(1,264.50)	(5,649.90)
	- Interest Income	502.54	27.36	667.33	2,022.87
	- Exceptional Item - Unallocable segment	-	-	-	85.58
	- Other un-allocable Income net of expenditure	(75.55)	4.19	(32.84)	(45.36)
	Profit / (Loss) Continuing Operations before Tax	358.22	(330.77)	457.25	1,020.95
3	Segment Assets				
	Power Business	48,616.96	47,895.05	42,487.01	47,895.05
	EPC and Contracts Business	4,970.01	5,482.86	6,050.49	5,482.86
	Infrastructure Business	15,231.70	15,136.64	14,640.67	15,136.64
	Unallocated Assets	27,704.03	25,898.95	33,706.83	25,898.95
	Total Assets of Continuing Operations	96,522.70	94,413.51	96,885.00	94,413.51
	Assets of Discontinued Operations	3,909.80	3,934.16	7,515.03	3,934.16
	Total Assets of Continuing and Discontinued Operations	100,432.50	98,347.67	104,400.03	98,347.67
4	Segment Liabilities				
	Power Business	30,746.98	28,879.96	27,747.88	28,879.96
	EPC and Contracts Business	5,802.07	6,390.52	6,797.96	6,390.52
	Infrastructure Business	3,769.58	3,811.40	3,560.15	3,811.40
	Unallocated Liabilities	33,464.77	32,910.77	34,537.46	32,910.77
	Total Liabilities of Continuing Operations	73,783.40	71,992.65	72,643.45	71,992.65
	Liabilities of Discontinued Operations	3,030.37	3,007.51	5,836.61	3,007.51
	Total Liabilities of Continuing and Discontinued Operations	76,813.77	75,000.16	78,480.06	75,000.16



1. 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 on March 30, 2011, net foreign exchange loss of the Parent Company of ₹ 8.38 crore for the quarter ended June 30, 2017 has been debited to the Consolidated 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 ended June 30, 2017 would have been lower by ₹ 8.38 crore and General Reserve would have been higher by an equivalent amount. The treatment prescribed under the Scheme overrides the relevant provisions of IND AS 1 "Presentation of Financial Statements". This matter has been referred to by the Auditors in their report.
2. Unrealised loss amounting to ₹ 4.16 crore during the quarter ended June 30, 2017, pertaining to EPC 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 IND AS 28 "Investments in Associates and Joint Ventures" been followed, the Profit before tax and carrying cost of investment in associate for the quarter ended June 30, 2017 would have been higher by ₹ 4.16 crore. This matter has been referred to by the Auditors in their report.
3. The Board of Directors at its meeting held on March 16, 2016 had approved the Scheme of restructuring envisaging transfer of various operating divisions of the Parent Company, namely Dahanu Thermal Power Station, Goa Power Station, Samalkot Power Station, Mumbai Power Transmission Division, Mumbai Power Distribution Division and Windmill Division (together considered as Power Business) to its resulting wholly owned subsidiary viz. Reliance Electric Generation and Supply Limited with effect from April 1, 2016. The scheme has received approval of the Hon'ble Bombay High Court on January 19, 2017. The Parent Company has filed an application on March 16, 2017 for change in effective date of demerger from April 1, 2016 to April 1, 2017 with Hon'ble Bombay High Court. The scheme is effective subject to various approvals and accordingly, no effect of the said Scheme is given in the books of account.
4. On April 28, 2017 Reliance Infrastructure Invit Fund has filed updated Draft Red Herring Prospectus (DRHP) with Securities and Exchange Board of India (SEBI). Pursuant to such filing, the Parent Company has proposed to transfer the controlling interest in seven Toll Road Companies viz. DS Toll Road Limited, GF Toll Road Private Limited, NK Toll Road Limited, JR Toll Road Private Limited, SU Toll Road Private Limited, TK Toll Road Private Limited and TD Toll Road Private Limited and accordingly the assets and liabilities of these subsidiaries have been considered as Non-Current Asset held for sale as per IND AS 105 "Non Current Assets held for sale and discontinued operations"
5. 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 was liable to pay DAMEPL a Termination Payment which was estimated at ₹ 2,823 crore. The matter was referred to arbitration and DAMEPL has been awarded Termination payment of ₹ 2,782.33 crore with interest thereon from August 7, 2013 at the rate of SBI PLR plus 2%. However, pending receipt of funds and expiry of validity of time limit for preferring an appeal before appropriate authority, no effect of the award has been given in the books. The Parent Company still continues to fund the statutory and other obligations of DAMEPL post take over by DMRC and accordingly has funded ₹ 83.94 crore (net of refund, as directed by Hon'ble Delhi High Court, granting interim relief of ₹ 60 crore to cover three months' interest dues of the lenders) during the quarter. The total investment made by the Company in DAMEPL upto June 30, 2017 amounts to ₹ 2,423.90 crore.



6. Delhi Electricity Regulatory Commission (DERC) issued its Tariff Order on September 29, 2015 to BSES Rajdhani Power Limited (BRPL) and BSES Yamuna Power Limited (BYPL) (Delhi Discoms), whereby it had trued up the revenue gap upto March 31, 2014 with certain dis-allowances. The Delhi Discoms have preferred appeal against the Order before Hon'ble Appellate Tribunal for Electricity (APTEL). Based on the legal opinion, the impact of such disallowances, which are subject matter of appeal, has not been considered in the computation of regulatory asset as at June 30, 2017. This matter has been referred to by the Auditors in their report.
7. NTPC Limited served notice to Delhi Discoms for regulation (suspension) of power supply on February 01, 2014 due to delay in payments. The Delhi Discoms 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 in its interim order directed the Delhi Discoms to pay the current dues. The Delhi Discoms sought modification of the said order so as to allow them to pay 70% of the current dues and are awaiting decision of the Hon'ble Supreme Court, which is reserved. This matter has been referred to by the Auditors in their report.
8. Pursuant to the direction of the Department of Power (GoNCTD) on January 07, 2014, the Comptroller and Auditor General of India (CAG) conducted audit of Delhi Discoms and submitted the draft audit report. The Delhi Discoms 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 was last heard on March 9, 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-a-vis LG powers is pending. This matter has been referred to by the Auditors in their report.
9. Subsequent to the quarter end, Reliance Power Limited (Rpower) an associate of the Parent Company, has received letter of Intent from Bangladesh Power Development Board (BPDB) to set up a 745 MW gas based power project in Bangladesh through a subsidiary of Samalkot Power Limited (SMPL) (the subsidiary of Rpower). For balance two modules (1,508 MW), SMPL is actively pursuing allocation of gas linkage at commercially viable prices /generation opportunities and is also evaluating alternative arrangements/various approaches to deal with the situation arising from the continued uncertainty as to the availability of natural gas supply. Considering above plans, including relocation of unused assets acquired for Samalkot to Bangladesh project and support from Rpower, SMPL would be able to meet its financial obligation and has prepared its financial statements on a going concern basis. The above matter has been referred by the Auditors in their report.
10. The listed non convertible debentures aggregating ₹ 3,574.83 crore as on June 30, 2017 are secured by way of first pari passu charge on the Parent Company's certain fixed assets and regulatory assets, second mortgage on the Parent 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.
11. The Group operates in three segments namely Power, Engineering, Procurement, Construction (EPC) & Contracts and Infrastructure. Power segment comprises of generation, transmission and distribution of power at various locations. EPC segment renders comprehensive value added service in construction, erection and commissioning and Infrastructure includes businesses with respect to development, operation and maintenance of tolls roads, metro rail transit systems and airports.



12. The Parent Company has opted to publish consolidated financial results. The standalone financial results, for the quarter ended June 30, 2017 can be viewed on the websites of the Parent 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	Quarter ended (Unaudited)			Year ended (Audited)
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
Total Operating Income (including Regulatory Income /(Expense))	2,683.55	2,483.62	2,460.69	9,527.44
Profit / (Loss) before Tax	468.26	(25.08)	476.73	1,204.73
Total Comprehensive Income	410.76	192.44	392.98	1,263.96

13. After review by the Audit Committee, the Board of Directors of the Company has approved the Consolidated financial results at their meeting held on August 2, 2017. The statutory auditors have carried out a limited review of the Consolidated financial results for the quarter ended June 30, 2017 of the Company, as per listing agreement entered into with the stock exchanges in India.
14. In the previous year, the Group had availed certain optional exemptions available as provided in Ind AS 101 "First Time Adoption of Indian Accounting Standards" for which the impact had been given in the quarter in which the option was availed. The corresponding previous period figures disclosed in these results are the figures as reported for the respective quarters in the unaudited financial results.
15. Figures of the previous periods/year have been regrouped / reclassified wherever considered necessary.

For and on behalf of the Board of Directors



Anil D. Ambani
Chairman

Place: Mumbai
Date: August 2, 2017

