RELIANCE

Reliance Power Limited
CIN: L40101MH1995PLC084687

Reliance Centre,
Near Prabhat Colony,
Off. Western Express Highway,
Santacruz (East),
Mumbai - 400055, India

Tel: +91 22 3303 1000
Fax:+91 22 3303 3662
www.reliancepower.co.in

September 24 , 2018

The Manager
Dept. of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
BSE Scrip Code : 532939

The Asst Vice President
Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051
NSE Symbol : RPOWER

Dear Sirs,

Re: Annual Report 2017-18

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are enclosing Annual Report for the financial year ended March 31, 2018, of the Company as required.

We hereby confirm that the Annual Report 2017-18 was approved and adopted by the members of the Company with requisite majority at their 24th Annual General Meeting held on Tuesday, September 18, 2018, as per provisions of the Companies Act, 2013.

We would request you to take the above on record.

Thanking you

Yours faithfully,

For **Reliance Power Limited**

Murli Manohar Purohit
Vice President - Company Secretary &
Compliance Officer

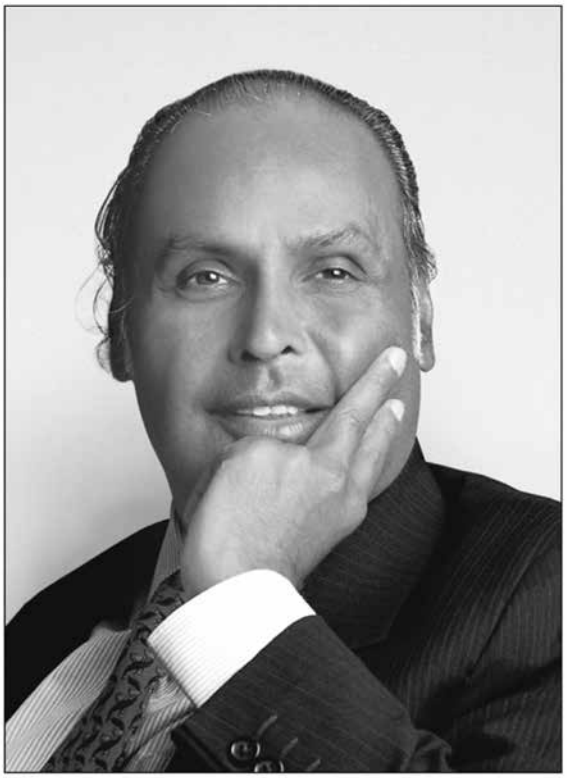
Reliance Power Limited

Encl: as above

RELIANCE

Power

Annual Report
2017-18



Padma Vibhushan

Shri Dhirubhai H. Ambani

(28th December, 1932 – 6th July, 2002)

Reliance Group – Founder and Visionary

Profile

Reliance Power Limited (RPower) is a constituent of the Reliance Group, one of the leading business houses in India.

RPower has developed and constructed a large portfolio of power generation projects and a coal mine in India.

RPower presently has 5,945 MW of operational power generation capacity and a 20 million tonnes per annum capacity operating coal mine.

Our power generation projects are diverse in geographic locations, fuel source and offtake.

RPower strongly believes in clean green power and our projects are / will be using technologies with minimum environment impact.

Mission: Excellence in Power Generation

- To attain global best practices and become a leading power generating Company.
- To achieve excellence in project execution, quality, reliability, safety and operational efficiency.
- To relentlessly pursue new opportunities, capitalizing on synergies in the power generation sector.
- To consistently enhance our competitiveness and deliver profitable growth.
- To practice highest standards of corporate governance and be a financially sound Company.
- To be a responsible corporate citizen nurturing human values and concern for society.
- To improve the lives of local community in all our projects.
- To be a partner in nation building and contribute towards India's economic growth.
- To promote a work culture that fosters learning, individual growth, team spirit and creativity to overcome challenges and attain goals.
- To encourage ideas, talent and value systems and become the employer of choice.
- To earn the trust and confidence of all stakeholders, exceeding their expectations.
- To uphold the guiding principles of trust, integrity and transparency in all aspects of interactions and dealings.

This Report is printed on environment friendly paper.

Board of Directors

Shri Anil Dhirubhai Ambani	-	Chairman
Shri Sateesh Seth		
Shri K. Ravikumar		
Shri D. J. Kakalia		
Smt. Rashna Khan		
Shri K. Raja Gopal	-	Whole-time Director & Chief Executive Officer

Key Managerial Personnel

Shri Shrenik Vaishnav	-	Chief Financial Officer
Shri Murli Manohar Purohit	-	Company Secretary & Compliance Officer

Auditors

M/s. Pathak H. D. & Associates

M/s. BSR & Co. LLP

Registered Office

H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
CIN: L40101MH1995PLC084687
Tel : +91 22 3303 1000, Fax: +91 22 3303 3662
E-mail: reliancepower.investors@relianceada.com
Website: www.reliancepower.co.in

Registrar and Transfer Agent

Karvy Computershare Private Limited
Unit: Reliance Power 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.karvy.com

Investor Helpdesk

Toll free no. (India)	:	1800 4250 999
Tel. no.	:	+91 40 6716 1500
Fax no.	:	+91 40 6716 1791
E-mail	:	rpower@karvy.com

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24th Annual General Meeting on Tuesday, September 18, 2018 at 12.00 noon or soon after the conclusion of the Annual General Meeting of Reliance Infrastructure Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020

The Annual Report can be accessed at www.reliancepower.co.in

Letter to Shareowners

My dear fellow shareowners,

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

The Reliance Group has the largest investor base in India with over 15.5 million retail investors. Reliance Group has over 75,000 employees and serves over 200 million customers. The Reliance Group has assets under management of over ₹ 4,50,000 crore and also manages Government of India's Employees' Provident Fund Organisation (EPFO), Pension Fund Regulatory and Development Authority (PFRDA) and Coal Mines Provident Fund Organisation (CMPFO) funds.

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

It gives me pleasure to share with you the highlights of our Company's performance for the financial year 2017-18.

Reliance Power's projects have demonstrated another year of consistent operational performance. Our flagship, 3,960 MW Sasan Ultra Mega Power Project (Sasan UMPP), the world's largest integrated power plant cum coal mine, continued to deliver 'Best in Class' operating performance in both coal and power sectors. Similarly, our other generating plants viz. 1,200 MW coal-based Rosa Power Plant located in Uttar Pradesh, 600 MW Butibori Power Plant located in Maharashtra, 40 MW Solar PV plant located in Rajasthan and 45 MW Wind power project located in Maharashtra, also delivered strong operating performance. The 100 MW Solar Thermal plant, located adjacent to the Solar PV plant in Rajasthan, generated 105 Million Units during the year, recording a sharp increase by 30% over the previous year.

Driving and sustaining operational and business excellence continued to be the focus of the year and we plan to build further on this platform to raise the level of excellence.

While your Company continues to deliver robust operational and financial performance, it is committed towards the society and environment through its various Environment, Health & Safety (EHS) and CSR initiatives.

The Company's plants continued to receive recognition in the form of number of awards and accreditations for achieving all-round operational excellence as well as for achievements in Corporate Social Responsibility, Health, Environment and Safety initiatives during the year.

Performance Review

The highlights of the Company's consolidated financial performance for the year are:

Total income of ₹ 10,123 crore as compared to ₹ 10,892 crore in the previous year;

Net profit of ₹1,035 crore as compared to ₹ 1,104 crore in the previous year;

Earnings Per Share (EPS) of ₹ 3.69 as compared to ₹ 3.94 in the previous year;

Your Company has been delivering consistent profits, cash flows and enjoys a well-capitalized balance sheet with one of the lowest debt to equity ratios in the industry.

Your Company's risk management initiatives with respect to Tilaiya UMPP achieved a key milestone with the transfer of Jharkhand Integrated Power Limited (JIPL), its wholly owned subsidiary and SPV for development of Tilaiya UMPP, to Procurers along with release of Performance Bank Guarantees of ₹ 600 crore by Procurers and receipt of termination payment by the Company, in accordance with the terms of Power Purchase Agreement (PPA) between JIPL & the Procurers. The implementation of first phase of 718 MW (net) Combined Cycle gas-based power project at Meghnaghat near Dhaka and 500 mmscfd LNG terminal at Kutubdia Island near Chittagong, both in Bangladesh achieved major milestones with execution of project agreements and securing debt financing and partial risk guarantees totalling US$583 million from Asian Development Bank (ADB).

Your Company will continue to explore value accretive growth through a mix of projects under development and inorganic growth opportunities offered by the consolidation phase in the power generation sector.

Corporate Governance

Your Company has always maintained the highest governance standards and practices by adopting, as is the norm for all constituent companies of the Group, the 'Reliance Group - Corporate Governance Policies and Code of Conduct'. These

Policies and Code prescribe a set of systems, processes and principles, which conform to the highest international standards and are reviewed periodically to ensure their continuing relevance, effectiveness and responsiveness to the needs of investors, both local and global, and all other stakeholders.

Social Commitments

Our portfolio of projects requires substantial use of natural resources such as land, water and minerals. We take adequate care in designing our power generation plants in a manner that optimises the utilisation of land, thereby bringing down the aggregate land requirement and minimising the potential for displacement of local communities. We are also adopting cleaner technologies related to power generation that reduce the consumption of fuel and water required for plant operations, thereby conserving precious natural resources and contributing to a greener and healthier environment. Sasan UMPP has the distinction of being one of the most efficient super critical thermal plants in the country in terms of fuel and water consumption.

Our projects are operating in areas which are currently in development phase and we continue to contribute towards improving the quality of life of the communities living in these areas. Indeed, participatory development-oriented approach that strengthens our bond with the local population is at the core of our business model.

As part of our initiatives towards discharge of our Corporate Social Responsibilities (CSR), we have made significant outlays in healthcare, education and enhancing livelihood opportunities for the communities.

Our Commitment

Our founder, the legendary Padma Vibhushan Shri Dhirubhai Ambani, gave us a simple mantra: to aspire to the highest global standards of quality, efficiency, operational performance and customer care. We remain committed to upholding that vision.

Dhirubhai exhorted us to think big. With your continued support, we will think bigger. Indeed not just bigger but better, creating ever greater value for all our stakeholders.

Anil Dhirubhai Ambani
Chairman

Notice

Notice is hereby given that the 24th Annual General Meeting of the Members of **Reliance Power Limited** will be held on Tuesday, September 18, 2018 at 12.00 noon or soon after the conclusion of the Annual General Meeting of Reliance Infrastructure Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020, to transact the following business:

Ordinary Business:

1. To consider and adopt:

a) the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon, and

b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2018 and the report of the Auditors thereon.

2. To appoint a Director in place of Shri Sateesh 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 holding of office by Auditor for remaining term and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (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 appointment of M/s. Pathak H.D. & Associates, Chartered Accountants (Firm Registration No. 107783W) as the Statutory Auditors of the Company which was approved by the Members at the 22nd Annual General Meeting (AGM), to hold office from the conclusion of the 22nd Annual General Meeting for a term of 5 (five) consecutive years till the conclusion of the 27th Annual General Meeting, be and is hereby confirmed to hold office for the said period."

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

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (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 appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/ W-100022), as the Statutory Auditors of the Company which was approved by the Members at the 23rd Annual General Meeting (AGM), to hold office from the conclusion of the 23rd Annual General Meeting for a term of 5 (five) consecutive years till the conclusion of the 28th Annual General Meeting, be and is hereby confirmed to hold office for the said period."

Special Business:

5. Payment of remuneration to Cost Auditors for the financial year ending March 31, 2019

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 other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. V. J. Talati & Co., Cost Accountants (Firm Registration No. R00213) appointed as the Cost Auditors in respect of its 45 MW Wind farm Power Project at Vashpet, Dist. Sangli, Maharashtra, for the financial year ending March 31, 2019, be paid a remuneration of ₹ 15,000/- (Rupees fifteen thousand only) excluding 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, proper or expedient to give effect to this resolution."

6. Appointment of Shri K Raja Gopal as the Whole-time 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 other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and the relevant Rules made there under, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Articles of Association of the Company, Shri K Raja Gopal (DIN: 00019958), who was appointed as an Additional Director by the Board of Directors of the Company at their Meeting held on April 13, 2018 with effect from July 1, 2018, in the capacity of a Whole-time Director, based on the recommendation of the Nomination and Remuneration Committee of the Board and who holds office as such up to the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member under Section 160 of the Act proposing his candidature for appointment as a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT in accordance with the recommendations of the Nomination and Remuneration Committee of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 and 203 of the Act read with Schedule V to the Act as amended and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and subject to such other sanctions as may be necessary, approval of the members be and is hereby accorded to the appointment of Shri K Raja Gopal as a Whole-time Director of the Company for a period of three years commencing from July 1, 2018 as per the terms and conditions including the remuneration as shall

be decided from time to time by 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) and that the Board be and is hereby authorized to alter and vary the terms and conditions including the remuneration payable to him during the tenure of his appointment such that the remuneration payable to him shall not exceed the limits specified in the Act read with Schedule V of the Act as amended thereto.

RESOLVED FURTHER THAT the Board, based on the recommendation of the Nomination and Remuneration Committee of the Board, be and is hereby authorized to provide annual increases in the remuneration payable to the Whole-time Director during his above tenure of appointment, subject to such increases being within the limits specified in the Act read with Schedule V thereto as amended from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of Shri K Raja Gopal as Whole-time Director, the remuneration and perquisites be paid or granted to him as minimum remuneration and perquisites provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the amount as approved by the Board from time to time, subject to the provisions of Schedule V of the Act, as amended.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to do all such acts, deeds, attend to such matters and things and take all steps as may be necessary, proper and expedient to give effect to this resolution."

7. Private Placement of Non-Convertible Debentures 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 other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (SEBI) (Issue and Listing of Debt Securities) Regulations, 2008, as amended, and other applicable SEBI regulations and guidelines, and subject to such other applicable laws, rules and regulations and guidelines, approval of the Members of the Company be and is hereby accorded to 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) for making offer(s) or invitation(s) to subscribe to Secured / Unsecured / Redeemable / Non-Redeemable Non-Convertible Debentures (NCDs) including but not limited to subordinated Debentures, bonds, and/or other debt securities, etc., on a private placement basis, in one or more series / tranches, within the overall borrowing limits of the Company, as may be 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 authorised to determine the terms of issue including the class of investors to whom NCDs are to be issued, time of issue, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium / discount, listing, redemption period, utilisation of the issue proceeds and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds / documents / undertakings / agreements /papers / writings, as may be required in this regard."

,

By Order of the Board of Directors

Murli Manohar Purohit
Company Secretary & Compliance Officer

Registered Office:
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
CIN: L40101MH1995PLC084687
Website: www.reliancepower.co.in

August 10, 2018

Notes:

1. 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.
2. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of herself / himself, and the proxy need not be a Member of the Company. The instrument appointing proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed not later than 48 hours before the commencement of the Meeting.**
3. A person can act as a 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.
4. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company, a certified copy of their Board resolution authorising their representative(s) together with their specimen signature(s) to attend and vote on their behalf at the Meeting.

5. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed to the report.

6. Members / Proxies are requested to bring their duly filled attendance slip sent herewith along with their copy of the Annual Report to the Meeting.

7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.

8. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their folio number in the attendance slip 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. The Company's Register of Members and Transfer Books will remain closed from Saturday, September 15, 2018 to Tuesday, September 18, 2018 (both days inclusive) in connection with the above Meeting.

11. Non-Resident Indian members are requested to inform Karvy Computershare Private Limited (Karvy), Company's Registrar and Transfer Agent 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. Re-appointment of Director:

    At the ensuing Annual General Meeting, Shri Sateesh Seth (DIN: 00004631), Director of the Company retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company has recommended the re-appointment.

    Shri Sateesh Seth, 62 years, is a Fellow Chartered Accountant and a Law Graduate. He has vast experience in general management.

    He has been appointed as a Director of the Company with effect from July 18, 2014. He has attended all seven Board Meetings held during the financial year 2017-18. He is also on the Board of Reliance Infrastructure Limited and Reliance Naval and Engineering Limited. He is a Member of the Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee of the Company.

    In terms of Section 152(6) of the Act, he was appointed as a Non-Executive Director at the Annual General Meeting held on September 26, 2017 liable to retire by rotation.

    Shri Sateesh Seth holds 29 equity shares in the Company. He does not hold any relationship with Directors and Key Managerial Personnel of the Company.

    The details pertaining to Shri Sateesh Seth pursuant to the requirements of Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') are furnished in the Corporate Governance Report forming part of this Annual Report.

13. In terms of Notification No. S.O. 1883(E) dated May 7, 2018, issued by the Ministry of Corporate Affairs, Government of India, the requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM has since been done away. Members at the AGM held on September 27, 2016 and September 26, 2017 had approved the appointment of M/s. Pathak H.D. & Associates and M/s. B S R & CO. LLP respectively, as Statutory Auditors of the Company for a term of five consecutive years. Keeping in view that appointment of above Statutory Auditors was subject to ratification at every AGM, resolutions set out at Item No. 3 and 4 are proposed as an abundant caution, seeking confirmation of the Members for the above Statutory Auditors to continue to hold office for their respective remaining terms. Both the above Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

14. Members are advised to refer to the section titled 'Investor Information' provided in this Annual Report.

15. **SEBI has decided that securities of listed companies can be transferred only in dematerialised form from December 5, 2018. 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 Information' section on the Company's website www.reliancepower.co.in to aid the Company in its constant endeavors to enhance the standards of service to 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 the Registrar and Transfer Agent of the Company.

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 http://reliancepower.co.in/Download-Forms.aspx.

c. are requested to register / update their e-mail address with the Company / Karvy for receiving all communications from the Company electronically.

19. Members holding shares in electronic mode:

a. are requested to submit their PAN and bank account details to their respective 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. The Securities and Exchange Board of India vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated to all the members who holds securities of the company in physical form, to furnish to the company / its registrar and transfer agent, the details of their valid Permanent Account Number (PAN) and bank account. To support the SEBI's initiative, the Members are requested to furnish the details of PAN and bank account to the Company or Karvy Computershare Private Limited (Karvy), the Company's Registrar and Transfer Agent. **Form for updating PAN / Bank details is provided as a part of this Annual Report. Members are requested to send duly filled form along with (a) self-attested copy of PAN card of all the holders; and (b) original cancelled cheque leaf with names of shareholders or bank passbook showing names of members, duly attested by an authorised bank official.**

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 the Registrar and Transfer Agent for consolidation into a single folio.

22. 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 10, 2018 (remote e-voting). A person, whose name is recorded in the register of members or in the register of beneficial owner (in case of electronic shareholding) maintained by the depositories as on the cutoff date i.e. September 11, 2018 only shall be entitled to avail the facility of remote e-voting / voting. Karvy Computershare Private Limited 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. (IST) on September 14, 2018 to 5:00 P.M. (IST) on September 17, 2018. 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 and Lohia, Chartered Accountants as the Scrutiniser to scrutinise the voting process in a fair and transparent manner.

The Scrutiniser 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.reliancepower.co.in and on the website of Karvy Computershare Private Limited.

Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 10, 2018

Item No. 5 - Payment of remuneration to the Cost Auditors for the financial year ending March 31, 2019

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. V. J. Talati & Co., Cost Accountants (Firm Registration No. R00213), as the Cost Auditors in respect of its 45 MW Wind farm Power Project at Vashpet, Sangli District, Maharashtra for the financial year ending March 31, 2019, at a remuneration of ₹ 15,000/- (Rupees Fifteen thousand only) excluding applicable taxes and out of pocket expenses, if any. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, concerned or interested, financially or otherwise, in this resolution set out in Item no. 5 of the Notice.

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

Item No. 6 - Appointment of Shri K Raja Gopal, as the Whole-time Director

Shri K Raja Gopal was appointed as Chief Executive Officer of the Company by the Board with effect from May 2, 2018.

At its Meeting held on April, 13, 2018, the Board of Directors has appointed Shri K Raja Gopal as an Additional Director and has also appointed him to the position of a Whole-time Director for a period of three years effective from July 1, 2018. The above appointment is based on the recommendation of the Nomination and Remuneration Committee of the Board.

The Board has also approved the remuneration payable to him subject to the consent of the shareholders.

As an Additional Director, Shri Gopal holds office only up to the date of the ensuing Annual General Meeting as per the provisions of the Act.

Shri Gopal has given his consent for the appointment and has also confirmed that he is not in any way disqualified from the appointment as per the provisions of the Act. He will be liable to retire by rotation during the above tenure of his appointment.

The details pertaining to Shri Gopal, pursuant to the requirements of Section 152 (5) of the Act, Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings are furnished in the report on Corporate Governance forming part of this Annual Report.

The Company has also received a notice in writing from a member under Section 160 of the Act, proposing the candidature of Shri Gopal, for the office of Director of the Company.

Shri K Raja Gopal is not related to any other director or Key Managerial Personnel of the Company.

Shri Gopal 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 either directly or indirectly or through any other statutory structures. He is not related to the directors or promoters of the Company or any of its subsidiaries at any time during the last two years before this appointment.

He possesses M.E. and MBA qualifications. He has rich and diversified experience of over 35 years in the power industry, having acquitted himself creditably by holding senior positions.

In view of the above, pursuant to the amended provisions of Schedule V to the Act, no approval of the Central Government is called for in respect of the remuneration paid / proposed to be paid to Shri Gopal during the tenure of this appointment.

Shri Gopal fulfills the conditions for eligibility for the appointment as contained in part I of Schedule V of the Act.

In terms of the requirements of Schedule V of the Act, the following information is provided in connection with the special resolution proposed to be passed in respect of the remuneration payable to Shri K Raja Gopal.

The Company has not made any default in repayment of its debts or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of the Whole-time Director.

General Information

1. Nature of industry – Generation and distribution of electricity

2. Date or expected date of commencement of commercial production:

   Reliance Power Limited is, *inter-alia*, the Holding Company of the following operational Special Purpose Vehicles all of which are its 100% subsidiaries. These subsidiaries are operating power plants with different operating capacities at different locations as detailed below:-

   - Rosa Power Supply Company Limited – installed capacity – 1,200 MW. The thermal plant which is located in Shahjahanpur district of UP comprises of four units of 300 MW each and commenced commercial operations in the year 2012.

   - Sasan Power Limited – installed capacity – 3,960 MW. This plant which is located in Singrauli district of Madhya Pradesh is an integrated Ultra Mega Power Plant (UMPP) six units with a generating capacity of 660 MW each. This plant is the largest integrated power plant in the world with its dedicated coal mine. The last of the units in the Plant became commercially operational in the year 2015. The plant provides quality, efficient and competitive power to 7 states in the Country.

   - Vidarbha Industries Power Limited – installed capacity – 600 MW. This plant is located in Butibori, Maharashtra and the entire power generated is distributed in Mumbai city under a 25 year Power Purchase Agreement.

   - Dhursar Solar Power Private Limited – installed capacity – 40 MW. This solar Photovoltaic (PV) plant is located in Pokhran District, Rajasthan.

   - Rajasthan Sun Technique Energy Private Limited – installed capacity – 100 MW Concentrated Solar Power (CSP) plant located in Pokhran District, Rajasthan.

Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 10, 2018

Apart from the above plants, Reliance Power operates under its own umbrella, a 45 MW Wind Farm project which is located in the Sangli district of Maharashtra.

In addition, the Reliance Power through its subsidiary is also in the process of setting up a combined cycle gas power project in Bangladesh which is proposed to be set up in phases.

Apart from the above, Reliance Power has certain other projects which are in the drawing board and in different stages of conceptualization.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – Not Applicable.

4. Financial performance based on given indicators

₹ in Lakhs

Particulars	Consolidated	Standalone
	Financial year ended 31-03-2018	
Total income	10,12,290	49,431
Profit before tax	1,23,134	546
Provision for tax	19,653	321
Profit after tax	1,03,481	225
	Financial year ended 31-03-2017	
Total income	10,89,168	47,662
Profit before tax	1,42,542	7,106
Provision for tax	32,126	680
Profit after tax	1,10,416	6,426
	Financial year ended 31-03-2016	
Total income	10,62,152	1,58,224
Profit before tax	1,35,322	1,29,944
Provision for tax	45,777	120
Profit after tax	89,545	1,29,824

5. Foreign investments or collaborations, if any – **Not Applicable.**

Information about the appointee:

1. Background details:

Shri K Raja Gopal, ME, MBA having over thirty-five years of industry and leadership experience in both public and private domains. A well acknowledged leader in power industry circles of the country known for deep insight, vision, team building capability, fostering strong relationships and a proven track record of execution and operation of large IPPs. Most recently chaired the 'Association of Power Producers' (APP) and also was a member of National Committee on Power at CII and FICCI at New Delhi. In the past he has remained to be the member of Board & CEO of Lanco Group, CEO of LVS Power Limited, General Manager & Head – Project, Best Power Limited and also worked with Hindustan Cables Limited

2. Past remuneration - ₹ 278.31 Lakhs

3. Recognition or awards -

While working as a Board member and Chief Executive Officer of Lanco Group strategized several winning PPA bids & executed projects to become no. 1 IPP in the nation, established and grew Power Trading business to reach no. 2 position in the country, started O&M business and built teams that delivered excellent performance and won several awards.

While working as a Chief Executive Officer of LVS Power Limited evolved legal strategy that won PPA litigation against the State Discoms, set up O&M team that won appreciation from MANN B&W(OEM), Germany

Most recently lead the Association of Power Producers, New Delhi as Chairman, the trade body of IPPs in the Country and Served as Member of National Committee on Power at CII and FICCI, New Delhi for several years.

4. Job profile and his suitability

As Shri Gopal has the requisite professional qualification and experience, he is eminently suited for the position.

5. Remuneration proposed -

Present remuneration is ₹ 300 Lakhs per annum which comprises of salary, allowances and other perquisites inclusive of Performance Linked Incentive of ₹ 75 lakhs. 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 K Raja Gopal is entitled for annual increment / performance linked incentive, as may be decided by the Board of Directors pursuant to recommendation of the Nomination and Remuneration Committee based on the performance of the Company and as per the Company's policy as applicable.

The perquisites and allowance payable to Shri K Raja Gopal will include House Rent Allowance (part of his salary), reimbursement of expenses and / or allowances, medical insurance, such other perquisites and / or allowance within the amount specified above. The said perquisites and allowances shall be evaluated wherever applicable as per the provisions of the Income Tax Act, 1961 or any Rules made there under including any statutory modification(s) thereto, for the time being in force.

Since, Shri Gopal has completed the superannuation age pursuant the Company's policy, therefore, he has not opted for the contribution to Provident Fund, Superannuation / Annuity Fund and Gratuity. Shri K Raja Gopal shall be eligible for an annual increment of such amount as may be determined by the Board based on the recommendation of the Nomination and Remuneration Committee.

In the event of loss or inadequacy of profits in any financial year during the currency of the above appointment of Shri K Raja Gopal as Whole-time Director, the remuneration and perquisites to be paid as minimum remuneration shall not exceed the amount as may be approved by the Board from time to time subject to the provisions of Schedule V to the Act, as amended.

Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 10, 2018

6. 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 the appointee is comparable with persons holding similar positions in the industry. The proposed remuneration is commensurate to the size and extent of operation of the Company.

7. 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

   The Company operates through its subsidiaries and has built diversified portfolio of projects in terms of source of fuel; business model; power purchasers; etc. of the power projects in its portfolio, some are operational while the other power projects are under various stages of development. The Company has undertaken measures for monetisation of assets of the subsidiaries, where projects could not be executed/ made operational due to regulatory and / or other reasons, which would unlock the investments held up therein. Increase in finance costs and lower than expected realisation of monetisation proceeds has primarily contributed to inadequate profit during the year.

ii. Steps taken or proposed to be taken for improvement

   As mentioned in the foregoing, monetisation proceeds shall be used for deleveraging and thereby attaining reduction in finance cost. The continued focus on operational excellence in terms of availability and efficiency of power plants of operating subsidiaries will further boost cash flows, thereby enabling enhanced income on the Company's investment in such subsidiaries.

iii. Expected increase in productivity and profits in measurable terms

   The combined effect of enhanced cash flows in operating subsidiaries and realization of monetisation proceeds will lead to enhanced profits, for the Company in the medium-term, which is difficult to measure.

Disclosures

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

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

The relatives of Shri K Raja Gopal may be deemed to be interested in the resolution set out in Item no. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except Shri K Raja Gopal, 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. 6 of the Notice.

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

Item No. 7 - Private Placement of Non-Convertible Debentures and/or other Debt Securities.

As per the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and the Rules made thereunder, a company offering or making an invitation to subscribe to Secured / Un-Secured / Redeemable / Non-Redeemable Non-Convertible Debentures (NCDs) on a private placement basis is required to obtain the prior approval of the Members by way of a Special Resolution. Such approval by a Special Resolution can be obtained once a year for all the offers and invitations for such NCDs to be made during the year.

In order to augment resources in the ordinary course of business for such purposes as may be deemed necessary including for general corporate purposes, the Company may offer or invite subscriptions for secured/unsecured NCDs in one or more series / tranches, on private placement basis.

The Board of Directors at its meeting held on July 21, 2018 has considered the proposal to make an offer or invitation, to subscribe to securities through private placement subject to the shareholders' approval at the ensuing AGM for all the offers or invitations for NCDs to be made during the year.

It is proposed to obtain an enabling approval of shareholders to offer or invite subscriptions for NCDs including subordinated debentures, bonds, and / or other debt securities, etc., on private placement basis, at appropriate time in one or more series/ tranches, within the overall borrowing limits of the Company, as may be approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the NCDs, interest, repayment, security, or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, 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 thereunder as set out in Item No. 7 appended to this notice.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in this resolution.

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

By Order of the Board of Directors

Murli Manohar Purohit
Company Secretary & Compliance Officer

Registered Office:
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
CIN: L40101MH1995PLC084687
Website: www.reliancepower.co.in

August 10, 2018

Directors' Report

Dear Shareowners,

Your Directors present the 24th Annual Report and the audited accounts for the financial year ended March 31, 2018.

Financial Results

The performance of the Company (consolidated and standalone) for the financial year ended March 31, 2018, is summarized below:

Particulars	Financial Year ended March 31, 2018		Financial Year ended March 31, 2017	
	₹ In Lakhs (Consolidated)	**₹ In Lakhs (Standalone)**	₹ In Lakhs (Consolidated)	₹ In Lakhs (Standalone)
Total Income	**10,12,290**	**49,431**	10,89,168	47,662
Profit before Tax	**1,23,134**	**546**	1,42,542	7,106
Less : Provision for taxation (Net)	**19,653**	**321**	32,126	680
Profit after Tax	**1,03,481**	**225**	1,10,416	6,426

Financial Performance

During the financial year under review, the total Income of the Company was ₹ 49,431 lakhs against ₹ 47,662 lakhs in the previous year on a standalone basis. The Company has earned a Profit after tax of ₹ 225 lakhs compared to ₹ 6,426 lakhs in the previous year.

Dividend

During the year under review, the Board of Directors has not recommended dividend on the Equity Shares of the Company.

The Company's Dividend Distribution Policy forms part of this Annual Report.

Business Operations

During the year 2017-18 all the operating plants of the Company which are functioning through its subsidiary companies performed exceedingly well both in terms of efficiency parameters and profitability. The Plant Load Factor (PLF) of the three thermal plants of the Company (Sasan Power, Rosa Power and Butibori Power) accounting for a total aggregate capacity of 5760 MW was 85% as against the all India average of 58%.

The Company's Sasan UMPP (Capacity 3,960 MW) had a very impressive year generating 31793 MUs for the year, with the PLF being 91.65%.

The Sasan UMPP is the World's largest integrated power plant and the Moher and Moher Amlohri Coal mines attached to the plant were the biggest coal mines in the country in terms of total quantity of coal excavated. Including the Overburden handled at 74 Million CuM, the total volume handled at Sasan Coal Mine during the year was 86 Million CuM, making it the largest mine in the country in terms of volume handled.

Sasan mine was awarded by the Honourable President of India with National Safety Award (Mines) for the year 2013 & 2014 through DGMS for its commendable safe work environment and safety practices during the year.

The Rosa Thermal plant (1,200 MW) at Shahjahanpur in Uttar Pradesh, owned by the Company's subsidiary Rosa Power Supply Company Limited delivered another year of consistent performance with generation of 7719 MUs.

The Rosa power plant received prestigious accolades and awards from prestigious Institutions for excellence in CSR, Training and for best practices in HR.

The Butibori Thermal plant (600 MW) in Maharashtra generated 3,307 million units during the year. The plant also received recognition from prestigious bodies for excellence in the areas of the environment and energy. It won accolades for its initiatives in the area of community development as part of its CSR Projects.

The Solar PV (40 MW) Project in Rajasthan generated 69 million units during the year.

The Solar CSP (100 MW) plant in Rajasthan has achieved a number of operating milestones including achievement of peak load of 132.43 MW during the year.

The Company's Wind farm at Vashpet in Sangli District of Maharashtra also performed satisfactorily during 2017-18.

As reported in the previous year, the Company's subsidiary Jharkhand Integrated Power Limited (JIPL), a special purpose vehicle for development of 3,960 MW Tilaiya Ultra Mega Power Project, terminated the Power Purchase Agreement (PPA) with its procurers due to their failure to meet the conditions subsequent as per the PPA. Procurers accepted the termination of PPA and on May 10, 2018, the Company entered into Share Transfer Agreement for transferring its entire holding in JIPL to Jharkhand Urja Vikas Nigam Limited, the Lead Procurer, acting on behalf of Procurers of Tilaiya UMPP. The said transaction has been completed on May 16, 2018 with Procurers returning Bank Guarantees of ₹ 600 Crore along with the payment of agreed termination payment of ₹ 113 Crore.

Proposed gas-based project in Bangladesh

The Directors are pleased to inform that during the year the progress achieved in the implementation of the gas-based project in Bangladesh was significant.

The project involves development and operation of a 718 MW (net) Combined Cycle Power Plant (CCPP) using Re-gasified Liquefied Natural Gas (LNG). The project also include setting up of a Floating Storage Regasification Unit (FSRU) based LNG Terminal at offshore of Kutubdia Island, Bangladesh.

The Company completed the execution of project agreements for Phase – I of its Bangladesh Project with Bangladesh Authorities. The Company also initialled the Terminal Use Agreement for LNG Terminal Project with PetroBangla, a Government of Bangladesh entity.

Asian Development Bank (ADB), the lead lender has approved debt financing and partial risk guarantee totalling $583 million for the project.

For CCPP, the Company awarded EPC Contract to Reliance Infrastructure Limited (RInfra) and Equipment Supply Contract to Samalkot Power Limited, a subsidiary of the Company.

For setting up 500 mmscfd LNG Terminal Project, the Company has awarded the EPC Contract to RInfra.

Management Discussion and Analysis

Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is presented in a separate section forming part of this Annual Report.

Non-convertible Debentures

During the year under review, entire amount of ₹ 560 Crore Redeemable Non Convertible Secured Debentures ('NCDs'), were matured and paid.

During the year the Company has issued NCDs of ₹ 250 Crore and ₹ 750 Crore. As on date NCDs of ₹ 1,000 Crore are outstanding. These NCDs are listed on BSE Limited.

Deposits

The Company has not accepted any deposits from the public which comes within the purview of Section 73 of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of Investments

Pursuant to the provisions of Section 186 of the Act, the details of Investments made are provided in the unabridged standalone financial statements under Note 3.3(a) and 3.5(a).

Subsidiary and Associate Companies

As on March 31, 2018, the Company had 44 subsidiaries under its fold.

During the year, Reliance Bangladesh LNG Terminal Limited became subsidiary of the Company.

RPL Surya Power Private Limited, RPL Star Power Private Limited, RPL Sunlight Power Private Limited, RPL Solar Power Private Limited, RPL Solaris Power Private Limited, RPL Sunshine Power Private Limited and Jharkhand Integrated Power Limited have ceased to be the subsidiaries of the Company.

The Company had the following Associate Companies as on March 31, 2018:

1. RPL Sun Power Private Limited
2. RPL Photon Private Limited
3. RPL Sun Technique Private Limited

The operating and financial performance of the major subsidiary companies, has been discussed in the Management Discussion and Analysis Report forming a part of this Annual Report. In addition, the financial results of the subsidiary companies have been consolidated with those of the parent company. The Company's policy for determining material subsidiaries may also be accessed on the Company's website at the link http://www.reliancepower.co.in/pdf/Policy_for_Determination_of_Material_Subsidiary.pdf.

Financial Statements - Application of the Companies (Indian Accounting Standards) Rules, 2015

The Ministry of Corporate Affairs (MCA) vide its Notification No. G.S.R. 111(E) dated February 16, 2015, has made the application of the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules) effective from April 1, 2015, for certain categories of companies.

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

Consolidated Financial Statement

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

Directors

During the year under review, Shri K. Ravikumar was appointed as an Independent Director of the Company at the Annual General Meeting (AGM) of the Company held on September 26, 2017, for a term of three consecutive years.

Shri D.J. Kakalia and Smt. Rashna Khan, Independent Directors of the Company, who were appointed to hold office for a term up to three consecutive years from September 27, 2014, were re-appointed as an Independent Directors of the Company for a further term of three consecutive years with effect from September 26, 2017.

The approval of members has been accorded for appointment of Shri N. Venugopala Rao as a Whole-time Director of the Company commencing from April 13, 2017.

Shri N. Venugopala Rao, Whole-time Director has superannuated from the services of the Company from the close of business hours on June 30, 2018.

The term of Dr. Yogendra Narain, one of the Independent Director, has expired with effect from September 26, 2017.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under the Act and the Listing Regulations.

The details of programmes for familiarization of Independent Directors with the Company, nature of industry in which the Company operates and related matters have been put up on the website of the Company at the link: http://www.reliancepower.co.in/web/reliance-power/corporate governance.

In accordance with the provisions of the Act, Shri Sateesh Seth, Non-Executive Director, retires by rotation and being eligible, has offered himself for re-appointment at the ensuing AGM.

Appointment of Whole-time Director

The Board of Directors at their Meeting held on April 13, 2018, has appointed Shri K Raja Gopal as an Additional Director of the Company, who holds office only upto the date of the ensuing AGM and also appointed him to the position of Whole-time director for a period of three years effective from July 1, 2018 as per the provisions of the Act. The appointment and the remuneration payable to Shri K. Raja Gopal during the above tenure of appointment are subject to the approval of the members at the ensuing AGM. Shri K Raja Gopal was appointed as the Chief Executive Officer of the Company with effect from May 2, 2018.

The Company has received a notice in writing from a member under Section 160 of the Act, proposing the candidature of Shri Gopal for the office of Director of the Company. The Nomination and Remuneration Committee of the Board, has also recommended the appointment of Shri K Raja Gopal, as a Director.

Particulars of Directors proposed to be appointed

Pursuant to the provisions of Section 152(5) of the Act read with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing

Regulations), the brief resume of Shri Sateesh Seth and Shri K Raja Gopal, who are proposed to be appointed at the ensuing AGM as above, along with the information regarding the nature of their expertise in specific functional areas and names of the companies in which they hold directorship and / or membership / chairmanship of Committees of the respective Boards, shareholding and relationship between Directors, *inter se*, is given in the section on Corporate Governance Report forming part of this Annual Report.

Key Managerial Personnel (KMP)

Shri N. Venugopala Rao, Chief Executive Officer (CEO) of the Company was appointed as Whole-time Director (WTD) with effect from April 13, 2017 and was also given the additional responsibility as Chief Financial Officer (CFO) with effect from February 16, 2018.

Shri Suresh Nagarajan, has resigned as the CFO effective from February 16, 2018.

Shri N. Venugopala Rao, superannuated from the service of the Company from the close of business hours on June 30, 2018. However, he ceased to be the CEO & CFO from the close of business hours on May 1, 2018 and ceased to be the WTD from the close of business hours on June 30, 2018.

Shri K Raja Gopal has been appointed as CEO with effect from May 2, 2018 and WTD with effect from July 1, 2018, for a period of 3 years, subject to approval of the members of the Company.

Shri Shrenik Vaishnav has been appointed as the CFO with effect from May 2, 2018.

Shri Ramaswami Kalidas, Company Secretary and Compliance Officer, has superannuated from the service of the Company from the close of business hours on June 7, 2017.

Shri Murli Manohar Purohit has been appointed as Company Secretary and Compliance Officer with effect from June 8, 2017.

As on date, Shri K Raja Gopal, WTD & CEO, Shri Shrenik Vaishnav, CFO and Shri Murli Manohar Purohit, the Company Secretary are the KMP's.

Evaluation of Directors, Board and Committees

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

Pursuant to the provisions of the Act and Regulation 17(10) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees of the Board. The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board composition and structure, effectiveness of Board / Committee processes, and information provided to the Board, etc. A separate meeting of the Independent Directors was also held during the financial year for the evaluation of the performance of non-independent Directors, performance of the Board as a whole and that of the Chairman.

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

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

The Nomination and Remuneration Committee of the Board has devised a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration. The Committee has formulated the criteria for determining the qualifications, positive attributes and independence of Directors, which has been put up on the Company's website http://www.reliancepower.co.in. Further, the Committee has also devised a policy relating to remuneration for Key Managerial Personnel and Senior Management Employees. All the Non-Executive Directors, as at the end of the financial year 2017-18 were paid only sitting fees for attending the meetings of the Board and its Committees. The policy on the above 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, 2018, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;

ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;

iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The Directors had prepared the annual financial statement for the financial year ended March 31, 2018 on a 'going concern' basis;

v. The Directors had laid down 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 were adequate and operating effectively.

Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered into by the Company during the financial year under review with related parties were at an arm's length basis and in the ordinary course of business.

There were no materially significant related party transactions, which could have potential conflict with the interest of the Company at large.

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

All related party transactions were placed before the Audit Committee for approval. Prior 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 has been uploaded on the Company's website at the link http://www.reliancepower.co.in/web/reliance-power/corporate-governance.

Your Directors draw attention of the members to Note 12 to the financial statement, which sets out related party disclosures.

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

There were no material changes and commitments affecting the financial position of the Company, which have occurred between the close of the financial year till the date of this Report.

Meetings of the Board

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, seven Board Meetings were held. Details of the meetings held and attended by each Director are given in the Corporate Governance Report.

Audit Committee

The Audit Committee of the Board consists of the Independent Directors namely: Shri K Ravikumar (Chairman), Shri D. J. Kakalia and Smt. Rashna Khan. Shri Sateesh Seth, Non-Independent, Non-Executive Director is a member of the Committee. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

Auditors and Auditors' Report

M/s. Pathak H.D. & Associates, Chartered Accountants and M/s. B S R & Co. LLP, Chartered Accountants were appointed as the Auditors of the Company for a term of 5 (five) consecutive years, at the AGM of the Company held on September 27, 2016 and September 26, 2017, respectively. The Company has received letters from M/s. Pathak H.D. & Associates, Chartered Accountants and M/s. B S R & Co. LLP, Chartered Accountants that they are not disqualified from continuing as the Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. 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 in respect of its 45 MW Wind Farm Power Project at Vashpet, Dist. Sangli, Maharashtra, for the financial year ending March 31, 2019, subject to the remuneration being ratified by the shareholders at the ensuing AGM 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 (ICSI).

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Ajay Kumar & Co., Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. There is no qualification, reservations or adverse remarks in their Secretarial Audit Report.

The Report of the Secretarial Auditor is attached herewith as Annexure – B.

Extract of Annual Return

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

Employees Stock Option Scheme

Pursuant to the approval accorded by the Shareholders on September 30, 2007, under Section 81(1A) of the erstwhile Companies Act, 1956, and pursuant to ESOS Guidelines on May 8, 2010, a Committee of the Board had approved implementation of "Reliance Power - Employees Stock Option Scheme 2010" (ESOS-2010) and grant of 2,00,00,000 options thereon, exercisable into equal number of fully paid up equity shares of the Company, to the eligible employees of the Company and its subsidiaries based on specified criteria.

However, considering the market price of the equity shares, none of the employee had exercised the options vested and consequently, the ESOS Committee, at their meeting held on May 19, 2014, had amended the ESOS Plan 2010 and extended the validity period of Exercise Period.

Thereafter, considering the Company's proposed revision in its current Employees' Remuneration and Incentive Policy, market condition and the current market price which was quoted under ₹ 50 per share for past six months and after considering the recommendations of Nomination and Remuneration Committee, the Company decided to wind up Reliance ESOS Plan 2010 with effect from October 23, 2017.

Particulars of Employees and Related Disclosures

In terms of the provisions of Section 197(12) of the Act read with Rule 5(2) & 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, which forms part of this 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, are also provided in the Annual Report, which forms part of this 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. upto the date of meeting. Any member interested in obtaining the same may write to the Company Secretary and same shall 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 – D forming part of this Report.

Corporate Governance

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

The disclosures required under Schedule V of the Act as applicable to Shri K Raja Gopal as a Whole-time Director are given below:

(i) Remuneration comprises of salary, allowances and other perquisites of ₹ 300 Lakhs per annum inclusive of performance linked incentive of ₹ 75 Lakhs.

(ii) Details of fixed component and performance linked incentives along with the performance criteria - Fixed component of ₹ 225 Lakhs per annum and performance linked incentive of ₹ 75 Lakhs

(iii) Service, contracts, notice period, severance fees - He has a binding service contract with functions and duties of a Whole-time Director and Chief Executive Officer.

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable – Not Applicable

(v) Details of Non Executive Directors are provided in Corporate Governance Report.

Whistle Blower (Vigil Mechanism)

In accordance with Section 177 of the Act and the Listing Regulations, the Company has formulated a Vigil Mechanism and a Whistle Blower Policy to address the genuine 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.

Risk Management

The Company continues to have a Risk Management Committee consisting of majority of directors and senior managerial personnel. 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 framework to identify, evaluate business risks and opportunities.

This framework seeks to create transparency, minimize adverse impact on the business objectives and enhances the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The risks are assessed for each project and mitigation measures are initiated both at the project as well as the corporate level.

Compliance with provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to uphold and maintain the dignity of women employees and it has in place a policy, which provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. During the year under review, no such complaint has been 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 constitued Corporate Social Responsibility (CSR) Committee in compliance with the Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee has formulated a Corporate Social Responsibility Policy (CSR policy) indicating the activities to be undertaken by the Company.

The CSR policy may be accessed on the Company's website at the link http://www.reliancepower.co.in/web/reliance-power/corporate governance.

The CSR Committee consisted of Smt Rashna Khan as Chairperson, Shri Sateesh Seth, Shri K Ravikumar, Shri D. J. Kakalia and Shri N. Venugopala Rao, Directors as members as on March 31, 2018. Dr. Yogendra Narain, has ceased to be Chairman of the Committee with effect from September 26, 2017, being the date on which he has relinquished his office as a Director. Shri N. Venugopala Rao ceased to be a member of the Committee with effect from June 30, 2018.

The disclosures with respect to CSR activities forming part of this report is given as Annexure - E.

Orders, if any, passed by Regulators or Courts or Tribunals

No orders have been passed by the Regulators or Courts or Tribunals which impact the going concern status and operations of the Company.

Internal Financial Controls and their adequacy

The Company has in place adequate internal financial controls with reference to financial statements across the organization. The same is subject to review periodically by the Internal Audit Cell and Audit Committee for its effectiveness. The control measures adopted by the Company have been found to be effective and adequate to the Company's requirements.

Business Responsibility Report

Business Responsibility Report for the year under review as stipulated under Listing Regulations is presented in a separate section forming part of this Annual Report.

Acknowledgements

Your Directors express their sincere appreciation for the cooperation and assistance received from shareholders, debenture holders, debenture trustee, bankers, financial institutions, 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 successful performance of the Company during the year.

For and on behalf of the Board of Directors

Anil Dhirubhai Ambani
Chairman

Mumbai
July 21, 2018

Annexure A

Policy on Appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Employees

Following is the summary of the policy as approved by the Nomination and Remuneration Committee of the Board:

1. Introduction

1.1 The Company considers human resources as an invaluable asset. The policy is intended to harmonize the aspirations of the directors / employees with the goals and objectives of the Company;

1.2 As part of a progressive HR philosophy, it is imperative for the Company to have a comprehensive compensation policy which has been synchronized with the industry trends and is also employee friendly.

2. Objectives

2.1 Broad objective is to attract and retain high performing resources.

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

2.2.1 To attract highly competent human resources to sustain and grow the Company's business;

2.2.2 To build a performance culture by aligning performance of individuals with the business objectives of the Company;

2.2.3 To ensure that annual compensation review considers Industry/business outlook and strategies adopted by industry peers, differentiates employees based on their performance and also adequately protects employees, especially those in junior cadres, against inflationary pressures;

2.2.4 To retain high performers at all levels and those who are playing critical roles in the Company.

3. Scope and Coverage

In accordance with the provisions of the Companies Act 2013, (the 'Act'), a Nomination and Remuneration Committee of the Board has been constituted, *inter-alia*, to recommend to the Board the appointment and remuneration of Directors, KMPs and persons belonging to the Senior Management cadre.

4. Definitions

4.1 'Director' means a director appointed to the Board of the Company.

4.2 'Key Managerial Personnel' in relation to the Company means -

i) the Chief Executive Officer or the Managing Director or the Manager

ii) the Company Secretary

iii) the Whole-time Director

iv) the Chief Financial Officer; and

v) such other officer as may be prescribed under the Companies Act, 2013.

4.3 'Senior Management' refers to personnel of the Company who are members of its core management team excluding the Board of Directors and comprises of all members of the management, one level below the Executive Directors, if any.

5. Policy

5.1 Remuneration i.e. Cost-to-Company (CTC) shall comprise of two broad components; fixed and variable.

5.2 Fixed portion comprises of Base pay and Choice pay components.

5.3 Variable pay termed as Performance Linked Incentive (PLI) comprises of a pre-determined maximum that can be paid as % at the end of the performance year based on the composite score achieved during the relevant performance year.

5.4 Performance Year shall be from 1st April - 31st March.

5.5 PLI is based on the following dimensions with indicated weightages for computing the Composite score based on:

(a) Individual performance rating;

(b) Function/Project Annual Operating Plan (AOP) achievement rating; and

(c) Company AOP achievement rating.

6. Payout Mechanism

6.1 Fixed pay gets paid on a monthly basis, net of retirals and taxes

6.2 Retirals are 12% of basic for provident fund and 4.81% of basic towards gratuity.

6.3 All payments are made with TDS implemented.

7. Annual Compensation Review

The compensation review year will be from 1st April to 31st March. The annual compensation review, as part of the Performance Management System (PMS) cycle, shall be guided by:

7.1 Industry/business outlook;

7.2 Strategies adopted by industry peers;

7.3 Employee differentiation based on individual performance rating (achieved during the applicable performance year); and

7.4 Protection of employees, especially those in junior cadre against inflationary pressures.

8. Retention Features as part of Compensation Package

8.1 Based on the organizational need for retaining high performing employees and also those who are playing critical roles from time to time, certain retention features may be rolled out as part of the overall compensation package. These may take form of Retention Bonuses (RBs), Special Monetary Programs (SMPs), Long-term Incentives (LTIs), etc.

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

9. Modifications / Amendments / Interpretation

The policy is subject to modifications, amendments and alterations by the Management at any time without assigning any reasons or without giving any prior intimation to the employees. In case of any ambiguity, the interpretation provided by the Corporate HR team shall be final.

Annexure B

Form No. MR- 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Reliance Power Limited
H Block 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai - 400710

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Reliance Power Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent of applicability to the company;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 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;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the audit period)

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable during the audit period) and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015

(vi) OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY

(a) The Electricity Act, 2003 and the rules made thereunder

I have also examined compliances with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Woman Director 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.

(ii) 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 clarifications on the agenda items before the meeting and for meaningful participation of the directors at the meetings.

(iii) All decisions at board meetings and committee meetings are carried out unanimously as recorded in the minutes of meetings of Board of Directors or the committees of the board, as the case may be.

I 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.

I further report that during the audit period the company has:

(i) Issued and allotted 2500 unsecured redeemable Non-convertible debentures of ₹ 10 lakhs each on private placement basis. The said securities are listed with BSE.

(ii) Further issued and allotted 7500 unsecured redeemable Non-convertible debentures of ₹ 10 lakhs each on private placement basis. The said securities are listed with BSE.

(iii) The Company has appointed Shri Murli Manohar Purohit as Company Secretary and Compliance Officer with effect from 08.06.2017 in place of Shri. Ramaswami Kalidas who was relieved from services w.e.f. 07.06.2017 on ceasing to hold the office of Company Secretary and Compliance Officer on attainment of Superannuation on 31.03.2013 and subsequent service extensions.

(iv) The Company has appointed Shri N. Venugopala Rao as Additional Director in the board meeting held on 13.04.2017 in the capacity of Whole Time Director (WTD) and such appointment was regularized by passing Special resolution in the Annual General Meeting held on 26.09.2017.

(v) The Company has adopted new set of Articles of Association of the Company by passing Special Resolution under Section 14 of Companies Act, 2013 in the Annual General Meeting held on 26.09.2017.

(vi) The Company has passed special resolution under Section 180(1)(c) of Companies Act, 2013 in the Annual General Meeting held on 26.09.2017 for increasing the borrowing limits of the Company.

(vii) The Company has re-appointed Shri D. J. Kakalia as an Independent Director for further term of three consecutive years by passing special resolution in the Annual General Meeting held on 26.09.2017.

(viii) The Company has re-appointed Smt. Rashna Khan as an Independent Director for further term of three consecutive years by passing special resolution in the Annual General Meeting held on 26.09.2017.

(ix) The Company has appointed Shri K. Ravikumar as an Independent Director for term of three consecutive years by passing Ordinary resolution in the Annual General Meeting held on 26.09.2017.

(x) The Company has passed Special resolution under Section 42 and 71 of Companies Act, 2013 authorising Board of Directors for Private Placement of Non-Convertible Debentures subject to such overall borrowing limits of the Company as may be approved by the Members from time to time.

(xi) The Company has wound up its 'Reliance Power Employee Stock Option Scheme 2010' by passing circular resolution dated 23.10.2017.

(xii) The company has appointed Shri N. Venugopala Rao as Chief Financial Officer (CFO) with effect from 16.02.2018 in place of Shri. Suresh Nagarajan who resigned as CFO w.e.f. 16.02.2018.

Signature:
(Ajay Kumar)
Ajay Kumar & Co.
FCS No. 3399
C.P. No. 2944

Date : April 16, 2018
Place : Mumbai

Annexure C

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2018

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

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L40101MH1995PLC084687
ii.	Registration Date	January 17, 1995
iii.	Name of the Company	Reliance Power Limited
iv.	Category / Sub-Category of the Company	Public Company / Limited by Shares
v.	Address of the Registered Office and Contact Details	H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710 Tel : +91 22 3303 1000, Fax: +91 22 3303 3662 E-mail: reliancepower.investors@relianceada.com Website: www.reliancepower.co.in
vi.	Whether listed company Yes / No	Yes
vii.	Name, Address and Contact Details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Unit : Reliance Power Limited Karvy Selenium, Tower B, Plot No. 31 & 32, Survey No. 116/22, 115/24, 115/25, Financial District, Nanakramguda, Hyderabad 500 032. Toll Free No. (India) : 1800 4250 999. Tel: +91 040 6716 1500, Fax : +91 040 6716 1791 E-mail: rpower@karvy.com Website : www.karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 per cent or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product/Service	% to Total turnover of the Company
1	Power Generation	3510	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Vidarbha Industries Power Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U23209MH2005PLC158371	Subsidiary	100	2(87)
2	Rosa Power Supply Company Limited 3rd Floor, South Wing, Reliance Centre, Near Prabhat Colony, Off. Western Express Highway, Santa Cruz (East), Mumbai 400 055	U31101MH1994PLC243148	Subsidiary	100	2(87)
3	Sasan Power Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40102MH2006PLC190557	Subsidiary	100	2(87)
4	Jharkhand Integrated Power Limited (upto May 16, 2018) 7th Floor, B-Wing, Raheja Point – I, Jawaharlal Nehru Marg, Vakola Market, SantaCruz (East), Mumbai 400 055	U74999MH2007GOI236427	Subsidiary	100	2(87)
5	Coastal Andhra Power Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40102MH2006PLC188622	Subsidiary	100	2(87)

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
6	Maharashtra Energy Generation Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U67190MH2005PLC154361	Subsidiary	100	2(87)
7	Chitrangi Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40101MH2007PTC173904	Subsidiary	100	2(87)
8	Reliance Geothermal Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U10101MH2010PTC209925	Subsidiary	75	2(87)
9	Siyom Hydro Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40101MH2007PTC173913	Subsidiary	100	2(87)
10	Tato Hydro Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40102MH2007PTC173907	Subsidiary	100	2(87)
11	Kalai Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40102MH2007PTC174507	Subsidiary	100	2(87)
12	Urthing Sobla Hydro Power Private Limited Plot No. 56, 1st Floor, City Centre, Kochar Complex, Rajpur Road, Dehradun, Uttarakhand 248 001	U74999UR2007PTC032472	Subsidiary	88.90	2(87)
13	Amulin Hydro Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40105MH2009PTC193856	Subsidiary	100	2(87)
14	Emini Hydro Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40103MH2009PTC193874	Subsidiary	100	2(87)
15	Mihundon Hydro Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40105MH2009PTC193855	Subsidiary	100	2(87)
16	Reliance Coal Resources Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U85110MH2006PTC165903	Subsidiary	100	2(87)
17	Reliance CleanGen Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40100MH1995PLC084688	Subsidiary	100	2(87)
18	Moher Power Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74990MH2008PLC186727	Subsidiary	100	2(87)
19	Samalkot Power Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40103MH2010PLC206084	Subsidiary	100	2(87)
20	Reliance Solar Resources Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40105MH2010PTC209921	Subsidiary	100	2(87)
21	Reliance Wind Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40106MH2010PTC209942	Subsidiary	100	2(87)
22	Reliance Green Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40106MH2010PTC209947	Subsidiary	100	2(87)
23	Rajasthan Sun Technique Energy Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U74990MH2009PTC195625	Subsidiary	100	2(87)

Directors' Report

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
24	Coastal Andhra Power Infrastructure Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U11100MH2005PLC158364	Subsidiary	100	2(87)
25	Reliance Prima Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U11100MH2008PLC186720	Subsidiary	100	2(87)
26	Atos Trading Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U11100MH2010PTC198818	Subsidiary	100	2(87)
27	Atos Mercantile Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U11100MH2010PTC198817	Subsidiary	100	2(87)
28	Reliance Natural Resources Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U64200MH2000PLC125260	Subsidiary	100	2(87)
29	Dhursar Solar Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40102MH2000PTC127479	Subsidiary	100	2(87)
30	Reliance Natural Resources (Singapore) Pte Ltd. 8 Shenton Way, #05-02, AXA Tower, Singapore 068811	N.A.	Subsidiary	100	2(87)
31	Purthi Hydro Power Private Limited Bharat Sadan, Opp. SBI Zonal Office, Vikas Nagar, Kasumpti, Simla 171 009	U40101HP2011PTC031647	Subsidiary	100	2(87)
32	Teling Hydro Power Private Limited Bharat Sadan, Opp. SBI Zonal Office, Vikas Nagar, Kasumpti, Simla 171 009	U40101HP2011PTC031650	Subsidiary	100	2(87)
33	Shangling Hydro Power Private Limited Bharat Sadan, Opp. SBI Zonal Office, Vikas Nagar, Kasumpti, Simla 171 009	U40101HP2011PTC031648	Subsidiary	100	2(87)
34	Lara Sumta Hydro Power Private Limited Bharat Sadan, Opp. SBI Zonal Office, Vikas Nagar, Kasumpti, Simla 171 009	U40101HP2011PTC031646	Subsidiary	100	2(87)
35	Sumte Kothang Hydro Power Private Limited Bharat Sadan, Opp. SBI Zonal Office, Vikas Nagar, Kasumpti, Simla 171 009	U40101HP2011PTC031649	Subsidiary	100	2(87)
36	RPL Surya Power Private Limited (up to February 19, 2018) 502, Plot No. 91/94, Prabhat Colony, Santacruz (East), Mumbai 400 055	U40103MH2015PTC267055	Subsidiary	100	2(87)
37	RPL Star Power Private Limited (up to February 19, 2018) 502, Plot No. 91/94, Prabhat Colony, Santacruz (East), Mumbai 400 055	U40300MH2015PTC267257	Subsidiary	100	2(87)
38	RPL Sunlight Power Private Limited (up to February 19, 2018) 502, Plot No. 91/94, Prabhat Colony, Santacruz (East), Mumbai 400 055	U40108MH2015PTC267586	Subsidiary	100	2(87)
39	RPL Solar Power Private Limited (up to February 19, 2018) 502, Plot No. 91/94, Prabhat Colony, Santacruz (East), Mumbai 400 055	U40109MH2015PTC267777	Subsidiary	100	2(87)
40	RPL Solaris Power Private Limited (up to February 19, 2018) 502, Plot No. 91/94, Prabhat Colony, Santacruz (East), Mumbai 400 055	U40106MH2015PTC268176	Subsidiary	100	2(87)

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
41	RPL Sunshine Power Private Limited (up to February 19, 2018) H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40101MH2010PTC208404	Subsidiary	100	2(87)
42	Reliance Power Netherlands BV Oranje Nassaulaan, 55-1, 1075 AK Amsterdam, The Netherlands	N.A.	Subsidiary	100	2(87)
43	PT Heramba Coal Resources DBS Bank Tower, 28th Floor, Ciputra World 1, JI. Prof. Dr. Satrio kav. 3-5, Jakarta Selatan	N.A.	Subsidiary	100	2(87)
44	PT Avaneesh Coal Resources DBS Bank Tower, 28th Floor, Ciputra World 1, JI. Prof. Dr. Satrio kav. 3-5, Jakarta Selatan	N.A.	Subsidiary	100	2(87)
45	PT Brayan Bintang Tiga Energi DBS Bank Tower, 28th Floor, Ciputra World 1, JI. Prof. Dr. Satrio kav. 3-5, Jakarta Selatan	N.A.	Subsidiary	100	2(87)
46	PT Sriwijaya Bintang Tiga Energi DBS Bank Tower, 28th Floor, Ciputra World 1, JI. Prof. Dr. Satrio kav. 3-5, Jakarta Selatan	N.A.	Subsidiary	100	2(87)
47	PT Sumukha Coal Services DBS Bank Tower, 28th Floor, Ciputra World 1, JI. Prof. Dr. Satrio kav. 3-5, Jakarta Selatan	N.A.	Subsidiary	100	2(87)
48	Reliance Power Holding FZC UAE SAIF Desk Q1-03-015/B Post Box No. 514154, UAE	N.A.	Subsidiary	100	2(87)
49	Reliance Bangladesh LNG & Power Limited Unique Heights, Level 8-Q, 117 Kazi Nazrul Islam Avenue, New Eskaton, Dhaka	N.A.	Subsidiary	99.99	2(87)
50	Reliance Bangladesh LNG Terminal Limited (from April 17, 2017) Unique Heights, Level 8-Q, 117 Kazi Nazrul Islam Avenue, New Eskaton, Dhaka	N.A	Subsidiary	99.99	2(87)
51	RPL Sun Power Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40300MH2010PTC209920	Associate	50	2(6)
52	RPL Photon Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40300MH2010PTC209609	Associate	50	2(6)
53	RPL Sun Technique Private Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	U40300MH2010PTC209919	Associate	50	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2212425	0	2212425	0.08	2212425	0	2212425	0.08	0.00
b) Central Govt,	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	2101182579	0	2101182579	74.91	2101182579	0	2101182579	74.91	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1):	2103395004	0	2103395004	74.99	2103395004	0	2103395004	74.99	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(2):	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shareholding of Promoters (A) = (A) (1) + (A) (2)	**2103395004**	**0**	**2103395004**	**74.99**	**2103395004**	**0**	**2103395004**	**74.99**	**0.00**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	46028183	94365	46122548	1.64	51132907	69848	51202755	1.83	0.18
b) Banks/FI	14354541	27310	14381851	0.51	16760475	27246	16787721	0.60	0.09
c) Central Govt,	183717	201241	384958	0.01	183681	200786	384467	0.01	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	117650737	718	117651455	4.20	117650737	718	117651455	4.19	0.00
g) FIIs	13875391	26982	13902373	0.50	1304886	26807	1331693	0.05	-0.45
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify) Foreign Portfolio Investors	111946293	0	111946293	3.99	118899371	0	118899371	4.24	0.25
Sub-Total (B)(1):	**304038862**	**350616**	**304389478**	**10.85**	**305932057**	**325405**	**306257462**	**10.92**	**0.07**
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	37514539	116396	37630935	1.34	35365292	116477	35481769	1.26	-0.08
ii) Overseas	23938	7471	31409	0.00	22925	7471	30396	0.00	0.00
b) Individuals									
i. Individual shareholders holding nominal share capital up to ₹ 1 Lakh	288712341	7342104	296054445	10.55	288115641	7041817	295157458	10.52	-0.03
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	44685880	0	44685880	1.59	55092859	0	55092859	1.96	0.37
c) Others (specify)									
i) NRIs	9325550	517069	9842619	0.35	8649398	492032	9141430	0.33	-0.02
Sub-Total (B)(2):	**380262248**	**7983040**	**388245288**	**13.84**	**387246115**	**7657797**	**394903912**	**14.08**	**0.24**
Total Public Shareholding	**684301110**	**8333656**	**692634766**	**24.69**	**693178172**	**7983202**	**701161374**	**25.00**	**0.30**
TOTAL (A) + (B)	**2787696114**	**8333656**	**2796029770**	**99.68**	**2796573176**	**7983202**	**2804556378**	**99.98**	**0.30**
C. Shares held by Custodian for GDRs	**596696**	**0**	**596696**	**0.02**	**570088**	**0**	**570088**	**0.02**	**0.00**
D. ESOS Trust*	**8500000**	**0**	**8500000**	**0.30**	**0**	**0**	**0**	**0.00**	**-0.30**
Grand Total (A+B+C+D)	**2796792810**	**8333656**	**2805126466**	**100.00**	**2797143264**	**7983202**	**2805126466**	**100.00**	**0.00**

* Shares held by ESOS Trust have been shown as Non-Promoter Non-Public as per Listing Regulations w.e.f. December 1, 2015.

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year (April 1, 2017)			Shareholding at the end of the year (March 31, 2018)			% of change in Shareholding during the year
	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares**	
Reliance Infrastructure Limited	1211998193	43.22	26.36	1211998193	43.22	28.97	0.00
Reliance Project Ventures and Management Private Limited	537387901	19.16	16.131	537387901	19.16	14.08	0.00
Reliance Wind Turbine Installators Industries Private Limited	347552662	12.39	1.34	347552662	12.39	7.10	0.00
Reliance Capital Limited	4117823	0.15	0	4117823	0.15	0	0.00
Kokila D. Ambani	916461	0.03	0	916461	0.03	0	0.00
Anil D. Ambani	465792	0.02	0	465792	0.02	0	0.00
Jai Anmol A. Ambani	417439	0.01	0	417439	0.01	0	0.00
Tina A. Ambani	412708	0.01	0	412708	0.01	0	0.00
Crest Logistic and Engineers Private Limited (Formerly REL Utility Engineers Limited)	125000	0.00	0	125000	0.00	0	0.00
Reliance Innoventures Private Limited	1000	0.00	0	1000	0.00	0	0.00
Jai Anshul A. Ambani	25	0	0	25	0	0	0.00
Total	**2103395004**	**74.99**	**43.83**	**2103395004**	**74.99**	**50.14**	**0**

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

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
At the beginning of the year				
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	There is no change in the Shareholding of Promoters			
At the End of the year				

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (April 1, 2017)		Increase / Decrease	Shareholding at the end of the year (March 31, 2018)	
		No. of Shares	% to Total Shares of the Company	No. of Shares	No. of Shares	% to Total Shares of the Company
1	Life Insurance Corporation Of India	113045638	4.03	-518	113045120	4.03
2	Reliance Capital Trustee Co Limited	18822616	0.67	-2861883	15960733	0.57
3	Lotus Global Investments Limited	13379480	0.48	0	13379480	0.48
4	Apms Investment Fund Limited	12002069	0.43	0	12002069	0.43
5	Vanguard Emerging Markets Stock Index Fund, Aseries Of Vanguard International Equity Inde X Fund	10547220	0.38	0	10547220	0.38
6	Dimensional Emerging Markets Value Fund	10038844	0.36	-1190053	8848791	0.32

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (April 1, 2017)		Increase / Decrease	Shareholding at the end of the year (March 31, 2018)	
		No. of Shares	% to Total Shares of the Company	No. of Shares	No. of Shares	% to Total Shares of the Company
7	Cresta Fund Limited	8013547	0.29	0	8013547	0.29
8	Vanguard Total International Stock Index Fund	6985178	0.25	790246	7775424	0.28
9	JM Financial Mutual Fund	6360034	0.23	1102000	7462034	0.27
10	Emerging Markets Core Equity Portfolio (The Portfolio) Of DFA Investment Dimensions Group Inc. (Dfaidg)	7065927	0.25	344284	7410211	0.26
11	RPower Trustee Company Private Limited	8500000	0.30	-8500000	0	0.00

Note: The datewise increase or decrease in shareholding of the top ten shareholders is available on the 'Investors Information' Section of the website of the Company at www.reliancepower.co.in

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

1. Shri Anil D. Ambani, Chairman, of the Company held 4,65,792 (0.02%) shares including 1,000 shares jointly with Reliance Project Ventures and Management Private Limited at the beginning and end of the year.
2. Shri Sateesh Seth and Smt Rashna Khan, Directors of the Company, held 27 (0%) and 285 (0%) shares respectively at the beginning and end of the financial year.
3. Shri N. Venugopala Rao, WTD, CEO and CFO of the Company, held 1,054 (0%) at the beginning and end of the year.
4. Shri Suresh Naragarajan held 25 (0%) shares at the begining and end of the year. He has resigned as the Chief Financial Officer of the Company with effect from February 16, 2018.
5. Shri Murli Manohar Purohit, Company Secretary, held 380 (0%) at the beginning and end of the year.
6. Shri D. J. Kakalia and Shri K. Ravikumar, Directors of the Company do not hold any shares of the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	2,55,351	4,74,411	-	7,29,762
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	3,732	-	-	3,732
Total (i+ii+iii)	2,59,083	4,74,411	-	7,33,494
Change in Indebtedness during the financial year				
● Addition	1,13,160	3,17,760	-	4,30,920
● Reduction	(98,137)	(2,69,443)	-	(3,67,580)
Net Change	15,023	48,317	-	63,340
Indebtedness at the end of the financial year				
i. Principal Amount	2,70,374	5,22,728	-	7,93,102
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	1,793	6,541	-	8,334
Total (i+ii+iii)	2,72,167	5,29,269	-	8,01,436

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

Sr. No	Particulars of Remuneration	Shri N. Venugopala Rao, Whole-time Director and CEO*
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	151.95
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	0
2.	Stock Option	0
3.	Sweat Equity	0
4.	Commission	0
5.	Others, please specify	0
	Total (A)	151.95
	Ceiling as per the Act	160

* Additional responsibility as Chief Financial Officer with effect from February 16, 2018

B. Remuneration of other directors:

(₹ in Lakhs)

Sr. No	Particulars of Remuneration	Name of Director				Total Amount
1	**Independent Directors**	**Shri D. J. Kakalia**	**Smt Rashna Khan**	**Shri K. Ravikumar**	**Dr Yogendra Narain***	
(a)	Fees for attending Board/Committee meetings	9.20	9.20	4.00	3.60	26
(b)	Commission	-	-	-	-	-
(c)	Others, please specify	-	-	-	-	-
	Total (1)	9.20	9.20	4.00	3.60	26
2	**Other Non-Executive Directors**	**Shri Anil D. Ambani**	**Shri Sateesh Seth**	**Dr V.K. Chaturvedi****	**-**	**-**
(a)	Fees for attending Board/Committee meetings	1.20	8.00	1.20	-	10.4
(b)	Commission	-	-	-	-	-
(c)	Others, please specify	-	-	-	-	-
	Total (2)	1.20	8.00	1.20	-	10.4
	Total (B)=(1+2)					36.4
	Total Managerial Remuneration (A+B)					187.78
	Overall ceiling as per the Act					N.A.

*Retired from the Office of Director with effect from September 26, 2017

C. Remuneration of Key Managerial Personnel other than Managing Director / Manager / WTD:

(₹ in Lakhs)

Sr no.	Particulars of Remuneration		Key Managerial Personnel			
			Shri N. Venugopala Rao, WTD and CEO*	Shri Suresh Nagarajan, CFO (Upto February 16, 2018)	Shri Ramaswami Kalidas, Company Secretary (Upto June 7, 2017)	Shri Murli Manohar Purohit, Company Secretary (w.e.f June 8, 2017)
1.	Gross salary					
	(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	151.95	159.88	26.67	39.08
	(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961	0	0	0	0
2.	Stock Option		0	0	0	0
3.	Sweat Equity		0	0	0	0
4.	Commission		0	0	0	0
5.	Others, please specify		0	0	0	0
	Total (A)		**151.95**	**159.88**	**26.67**	**39.08**

* Additional responsibility as Chief Financial Officer with effect from February 16, 2018

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalties, punishments or compounding of offences to the Company, Directors and other Officers of the Company during the year ended March 31, 2018.

Annexure D

A. Conservation of energy

i. The steps taken or impact on conservation of energy

The Company has specified the energy consumption standards for the equipment used which consumes, generates, transmits or supplies energy. Labels on equipment are maintained to indicate the extent of conservation of energy. The measures have helped in improving the overall energy efficiency.

ii. The steps taken by the Company for utilizing alternate sources of energy

The Company has a wind farm with 45 MW capacity, located in district Sangli, Maharashtra. Since the project uses the renewable wind energy towards generation of electricity, utilization of no other alternative sources of energy was explored.

iii. The capital investment on energy conservation equipments

No additional investment was made for the above purpose.

B. Technology absorption

i. The efforts made towards technology absorption: None

ii. The benefits derived like product improvement, cost reduction, product development or import substitution: N.A.

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

a. the details of technology imported

b. the year of import

c. whether the technology have been fully absorbed

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

Wind Turbines installed as part of wind farm are sourced from an Indian entity which in-turn sourced critical components from overseas locations, mainly Europe. No efforts were made to absorb the technology.

(iv) The expenditure incurred on Research and development: No cost was incurred towards Research and Development.

C Foreign Exchange earnings and out

Total Foreign Exchange earnings : ₹ 2,706 Lakhs

Total Foreign Exchange outgo : ₹ 104 Lakhs

Annexure E

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2017-18

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.**

   The Company has a robust CSR Policy at group level. As per the said policy, all our efforts are focused towards two goals: building a great enterprise for the stakeholders and a great future for our country.

   Reliance Power Limited (the Company) as a responsible corporate entity endeavours to transform lives to help build more capable and vibrant communities by integrating CSR with its business values and strengths. Based on its guiding philosophy, the Company has formulated on a consolidated basis, a policy for social development with a thrust in the areas of healthcare, education, sanitation, environment sustainability and rural transformation.

   Commited to transform and nurture the ecosphere through its flagship programme in the healthcare segment, the Company has been focussing on setting up oncology centres for cancer treatment in Maharashtra. Our CSR policy is placed on our website at the link: http://www.reliancepower.co.in/pdf/CSR_Policy.pdf.

2. **Composition of the CSR Committee:**

Smt. Rashna Khan, Chairperson	Independent Director
Shri K Ravikumar	Independent Director
Shri D. J. Kakalia	Independent Director
Shri Sateesh Seth	(Non-Independent Director Non-executive Director)
Shri N. Venugopala Rao#	Whole-time Director

ceased to be the member of the committee w.e.f. June 30, 2018

3. **Average net profit of the Company for last three financial years: ₹ 71.50 Crore**

   Note: Average net profit has been computed in the manner laid down in Rule 2 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

   The Company is required to spend ₹ 1.43 crore towards CSR.

5. **Details of CSR spent during the financial year:**

   a. Total amount spent for the financial year : ₹ 1.43 crore
   b. Amount unspent, if any : Nil
   c. Manner in which the amount spent during the financial year is detailed below

(₹ in Crore)

1.	2.	3.	4.	5.	6.	7.	8.
Sr. No.	**CSR Projects or activities identified**	**Sector in which the project is covered**	**Project or program** **(1) Local area or other** **(2) Specify the state and district where projects or program was undertaken**	**Amount outlay (Budget) project or programs wise**	**Amount spent on the project or programs** **(1) Direct expenditure on projects or programs** **(2) Overheads**	**Cumulative expenditure up to the reporting period**	**Amount spent: Direct or through implementing agency ***
1	During the year 2017-18, the Company has taken up CSR initiatives in a total of 17 villages which are located in the vicinity of the Sasan UMPP (Ultra Mega Power Plant) which is being operated by the Company's wholly owned subsidiary. Sasan Power Ltd. Initiatives include rural development, livelihood enhancement projects, development of vocational skills, promoting preventive health care, etc.	1) Rural Transformation 2) Health care 3) Education 4) Sanitation (Swachh Bharat Abhiyan) 5) Environment	District Singrauli, M.P.	2.79	1.43	2.79	Direct Intervention

(₹ in Crore)

1.	2.	3.	4.	5.	6.	7.	8.
Sr. No.	**CSR Projects or activities identified**	**Sector in which the project is covered**	**Project or program** **(1) Local area or other** **(2) Specify the state and district where projects or program was undertaken**	**Amount outlay (Budget) project or programs wise**	**Amount spent on the project or programs** **(1) Direct expenditure on projects or programs** **(2) Overheads**	**Cumulative expenditure up to the reporting period**	**Amount spent: Direct or through implementing agency ***
2.	Oncology centres	Health care	Maharashtra	30.00	-	9.89	Through a non-profit centre via Mandke Foundation specialized in the provision of health care
	Total			**32.79**	**1.43**	**12.68**	

* Implemented in phased manner

6. **In case the company has failed to spend the two percent 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 implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.

K. Raja Gopal **Rashna Khan**
Whole-time Director **Chairperson**

Date : July 21, 2018

Dividend Distribution Policy

1. Introduction

The Board of Directors (the 'Board') of Reliance Power Limited (the 'Company') at its meeting held on September 12, 2016, has adopted this Dividend Distribution Policy (the 'Policy') in accordance with the Companies Act, 2013 (the 'Act') and Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

2. Objective

The objective of this policy is to establish the parameters to be considered by the Board of Directors ('the Board') 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 aims to appropriately reward 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, the Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks.

4.2 Internal Factors:

Considering the fact that the Company's projects have been set up substantially through its wholly owned subsidiary companies, the Company's capacity to pay dividend on standalone basis is dependent in turn on the performance of the subsidiary companies, their cash flow position, their capacity to declare dividend to the parent company having regard to their need to seek approvals from the banks / financial institutions which have part funded the projects as per loan covenants.

In addition to above, the Board will take into account various internal factors while declaring dividend, which *inter-alia* will include:

- Income/Profits earned during the year;
- Present & future capital requirements of the existing businesses;
- Brand/Business Acquisitions;
- Expansion/Modernization of businesses; and
- 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 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.

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 realized. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include cost of fuel, determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the Country and such other factors.

The financial statements of the Company have been prepared in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Companies (Indian Accounting Standards)(Ind-AS) Rules, 2015, which have been notified by the Central Government on February 16, 2015. The management of Reliance Power Limited ("Reliance Power" 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 results 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", "Reliance" or "Reliance Power" are to Reliance Power Limited and/or its subsidiary companies.

Macroeconomic Overview

Indian Economic Environment

The Indian economy recovered strongly 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 Indian economy grew by 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19 and 7.5 per cent in 2019-20. As per NASSCOM, India is the third largest base to boost startup culture with over 4,750 technology start-ups. The foreign exchange reserves were approx. US$ 424 billion in March 2018. The bank recapitalization plan by Government is expected to push credit growth to 15 per cent. In addition, Government continued with major reform particularly in the field of corporate insolvency resolution via National Company Law Tribunal (NCLT route). Over 100 cases have been referred to NCLT for faster resolution since its inception.

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

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

Central government fiscal deficit slipped marginally in 2017-18 to 3.5 per cent of the GDP. These, however, were the outcome of short-term adjustments to GST, and other structural reforms. However, the Government has reinstated a plan to return to the path of consolidation by projecting a reduction in fiscal deficit to 3.3 per cent of GDP in FY19. It also adopted key recommendations of the Fiscal Responsibility and Budget Management (FRBM) with a medium term fiscal policy aim of reducing the cumulative government (Center + State) debt to 60 per cent of GDP by FY25.

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

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

GDP Growth

As per various estimates, India's GDP growth is likely to recover in 2018-19 to 7.3 - 7.5 per cent from 6.6 per cent in 2017-18. Post two major economic events in the form of demonetisation and GST, economic activity has begun to recover quite sharply. The recovery will continue to find support going forward due to a number of factors such as: a) higher government spending ahead of elections, b) strong global growth helping both goods and services exports, c) strong rural demand aided by normal monsoon, d) continued buoyancy in urban indicators, e) pick in labour market conditions, f) pickup in spending in key infra sectors like roads, irrigation and power transmission and g) the recovery in various labour intensive sectors which were impacted by GST implementation.

Industrial Production

During 2017-18, the Index of Industrial Production (IIP) grew by 4.3 per cent compared with a growth of 4.6 per cent in 2016-17. The manufacturing sector which accounts for 77 per cent in the index grew at slow pace. The decline was led by contraction of capital goods output, while mining and electricity grew at modest rate. Besides, sectors like construction goods and consumer non durables have posted strong growth in fourth quarter of 2017-18. Credit growth is also picking up, and there are nascent signs that few segments within manufacturing related to consumer goods, metals, etc have started to expand their production capacities.

Management Discussion and Analysis

Inflation and Interest Rate

Along with growth, we are also likely to witness firming up of inflation. However, while prices of oil and other commodities are hardening in recent months, the overall impact will likely remain within acceptable boundaries, aided by prudent Government spending and good monsoon should keep the inflation under control. While the RBI has maintained a neutral stance for nearly a year now, there is increasing likelihood of a return to a higher interest rate regime if inflation pressures continue.

While the surplus liquidity observed during the immediacy of demonetization drained out during the course of the year, overall liquidity remains fair, and is supported by proactive RBI actions through injection of durable liquidity into the system.

Current Account Deficit (CAD) and the exchange rate

India's current account deficit (CAD) has reached nearly 2 per cent of GDP, as oil prices and electronics imports have surged. Oil prices have risen by over US$ 10 a barrel between December 2016 and December 2017. India's current account in the balance of payments ended in a deficit of US$ 13.5 billion in the quarter ended December 2017, up from US$ 8.0 billion or 1.4 per cent of GDP in the previous corresponding quarter and US$ 7.2 billion (1.1 per cent of GDP) in the preceding quarter ended September 2017. The CAD also constitutes services. Net services receipts increased by 17.8 per cent on year-on-year basis led by rise in net earnings from software services and travel receipts. RBI reported an increase of US$ 9.4 billion to the foreign exchange reserves as against depletion of US$ 1.2 billion in third quarter of 2016-17. Other than CAD, global financial conditions, particularly in the second half of 2018-19 will dictate the domestic currency.

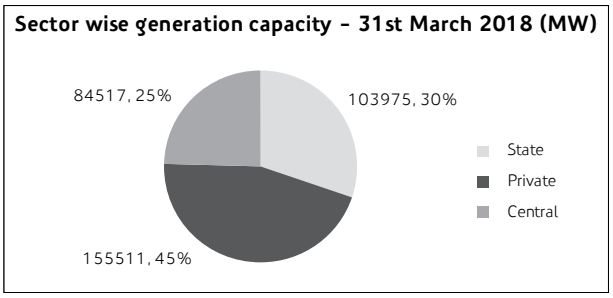
Power Sector

To sustain the rapid economic growth that India has seen over the last few years, power sector will continue to play a pivotal role as a key infrastructure input. India is the third largest producer and consumer of electricity in the world behind China and the US with a production of 1,201 TWh. India's per capita power consumption however stands at level of ~1100 kWh/year which is about one-third of the world's 3400 kWh/year consumption. The Government is committed to growth in power generation by fast tracking its initiatives like "Make in India", connecting nearly 1,25,000 villages to the grid for achieving "Power to All by 2022", Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) with the objective to provide electricity connections to all remaining un-electrified households in rural as well as urban areas, Ujwal Discom Assurance Yojana (UDAY) for realisation of demand suppressed due to load shedding and shutting down of old power plants. Clearly, India's power sector is at an inflection point, given the Government's conviction that electricity is a critical enabler for economic growth.

Installed generation capacity

The total installed power generation capacity of India as on March 31, 2018 was 344 GW, of which 45% is contributed by the private sector.

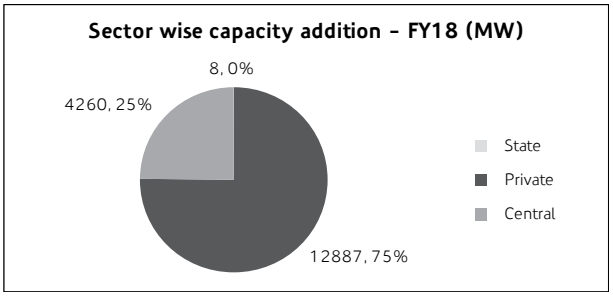
Sector wise generation capacity (in MW) as on March 31, 2018*



* Excluding captive generation capacity Source: CEA

India added generation capacity of 17154 MW in 2017-18, vis-a-vis 14,324 MW addition in FY 2016-17.The private sector accounted for 75% of the total capacity added in FY 2017-18.

Sector wise generation capacity added (in MW) in FY 17-18*



* Excluding captive generation capacity Source: CEA

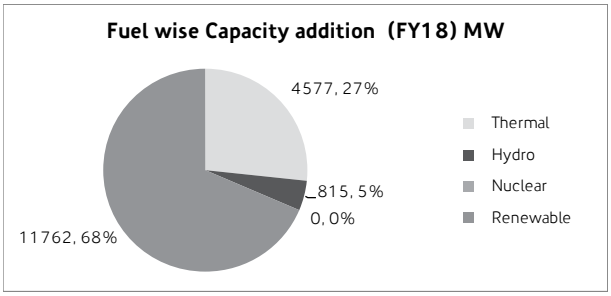
India has been traditionally dependent on thermal power as a source of power generation. Coal-based generation constitutes about 57% and gas-based generation constitutes 7.2% of the current capacity. The balance is contributed by hydroelectric power (13.2 per cent), nuclear (2 per cent), and renewable energy (20.1 per cent).

Fuel wise generation capacity (in MW) as on 31st March 2018*

Fuel	Installed Capacity (MW)	Share of installed capacity as %
Thermal	222,907	64.8%
Coal	197,172	57.3%
Gas	24,897	7.2%
Diesel	838	0.2%
Hydroelectric	45,293	13.2%
Nuclear	6,780	2%
Renewable energy	69,022	20.1%
Total	**344,002**	**100%**

* Excluding captive generation capacity Source: CEA

Fuel wise generation capacity added (in MW) in FY2017-18



Excluding captive generation capacity Source: CEA

With the government targeting to achieve 175 GW of installed renewable power capacity by 2022, 11,762 MW of renewable capacity was added in FY 2017-18.

Power generation

The total power generation in India by power utilities during FY 2017-18 was 1,206 billion units, 4.0% higher than FY 2016-17 and was 1.60% lower than the target estimate set for FY 2017-18.

Sector wise power generation performance in FY 2017-18

Sector	Power generation (Billion Units)	Percentage share
State sector	378	31.30%
Central sector	449	37.22%
Private sector	374	31.02%
Imported	6	0.46%
Total	**1,207**	**100.00%**

Fuel wise power generation performance in FY 2017-18

Fuel	Power generated (BU)	Share in generation as%	Share in generation capacity as%
Thermal	1,037	85.9%	65%
Hydroelectric	126	10.5%	13%
Nuclear	38	3.2%	2%
Imported	06	0.5%	
Total	**1,207**	**100%**	

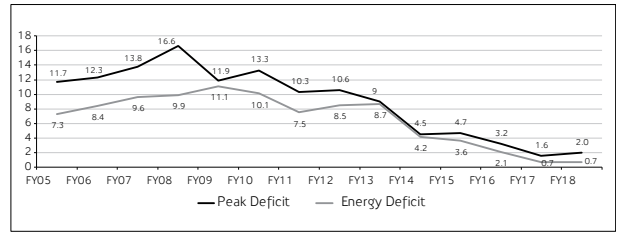
Excluding generation from renewable energy Source: CEA

Power Sector Outlook

Demand and supply outlook

The year 2017-18 was marked with strong macro-economic fundamentals. India's rank moved to 26 in 2017 from 99 in 2015 on World Bank's ease of Getting Electricity Index. During the year, Government achieved target of electrification of all villages in India. India has become world's third largest electricity producer catering to steadily rising demand of electricity in the country. With continued economic expansion and expanding access to electricity, demand for power is likely to increase further from the current levels. The buoyancy in electricity demand has led to peak deficit increasing to 2% from 1.6% in FY 2016-17. The following graph highlights the deficit situation in the last few years:

Power deficit scenario - All India in the period FY 05-18 (in%)



Source: CEA

Opportunities and threats

Policy initiatives taken by the Government to address the issues impacting the sector such as availability of fuel, financial condition of distribution companies, implementation of UDAY with focus on improvement in AT&C losses of Distribution Companies (DISCOMS) and reduction in revenue gap between Average Cost of Supply (ACS) and Average Revenue Realized (ARR), are expected to help revival of investment sentiment in the power sector.

The Government's ambitious commitment to achieve about 40% cumulative electric power installed capacity from non-fossil fuel based energy resources by 2030 as part of its Intended Nationally Determined Contribution (INDC) communicated at Conference of Parties (COP) under UN Framework Convention on Climate Change (UNFCCC), has seen significant progress. Capacity addition in renewables, particularly solar energy has surpassed thermal capacity during FY 18. New capacity addition in FY18 was 17,154 MW out of which 11,762 MW (68%) was under renewables. Installed capacity of renewable energy jumped from 57,260 MW in FY 2016-17 to 69,022 MW in FY 2017-18, with its share increasing from 18% to 20% of the total installed capacity in the country.

Government's goal has been to procure solar power at the most competitive tariff. Average solar tariff has fallen by about 78.5% since 2010, when the first solar plant was tendered under the National Solar Mission (NSM) Batch-1 in 2010 at average tariff of ₹ 12.16/kWh. Highly competitive reverse auction, falling module and component prices, introduction of solar parks and lower borrowing costs have contributed to the steep fall in prices discovered in solar power procurement bids. Grid parity achieved by solar and wind energy sources will provide impetus to Government's target of achieving 175 GW of clean and green energy generation capacity by 2022.

Key risks and concerns

Power sector is a highly capital intensive business with long gestation periods before commencement of revenue streams. Coal-based power projects have development and construction period of 7-8 years and an even longer operating period (over 25 years). Since most of the projects have such a long time frame, there are some inherent risks in both, the internal and external environment. The Company monitors the external environment and manages its internal environment to mitigate the concerns on a continuous basis. Some of the key areas that need continuous monitoring within the sector are:

1. **Plant Load Factor (PLF) of Thermal Power Plants**

   Power demand in India has grown at CAGR of more than 5% in last 5 years. Growth in electricity demand has

been met by rapid capacity addition of Thermal projects which has taken place in the last five years. However, rapid addition of renewable capacity in the last two years and lower than envisaged growth in demand for electricity, has led to lower PLF of Thermal power plants. National Electricity Plan (NEP) of Central Electricity Authority (CEA) estimates that the PLF of coal based stations is likely to come down to around 56.5% by FY 2021-22, taking into considerations likely demand growth of 6.34% (CAGR) and 175 GW capacity from renewable energy sources. Substitution of thermal energy with renewable energy may lead to many plants getting partial or no schedule for generation.

2. Gas - Continuing supply deficit

Natural gas production in the Country has been falling continuously over the last few years. This has seriously impacted the viability of existing as well as upcoming gas based power plants.

3. Weak financial condition of electricity distribution Companies

The financial health of electricity DISCOMs is another area of concern threatening the very viability of the power sector. DISCOMs are the weakest link in the electricity supply chain and have been suffering on account of operational inefficiencies; inadequate investments in distribution network as well as lack of timely and adequate tariff revisions to help recover costs.

Recognising the difficulties faced by the DISCOMs, Government of India has come out with a set of comprehensive measures under Ujjwal Discom Assurance Yojana (UDAY) to help utilities achieve operational and financial turnaround. Even though joining UDAY is voluntary, the attractiveness of the scheme has resulted in majority of the states joining the scheme. 97% of DISCOMs' debt of ~ 4 lakh crore in 32 States and Union territories is now covered under UDAY scheme.

The outcome of implementation of this scheme has been very encouraging, as evident from the data showing: (a) DISCOMS losses have reduced a whopping 70% to INR 173.5 billion in 2 years; (b) AT&C (Technical & Commercial) losses have reduced to 18.74%, a 500 bps decline in 2 years; (c) Gap between ACS & ARR (Cost & Tariff rate) has reduced by 57% in 2 years to INR 0.22/kWh. Additionally, efforts from Energy Efficiency Services (EESL) to replace 250 mn conventional meters with smart meters in next 2-3 years can improve billing efficiency leading to higher revenue realisation by DISCOMS. Hence the turnaround of DISCOMs will help the generating companies in mitigating counter party risks both in terms of payment security and increased demand for power.

4. Implementation of New Environment (Protection) Norms

With notification of Environment (Protection) amendment rules, 2015, all Thermal Power plants are required to meet the revised emission standards within the stipulated period. For complying with the new environment norms, the developers would need to undertake additional capital expenditure. An appropriate regulatory mechanism needs to be put in place to ensure recovery of the additional investment, in term of incremental tariff.

Internal Financial Control and Systems

The Company has put in place internal control systems and processes which are commensurate with its size and scale of its operations. The system has control processes designed to take care of various control and audit requirements. The Company has a robust Internal Audit commensurate with the size and scale of its operations, which oversees the implementation and adherence to various systems and processes. The internal audit team is supported by reputed audit firms to undertake the exercise of Internal Audit at various project locations. The report of the Internal Auditors is placed at the Audit Committee Meetings of the Board and improvements in systems and processes are carried out where necessary.

The internal audit function reviews and ensures the sustained effectiveness of Internal Financial Controls designed by the Company.

Risk Management Framework

Reliance Power has also put in place a Risk Management Framework, both at the corporate as well as at the project level, which provides a process of identifying, assessing, monitoring, reporting and mitigating various risks at all levels, at periodic intervals. The Risk Management process is supervised by the Risk Management Committee of the Board. The above Committee has been continued having regard to its usefulness although it is not a mandatory requirement to continue with the Committee as per the Listing Regulations. The Committee undertakes a review of the risks as well as the status of the mitigation plans.

Discussion on Operations of the Company

The Company is in the business of setting up and operating power projects and development of coal mines associated with such projects. The Company has built a large portfolio of power projects and coal mines. Reliance Power's vision is to become one of the largest integrated power generation and coal resources company. Of the power projects, which the Company is developing, some are operational while the other power projects are under various stages of development.

i. Sasan Ultra Mega Power Project, a 3,960 MW pithead coal-based Project in Madhya Pradesh

The 3,960 MW Sasan Ultra Mega Power Project (UMPP), the world's largest integrated power plant cum coal mine, continued to deliver strong operating performance among peers, with a generation of ~31,800 million units and ~92% Plant Load Factor in its third year of operations. Coal production from its captive coal mines was 18 Million Metric Tons during the year, which is the highest among the private sector players in India. Including overburden handled at 74 Million Cubic Meters, total volume handled at Sasan Coal Mine during the year is 86 Million Cubic Meters, making it the largest coal mine in the country in terms of volume handled. The power generated from Sasan UMPP is sold to fourteen distribution companies across seven states under a Long-term Power Purchase Agreement (PPA).

ii. Rosa, a 1,200 MW coal-based power project in Uttar Pradesh

The Rosa power plant completed another year with excellent operational and financial performance. In its sixth year of full operations, the plant generated 7719 million units of electricity. The entire electricity generated from the project is sold to Uttar Pradesh under a cost-plus regulated PPA.

iii. Butibori, a 600 MW coal-based power project in Maharashtra

The 600 MW Butibori power plant in Nagpur, Maharashtra is supplying power under a Long-Term Power Purchase Agreement, approved by Maharashtra Electricity Regulatory Commission (MERC), to Reliance Infrastructure Limited (R-Infra) and generated 3307 million units of electricity during FY 2017-18.

iv. Vashpet, 45 MW wind farm in Maharashtra

Reliance Power has set up a 45 MW Wind farm in Sangli district of Maharashtra. During FY 2017-18, the project generated 72 million units of electricity.

v. Dhursar, a 40 MW Solar Photovoltaic (PV) power project in Rajasthan

Dhursar Solar Power Private Limited has set up a 40 MW Solar PV Plant in Jaisalmer district of Rajasthan. Electricity from this project is sold under a PPA for a period of 25 years. During FY2017-18, project generated 69 million units of electricity.

vi. 100 MW Solar CSP in Rajasthan

Rajasthan Sun Technique Energy Private Limited (RSTEPL), a wholly-owned subsidiary, has commissioned the 100 MW Concentrated Solar Power Project (CSP) in Jaisalmer, Rajasthan in FY 2014-15. The project achieved a number of operating milestones including achievement of peak load of 132.43 MW during the year.

vii. Krishnapatnam Ultra Mega Power Project (UMPP), a 3,960 MW imported coal-based Project in Andhra Pradesh

Coastal Andhra Power Limited (CAPL), a wholly owned subsidiary of the Company is developing the project. Reliance Power was awarded the Krishnapatnam UMPP following an International Competitive Bidding process envisaging sale of power to 11 Procurers in 5 states. However, the Project is facing issues consequent upon changes in regulations in Indonesia from where coal was intended to be imported for the Project. The Company had issued notice to the procurers for an amicable resolution of the issues under the Power Purchase Agreement (PPA). The procurers on the other hand have initiated the process for terminating the PPA. Since the procurers did not respond to the Company's notice for dispute resolution, the Company referred the dispute regarding validity of termination notice issued by the procurers to the Indian Council of Arbitration. The Company has also approached Hon'ble Delhi High Court for interim injunction against the Procurers from taking any steps in furtherance to their notice of termination and the matter is sub judice. In parallel, the matter is being pursued with Procurers for an amicable resolution.

viii. 3,960 MW coal-based power project in Madhya Pradesh

Chitrangi Power Private Limited (CPPL), a wholly owned subsidiary of Reliance Power, has plans to develop a 3,960 MW coal-based power project in Madhya Pradesh. The Company intends to sell the power generated from this project through long-term contracts.

ix. Tilaiya Ultra Mega Power Project (UMPP), a 3,960 MW coal based project, located in Jharkhand

The Company had issued a notice for termination of the PPA upon the Power Procurers on account of their failure to fulfil the conditions subsequent as per the PPA entered into by the Company with the procurers. The procurers have accepted the notice of termination of the PPA by the Company and the lead procurer, acting on behalf of procurers of Tilaiya UMPP, has signed the Share Transfer Agreement (STA) for acquisition of 100% shares held by the Company in Jharkhand Integrated Power Ltd (JIPL), SPV created for development of Tilaiya UMPP; paid the mutually agreed termination payment of around ₹ 113 Crore and released the Performance Bank Guarantees of ₹ 600 Crore. The JIPL stands transferred, encumbrance free, to the procurers.

x. Samalkot Power Project, a 2,400 MW gas based project, in Andhra Pradesh

The Company is implementing the 2,400 MW Samalkot project in Andhra Pradesh. The Project, originally expected to be commissioned on domestic gas is still awaiting allocation of gas from the government. The company is looking at the opportunity to commence generation on regasified LNG, subject to availability of long-term power off-take arrangements. The company is also exploring options for relocating part of the project to other countries. In this context, pursuant to a Memorandum of Understanding signed with Bangladesh Power Development Board (BPDB), the company is in the process of setting up a 3000 MW capacity power project in Bangladesh in phases together with an Floating Storage and Regasification Unit (FSRU) based Liquefied Natural Gas (LNG) terminal. Government of Bangladesh has given in-principle approval for setting up of first phase of ~718 MW (net) at Meghnaghat, together with the FSRU based LNG terminal at Kutubdia Island near Chittagong. Project agreements for implementation of Phase-I have been finalized. Asian Development Bank, the lead lender for the project has approved debt financing and partial risk guarantees totaling $583 Million. The remaining two modules of 1,508 MW (754MW X 2) shall be implemented either at existing site at Samalkot or at Bangladesh or at any other suitable location.

xi. Hydroelectric Power Projects

The Company is developing various hydroelectric power projects,aggregating to 4758 MW capacity, located in Arunachal Pradesh, Himachal Pradesh and Uttarakhand. These projects are in different stages of development. Hydroelectric power projects by nature have long gestation

periods and require clearances from various authorities before commencement of construction activities. Some of these projects have achieved significant milestones and are likely to be developed in the next few years. Three hydroelectric projects in Himachal Pradesh, aggregating to 534 MW capacity, were returned to Govt. of Himachal Pradesh pursuant to the bidding condition regarding reduction in project capacity and the Upfront Premium deposited against these projects has been refunded by the State of Himachal Pradesh.

Coal Mines

The Company has been allocated coal mines in India along with the Ultra Mega Power Projects (UMPP). The Moher and Moher Amlohri Extension coal block, a captive coal block allocated to Sasan Power Limited, is fully operational.

During the year 2015-16, Government of India cancelled the allocation of Chhatrasal Coal Block to Sasan Power Limited (SPL) and restricted annual coal production from Moher and Moher Amlohri Extension coal mine to 16 Million Tonnes. Subsequently, based on recommendation of Inter-ministerial committee, Ministry of Coal (MoC) vide its letter dated 3rd Nov 2016 directed SPL to restrict coal production to 16 Million Metric Tonnes as the base case and capped to 17 Million tonne in case of higher PLF. Based on representations of SPL, MoC has relaxed the restriction and allowed to produce 18 million tonne of coal in FY 2017-18. The Company has challenged the above directions of MoC in Hon'ble High Court of Delhi by way of a Writ Petition, which is pending.

The Company also has coal mine concessions in Indonesia.

Coal Bed Methane (CBM) Blocks

The Company has stakes in four Coal Bed Methane (CBM) blocks. Drilling and production testing work of exploration phase-I has been completed in one of the CBM blocks. Phase-II pilot testing work is being planned in this block. Other three blocks have since been relinquished.

Clean Development Mechanism (CDM)

Clean Development Mechanism (CDM) encouraged project developers, in the developing countries, to adopt environment-friendly technologies and/or fuels so that the Greenhouse Gas (GHG) emissions can be reduced. Such reduced GHG emissions will enable the developers of those projects to generate Certified Emission Reductions (CERs) and abate GHG emissions in a cost-effective manner.

The Company has successfully registered its projects which use Super-Critical technology, Wind project at Vashpet, Solar Photo-Voltaic (PV) and Concentrated Solar Power (CSP) projects at Dhursar with the CDM Executive Board.

Health, safety and environment and Corporate Social Responsibility (CSR)

The Company attaches utmost importance to safety standards at all its installations. Necessary steps are regularly undertaken to ensure the safety of employees and equipment. Both external and internal safety audits are regularly conducted. Mock drills are conducted to gauge emergency and crisis management preparedness.

Corporate Social Responsibility has always been an integral part of Reliance Group's vision. Reliance Power, firmly believes in the commitment to all its stakeholders. The key focus is on empowering local community members around all the business units. The company undertakes social interventions in the field of Health, Education, Rural Transformation, Swachh Bharat Abhiyan and Environment. The programmes are designed after identifying the needs of the community and are integrated into the annual operating business plans with measurable goals. The CSR programmes have received numerous awards and accolades from renowned and recognized organizations like FICCI, World CSR Congress, Bombay Chambers of Commerce & Industry (BCCI), India CSR and The CSR Journal. In addition, we have received the prestigious Genentech Award for Environment this year. These awards serve to reaffirm the good work conducted by the company and the difference made in people's daily lives.

Human Resources

The Company strongly believes its employees are the most valuable asset and the strategic differentiator. With this focus in mind, Reliance Power has taken various initiatives towards aligning its HR processes with its business strategy. Our endeavour is to provide a work environment where continuous learning and development takes place to meet the changing demands and priorities of the business.

The company has a rich blend of millennial and experienced employees. We have 1661 highly trained and experienced professionals pan India. We take immense pride in the technical and functional excellence of employees. To set the highest benchmarks of operational excellence, the company has also engaged expatriates who are subject matter experts in critical areas like coal mining / safety, etc.

We impart much importance to learning and development of our employees. Our well laid down career progression plans help in seamless transfer of knowledge to the younger generation and shape them as future leaders.

The 660 MW simulators help our young engineers in gaining through understanding of total concept of power plant operations. Overseas training programs at OEM sites are also arranged to enhance understanding of global best practices / processes and state-of-the-art technologies.

Management Discussion and Analysis

Discussion on Financial Condition and Financial Performance

Financial Condition

Reliance Power is the Holding Company with the following subsidiary companies, which have developed / are developing various power projects.

Company	Project
Sasan Power Limited	Sasan UMPP
Rosa Power Supply Company Limited	Rosa Stage I and Stage II
Vidarbha Industries Power Limited	Butibori
Dhursar Solar Power Private Limited	Solar PV
Rajasthan Sun Technique Energy Private Limited	Solar CSP
Samalkot Power Limited	Samalkot
Chitrangi Power Private Limited	Chitrangi
Siyom Hydro Power Private Limited	Siyom
Tato Hydro Power Private Limited	Tato II

An extract of the Consolidated Balance Sheet is placed below:

₹ in lakhs

Particulars	2017-18	2016-17
Assets		
Property, Plant and Equipment	34,82,696	34,79,416
Capital-work-in-progress	6,91,283	7,40,295
Goodwill on consolidation	1,411	1,411
Other intangible assets	3,947	4,226
Non-current financial assets	10,23,795	10,67,569
Other Non Current Assets	2,00,961	1,93,843
Inventory	72,898	1,02,866
Current financial Assets	8,43,368	7,74,396
Current tax assets	817	1,992
Other Current Assets	13,426	38,240
Non-current assets classified as held for sale	12,744	12,263
Total	**63,47,346**	**64,16,517**
Equity and Liabilities		
Equity	22,48,177	21,36,758
Non-current Borrowings	24,20,120	26,29,002
Other non-current financial liabilities	12,454	13,709
Other Non Current Liabilities and others	4,32,938	4,44,078
Current Liabilities	12,33,657	11,92,970
Total	**63,47,346**	**64,16,517**

Financial Performance

An extract of the Consolidated Profit and Loss Account Statement is placed below:

₹ in lakhs

Particulars	2017-18	2016-17
Income		
Revenue from operations	9,83,982	10,39,565
Other Income	28,308	49,603
Total	**10,12,290**	**10,89,168**
Expenditure		
Cost of Fuel consumed	3,98,520	4,69,492
Employee Benefit Expenses	18,652	18,265
General, Administration & Other Expenses	1,03,505	1,01,161
Depreciation / Amortization	75,882	73,400
Finance Cost	2,92,597	2,84,308
Total	**8,89,156**	**9,46,626**
PBT	1,23,134	1,42,542
Taxes	19,653	32,126
PAT	1,03,481	1,10,416
EPS (₹) (basic and diluted)	3.69	3.94

Business Responsibility Report

Section A: General Information about Company

1	Corporate Identity Number	L40101MH1995PLC084687
2	Name of the Company	Reliance Power Limited
3	Registered Address	H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
4	Website	www.reliancepower.co.in
5	Email	reliancepower.investors@relianceada.com
6	Financial Year Reported	2017-18
7	Sectors engaged in	Code 51 - Electric power generation Code 351 - Mining of hard coal Code XXX – CBM Blocks.
8	Key products/services company manufacturers	Electricity generation, coal mining for captive power plant and development of CBM blocks.
9	Number of locations where business is undertaken	
	i. International locations	2
	ii. National locations	7
10	Markets served by the company	Throughout India through its subsidiaries

Section B: Financial Details of the Company (₹ in Crores)

1	Paid-up Capital (INR)	2,805 (On Standalone basis)
2	Total Income (INR)	10,123 (Consolidated)
3	Total Profit After Taxes (INR)	1,035 (Consolidated)
4	Total Spending on CSR as % Profit After Tax	2 percent
5	List of activities in which CSR expenses incurred	

a. One of the main CSR initiative of Reliance Group is to support the Mandke Foundation. With the support of Reliance Group, Mandke Foundation had developed Kokilaben Dhirubhai Ambani Hospital & Medical Research Institute as one of the most advanced tertiary care facilities, which continues to provide quality healthcare, especially those below the poverty line.

b. For other activities please refer Section E of Report.

Section C: Other Details

1	Details on subsidiary Company / Companies	44 Subsidiary companies (both direct and step-down) including overseas subsidiaries as on March 31, 2018
2	Do the Subsidiary Company / Companies participate in the Business Responsibility (BR) initiatives of the parent company?	Subsidiary companies which have been constituted as SPVs set up for execution of specific projects are involved in BR initiatives at their respective project locations. This is considered appropriate as the projects are being developed by them as subsidiaries of the Company. Subsidiaries participating in BR initiatives include : Rosa Power Supply Company Limited, Sasan Power Limited, Vidarbha Industries Power Limited and Dhursar Solar Power Private Limited
3	Do any other entity / entities (suppliers, contractors etc) that the Company does business with, participate in the BR initiatives of the Company	Reliance Power and its subsidiaries actively encourage other entities such as (suppliers, contractors) to participate in its BR initiatives.

Business Responsibility Report

Section D: BR Information

1. Details of Director / Directors responsible for BR

1	a.	Details of director / directors responsible for implementation of BR policies	BR functions are monitored by the Corporate Social Responsibility Committee of the Board of Directors. The details of the Committee is provided in the Corporate Governance section of this report.
	b.	Details of BR Head	The Board has not assigned responsibilities specifically to any Director to function as the BR head. The CSR Committee of the company is under the Chairpersonship of Smt. Rashna Khan. Details of Smt Khan are as follows:. DIN: 06928148 Name: Smt. Rashna Khan Designation: Independent Director Telephone: 022- 3303 1000 Email ID: reliancepower.investors@relianceada.com

2. Principle-wise (as per NVGs) BR Policy / policies

P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3 Businesses should promote the wellbeing of all employees.
P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5 Businesses should respect and promote human rights.
P6 Business should respect, protect, and make efforts to restore the environment.
P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8 Businesses should support inclusive growth and equitable development.
P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

3. Principle-wise BR Policy - As per National Voluntary Guidelines

	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national /international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	-	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Code of conduct is available on the Company's website – www.reliancepower.co.in								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8.	Does the Company have in-house structure to implement the policy/policies?	Yes.								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes								
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	No Independent evaluation has been done. However, CSR interventions taken by both the parent company and its subsidiaries are reviewed and evaluated by the CSR Committees set up both by the parent company and the subsidiaries in accordance with the provisions of the Companies Act, 2013, in line with the CSR programmes formulated for the respective companies.								

4. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.

The Senior Management of the Company reviews BR performance on an on-going basis. Reviews by the Board/Committees constituted by it are also undertaken.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it's published?

The Business Responsibility Report (BRR) of the Company is complied on a consolidated basis to cover the activities of its subsidiaries as well and the same can also be viewed on the website of the company www.reliancepower.co.in.

Section E: Principle-wise Performance

Principle 1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs /Others?

Yes, matters of accountability, transparency and ethical conduct are an integral part of the Company's value system. The Company's corporate governance principles are anchored on these three elements of its value system. There is a defined set of inter-woven policies and guidelines which are put in place and applicable to both the employees and directors.

The policy takes into account the feedbacks and periodic reviews of the guidelines to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and other stakeholders. Apart from the Company, the scope includes Associate companies, subsidiaries and SPVs.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management? If so, provide details thereof, in about 50 words or so.

The Company has set up as per the requirements of the Statute and the Listing Regulations, 2015, as amended from time to time, issued by SEBI, a Committee of the Board called 'Stakeholders Relationship Committee' to look after the grievances of the investors. All the three Independent Directors of the Company are members of the above Committee. The Committee meets at least once in every quarter to look into complaints from investors and the steps taken by the company through its Registered Share Transfer Agents for resolving the complaints.

During the year ended March 31, 2018, the company has received both directly as also through the Regulating agencies such as SEBI and the Stock Exchanges, a total of 61 complaints, most of which were related to non-receipt of Annual Report, non-receipt of interim dividend for the year 2015-16 etc. All the complaints have been satisfactorily resolved and no complaints were pending / outstanding as on March 31, 2018.

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.

Committed to sustainable economic development, we have embedded the need to address the environmental and social concerns at the design stage itself through selection of state-of-the-art project execution / construction technologies for implementation of the projects, use of higher efficiency power generation technologies, conservation of natural resources like land and water & lesser emission intensive fuels. Some of the examples include high stack for better dispersion of gaseous and particulate emissions, provision of high efficiency electrostatic precipitators, low NOx burners, dust extraction and suppression systems, effluent treatment plant, sewage treatment plants, high Cycles of Concentration (CoC) ash slurry disposal, ash water recirculation system, rainwater harvesting system, continuous online stack and ambient air quality monitoring systems etc. Steps to conserve natural resources are an integral part of Company's growth strategy. As best-in-class technology is used for setting up our plants and mining of coal, our operations are designed to reduce the consumption of natural resources, specifically land, auxiliary consumption electricity, fuel and water. Efforts undertaken to reduce consumption of natural resources have already begun to show results. All power plants and mines are adhering to ZERO liquid discharge. Our townships have no discharge outlets for waste water and all the treated water is used to meet the in-house requirements.

Reliance Power recognizes the critical need for inclusive growth. The locations of our power plants and coal mines are in economically backward regions of India. Proactive engagement with the local community is maintained. Various capacity building programmes in education, healthcare, livelihood development and infrastructure have been implemented / are under implementation with active participation of local communities. Dedicated resources have been put in place to determine the efficacy of each capacity building programme.

2. For each such product, provide the following details in respect of resource used (energy, water, raw material etc.) per unit of product (optional)

i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

Reliance Power is committed towards sustainable economic development and plays a key-role in addressing the challenges facing the environment. We approach these challenges in a holistic manner

by pursuing innovative approaches and adopting the global best practices. Continued efforts to address the environmental concerns are visible, *inter-alia*, in the selection of state-of-the-art power generation technologies for implementation of the projects, use of higher efficiency power generation technologies, lesser emission intensive fuels and ultra-modern technologies make evident our commitment towards sustainable development.

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not applicable - As we are in the business of generating and supplying the electricity to distribution companies.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

i. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, Reliance Power has defined processes and procedures in place for sustainable sourcing. Ample care has been taken at the design stage to incorporate the desired processes to integrate and internalize the ethos of sustainable sourcing and optimum utilization across all resources including the critical ones that are land, coal, water and human resource. Adoption of cleaner technologies further reduces the consumption of fuel and water requirement for plant operations.

Sasan Power Limited, a subsidiary of Reliance Power has a captive source for mining coal which is transported to the plant site covering a distance of 14.6 kms through well established single flight overland belt conveyor which reduces consumption of natural resources required for the purpose of transportation. For other plants, coal is transported through rail rakes / roads, one of the most sustainable means of coal transportation.

Water for the purpose of operations is sourced from the rivers and transported through dedicated pipelines. The discharge from the plants are recycled and reused for other secondary requirements.

4. Has the company taken any steps to procure goods and services from local & 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?

Reliance Power believes in inclusive development and has been promoting the same by encouraging small and local vendors and extending them preference over the others while awarding the contracts. Local vendors are encouraged for procurement of construction material, as civil contractors, for transportation related jobs apart from sourcing for meeting support services like employee transportation, raw materials required for cafeteria. etc.

To gainfully engage and build capacities of the local people Co-operative societies of local villagers have been formed. Training is imparted to build their capacities and adequately skill them to meet the requirement of the jobs awarded. There are at present 34 registered Co-operative societies of local villagers.

5. 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%). Also, provide details thereof, in about 50 words or so.

S. No.	Product /Waste Recycling	% age of re-use / recycling	Details
1	Hazardous waste	100%	Through authorized recyclers
2	Ash Water	100%	Using ash water recirculation system
3	Effluent	100%	Treated effluent is re-used within plant at different processes
4	Fly ash	Phased manner	Used for various purposes like, brick manufacturing, RMC, cement, road embankment,Low lying area filling etc

Principle 3 Business should promote the well being of all employees

1. Please indicate the Total number of employees

The company has 8,550 employees which include permanent employees and those on contractual at March 31, 2018. The above number considers those employed with both the Holding Company and its subsidiaries.

2. Please indicate the Total number of employees hired on temporary / contractual / casual basis

The company has 6,245 employees under contract.

3. Please indicate the Number of permanent women employees

Total number of permanent women employees in the company are 47 for the said period.

4. Please indicate the Number of permanent employees with disabilities

There is one permanent employee with disabilities in the Company.

5. Do you have an employee association that is recognized by management? - No

6. What percentage of your permanent employees are members of this recognized employee association? N.A.

7. Please indicate the 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 financial year. - None

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- Permanent Employees : 80%
- Permanent Women Employees : 100%
- Casual/Temporary/Contractual Employees : 100%
- Employees with Disabilities: Nil

Principle 4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes / No

Yes, Reliance Power has mapped its internal as well as external stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Reliance Power engages with stakeholders through multiple channels of communication, both formally and informally. Reliance Power and its subsidiaries have developed internal systems and procedures to identify, prioritize and address needs and concerns of stakeholders at various levels. Likewise, various departments have been entrusted with the responsibility of interacting and engaging with stakeholders. The focus is to touch lives and transform lives through concentrated efforts under the key thematic areas of Education, Healthcare, Rural Transformation, and two cross-cutting themes namely, the Environment and the Swaach Bharat Abhiyan. This includes focus on:

a. Establishing remedial schools for children, who are lagging behind academically in order to mainstream them over a period of one year. Also, create learning environment in earmarked Government primary, middle and high schools. Honor teachers to enhance their motivation and extend teaching aids and refresher training programs to them.

b. Extend free education to children from earmarked marginalised communities in company owned professionally run English medium schools.

c. Women empowerment through promoting women based groups and focused initiatives including skilling and livelihood.

d. We have been extending support to 1,270 widows and the old aged by way of pensions.

e. Special coaching and employability sessions for youth with an mandate to orient and equip them with the market requirements.

f. Creation of Co-operative societies for vulnerable and marginalised individuals to skill and groom them as vendors and award them jobs.

g. Extending improved techniques for people engaged in farm by skilling them with advanced techniques, providing resources to enhance the land productivity and improved resource utilisation. Market orientation and mobilisation of the farmers to create groups for better bargaining capabilities.

h. Focus on sanitation across community as well as private places including schools, individual households, community places like markets, community halls etc. Promoting resource sufficiency for clean drinking water, clean air and green ecosphere.

Principle 5 Businesses should respect and promote human rights.

It is widely believed that governments have a duty to protect human rights. Policies of Reliance Power cover the human rights aspects of its employees and other resources associated with matters relating to the construction / operation of the power plants. No complaints have been received in the past financial year on human rights.

1. Does the policy of the Company on Human Rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes, the Company has a policy which covers human rights.

The Company is committed to uphold and maintain 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.

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

No complaints on human rights were received during the year.

Principle 6 Business should respect, protect and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others?

Our companies in the group are committed to achieve the global standards of health, safety and environment. We believe in sharing process and product innovations within the group and extending its benefits to the Industry. We believe in safeguarding environment for long term. Reliance Group Companies' Code of Ethics and Business Policies is applicable to all personnel of the Company as

well as to the Consultants, Representatives, Suppliers, Contractors and Agents dealing with the Company

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?

At Reliance Power, all power plants and mines operations are certified with Integrated Management System for Environment, Occupational Health & Safety and Quality. The environmental issues are identified, categorized and mapped for its impacts. Station specific respective SOPs are developed to address various issues through Environmental Management Plan. The power plants are designed and optimized for minimal consumption of resources for maximum output thus taking care of global warming and climate change. All the power plants and mines carry out extensive green belt development in the vicinity.

It is pertinent to mention that the Company has successfully registered Sasan UMPP, which uses super-critical technology; wind project at Vashpet; Solar Photovoltaic (PV) and Concentrated Solar Power (CSP) projects at Dhursar with the Clean Development Mechanism (CDM) Executive Board under the United Nations Framework Convention on Climate Change.

3. Does the Company identify and assess potential environmental risks? Y/N

Yes

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Yes, Sasan Power Limited, a subsidiary of Reliance Power is successfully registered with the Clean Development Mechanism (CDM) Executive Board. CDM is one of the three market based mechanisms agreed under the Kyoto Protocol to reduce Greenhouse Gases (GHG) by adopting environmental friendly technologies and/or fuels so that the GHG emissions can be reduced.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.

Yes, Reliance Power has taken several initiatives to address long term climate change challenges and environmental management. Some of the initiatives are as under:

Deploying best in class technology related to power generation across all our projects. This aids in reducing the consumption of fuel and water required for plant operations, thereby conserving precious natural resources and contributing towards a greener and healthier environment.

Rosa Power Supply Company Limited, a subsidiary of Reliance Power, has an installed capacity of 120 KW of Solar Power generation within the plant on roof tops.

Vidarbha Industries Power Limited is in the process of deploying best in class technology related to power generation that reduce the consumption of fuel and water required for plant operations, thereby conserving precious natural resources and contributing towards a greener and healthier environment. Apart from this it has also installed total 15 KW of Solar Power Generation within the plant at water reservoir (Floating Panels first of its kind in Vidarbha Region), on roof top of the service building and on top of the car parking shed.

6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions/waste generated by the power stations are within the stipulated limits.

7. Number of show cause/legal notices received from CPCB/SPCB which are 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

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

Reliance Power is a member of Association of Power Producers (APP), Arunachal Pradesh Power Producers Association (APPPA), Independent Gas Based Power Producers Association (IGBPPA), Andhra Pradesh, apart from being a member of Chambers of Commerce and Industry. We have, through APP, APPPA and IGBPPA, represented to Governments (both Central and State) for the development of an efficient electricity sector. Objective of these representations is to introduce reforms aimed at providing sustainable power for all on a 24 × 7 basis.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

Reliance Power does undertake constructive advocacy with Central as well as State level entities to positively contribute and influence the development of power sector. As an organization, we do not engage in any form of lobbying.

Principle 8 Businesses should support inclusive growth and equitable development

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

At Reliance Power, the approach towards CSR is to interweave social responsibility into Company's mainstream business functions by translating our commitments into the Company's policies, which not only drive all employees but also influences and mobilizes stakeholders especially partners and suppliers, to embrace responsible business practices in their respective spheres of action.

As part of the CSR mandate, we continue to focus on three key thematic areas – Education, Healthcare and Rural Transformation (which includes development of infrastructure facilities, skill building & 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 endeavors i.e. Environment and Swachh Bharat Abhiyan (Sanitation) (Refer PIC 1 below).

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

PIC 1: Thematic Areas under CSR

For past several years, Reliance Power has been undertaking several initiatives to support inclusive growth and equitable development for social and economic betterment of the community through several CSR programs with active participation from enthusiast employee volunteers. For the year 2017-18, in order to have more sustainable programmes with measurable impacts, the Company continues to scale-up the existing projects and have taken up several new endeavours.

Below are key initiatives undertaken by the company during the year 2017-18:

i. Education:

Reliance Power has taken education as one of the major focus areas of CSR and has been taking up various initiatives, to bridge the existing gaps and provide an enabling environment for effective learning for underserved communities. The education programmes are focused on primary and secondary level education.

We at the Company, aim at building required environment and infrastructure to create an awareness pool of human resource both within and across our area of operations. The Company focuses on creating learning environment for imparting holistic education for children across schools from kindergarten onwards. Some of such projects are Hamari Paathshala, Model Aanganwadi etc. being implemented across the subsidiaries at Reliance Power.

Few examples-

At Rosa Power Site: to strengthen the mathematical and scientific skills, special coaching classes are being conducted for students of standard 10th and 12th appearing for board exams. Remedial schools for enrollment of school drop outs are set up under Hamari Pathshala Programme. In addition, students are being trained for appearing in Government scholarship programmes. Digital literacy program is also being conducted in the rural areas.

At Sasan Power: under the School Excellence Programme, efforts revolve around holistic development for students which entails sports art and culture, personality development through elocution, drama and speech, physical fitness and preparing for competitive exams like Olympiad, Spell Bee etc. Infrastructural support to schools and electrification has also been an important element of the project.

Vidarbha Industries Power supported underprivileged children by providing cycles, stationery and school uniforms etc for more than 15 schools.

These initiatives have benefitted around 77,500 children in the underprivileged community.

ii. Healthcare:

We at Reliance Power focus on promoting preventive and curative healthcare. The Company implements programs on community health with special focus on health of elderly, women, adolescents, young ones and supporting Pediatric Heart surgeries for underprivileged children etc through our programs Aarogyam, Project Indradhanush, Pradhanmantri Surakschit Matritwa Abhiyan, Swasthya Chetna etc. In addition, awareness cum health checkup camps are being conducted across all subsidiaries.

The parent company, as also some of its subsidiaries has made contributions for promoting healthcare to a non profit accredited organisation. Reliance Power also initiated concerted projects to meet the mandate set out by Hon. Prime Minister on woman health.

Few examples:

At Rosa Power site, program 'Swasth Chetna' is driven with a mandate to bring about general awareness, focus on curative and promotive healthcare in partnership with the State Government and local agencies.

Sasan Power promotes Institutional delivery and mother and child health improvement and a remarkable increase of 60% is seen in the institutional delivery.

At VIPL site, health care programs for women and children were organized with a focus on malnutrition. A number of 'Yuvati sammelans' are conducted for bringing awareness on Sanitation and Menstrual hygiene for adolescent girls across villages. 6 Sanitary pads vending machines and 6 disposing machines have been installed across 6 Government schools at VIPL, benefiting more than 900 girl students.

We have reached to around 1.10 lakh people through our health care programmes, wherein approximately 50,000 adolescent girls and women

have benefited from the Sanitation and Menstrual hygiene camps.

iii. Rural Transformation:

'Touching lives, transforming lives', keeping this as our motto we at Reliance power have constantly 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 endeavor to include the local community as a critical stakeholder in the inclusive measures initiated by the Company.

We encourage 'Yogdan' project involving creation of socio physical infrastructural development in the form of construction / renovation of community halls, construction of roads, cremation sheds etc. across Reliance Power and its subsidiaries.

Livelihood interventions focusing on farm and non-farm areas including promoting agriculture, improving livestock, skill building of women and youth including infrastructure development both through direct intervention and participation through accredited agency has supplemented the earning capabilities of 6000 families across the subsidiaries.

Few examples:

Sasan Power is involved in the creation of Cooperative societies for vulnerable and marginalized individuals to skill them as vendors and award them service contracts.

iv. Woman Empowerment:

Reliance Power has strived towards livelihood promotion by creating Self Help Groups (SHG's) for women, engaging them in small business projects like making sweet boxes, tailoring, knitting, decorative basket making, papad making, manufacturing fertilizer etc which helped them to earn an additional income for their families. Overall more than 45 SHGs have been formed enabling 500 SHG women members to become financially self reliant.

More than 1,25,000 farmers and women benefitted through our CSR endeavors this year.

v. Sanitation:

Swachh Bharat Abhiyan (SBA) has become a colossal mass movement ever since its initiation by Hon. Prime Minister. Our Chairman, Shri Anil Dhirubhai Ambani has taken upon the mandate and has translated it into an opportunity by integrating the tenets of SBA in the business processes apart from the social mandate across the Reliance Group for a far reaching and sustained impact.

Some of the key activities are awareness cum hygiene promotion programmes in schools, cleanliness drive at public facilities, building of toilets in the rural communities, distribution of sanitation kits, beach cleaning etc. His movement has grown within Reliance Power group and has engaged a wide spectrum of stakeholders including communities around our operational areas as well as employee volunteers across our business verticals.

We have reached out to 48 villages in the FY 2017-18.

vi. Environment:

We as a company are very conscious about the importance of clean and green environment. It is an integral part of all the social interventions undertaken in the community. The imperative is to use natural resources efficiently to leave a minimal carbon footprint and impact on biodiversity across our business value chain. The group strives to develop and promote processes and newer technologies to make all our products and services environmentally responsible. The philosophy behind is to create a sustainable eco-sphere of low carbon economy by following the 5 R guidelines of Reduce, Reuse, Recycle, Renew and Respect for the environment and its resources through the entire supply management.

Under the Go Green Initiative, Sasan Power and Rosa Power have supported lighting up lives by installing over 50 street lights in the nearby villages benefitting 3900 families. More than 50,000 plants have been planted across sites. To promote better water facility in the community, VIPL site has installed hand pumps across 14 villages benefitting 2220 households.

To conclude, Reliance Power and its subsidiaries, through its sustainable endeavors are making constant efforts to bring about a change and provide better quality of life to the underprivileged community in the vicinity of the project sites.

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

Our CSR projects are mostly designed as long term collaborative projects and are implemented through delivery mechanisms comprising of employees, local bodies, non-governmental organizations, not-for-profit entities and government institutions etc. The interventions are carried out in tandem with local Government bodies to meet the social mandate for the earmarked communities. The execution of the programs under the thematic heads 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 for the earmarked communities.

3. Have you done any impact assessment of your initiative?

Yes, we do have a continuous feedback mechanism from our stakeholders which feed into improving the quality of delivery of our programs within the earmarked communities. We conduct Impact Assessment studies – both internally as well as externally to understand the impact of our programmes. We have during the FY 17-18 done an Impact Assessment for our endeavors for Rosa Power. Voyants Solutions Private Limited conducted an external Impact Assessment Report for our CSR programmes at (Shahjahanpur Rosa Power). Learnings from the assessment are being implemented in order to bring out desired results.

4. What is your Company's direct contribution to community development projects (amount in INR and the details of the projects undertaken).

The company and its subsidiaries have spent ₹ 23.26 Crore as direct contribution to community development projects under the thematic heads Education, Healthcare, Rural Transformation, Swacch 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.

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

Reliance Power regularly evaluates the performance and impact of its CSR programmes. We conduct assessments internally as well as through external agencies to keep strengthening the interventions. 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 grassroot participation with local bodies / institutions / NGOs to support and augment interventions in areas by ensuring 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.

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

The main business activities of the Company and its subsidiaries are generation and supply of electricity to distribution companies (discom's) and mining of coal for generation of electricity. Main consumers are the discoms with whom the Power Purchase Agreements have been entered into. Power tariff discovery through competitive bidding as is the case with ultra-competitive tariffs of Sasan UMPP or highly transparent and objective tariff determination by regulatory commissions as is the case with Rosa and Butibori Power Projects ensure that consumer is immensely benefitted in terms of competitive price of power.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

N.A.

3. 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. If so, provide details thereof, in about 50 words or so.

No cases have been filed by any stakeholder against the Company regarding unfair trade practices during the year under review.

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

No. The Company, however, ensures that complaints, if any, received from stakeholders are promptly attended to.

Corporate Governance Report

Corporate Governance Philosophy

Reliance Power 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 Practices and Policies

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 Power. We believe that any business conduct can be ethical only when it rests on the nine core values viz. honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship and caring.

B. Code of Ethics

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

C. Business Policies

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

D. Separation of the Board's supervisory role from executive management

In line with best global practices, we have adopted the policy of separating the Board's supervisory role from the executive management. We have also split the posts of the Chairman and CEO. Whole-Time Director is designated to also perform functions of CEO.

E. Prohibition of Insider Trading Policy

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

F. Policy on prevention of sexual harassment

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

G. Whistle Blower Policy/Vigil Mechanism

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

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

H. Environment and Corporate Social Responsibility

The Company is committed to achieving excellence in environmental performance, preservation and promotion of clean environment. These are the fundamental concern in all our business activities. The Company has also developed a CSR policy which is intended to contribute towards improving the quality of life.

I. Risk Management

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

J. Boardroom Practices

a. Chairman

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

b. Board Charter

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

c. Board committees

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

d. Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, *inter-alia*, considers qualification, positive attributes, area 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 decision.

Every Independent Director, at the first meeting of the Board in which she / he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that she / he meets the criteria of independence as provided under the 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 Companies Act, 2013 and the Listing Regulations, as amended from time to time.

f. Independent Director's Interaction with Stakeholders

Member(s) of the Stakeholders Relationship Committee interact with stakeholders on their suggestions and queries, if any, which are forwarded to the Company Secretary.

g. Familiarisation of Board Members

The Board members are periodically given orientation and familiarized with respect to the Company's vision, strategic direction, core values including ethics, corporate governance practices, financial matters and business operations. The directors are encouraged to become familiar with the Company's functions at the operational levels through interface with the members of the Senior Management. 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. Board members are also provided with the necessary documents / brochures, reports and internal policies to enable them to familiarize themselves with the Company's procedures and practices.

Periodic updates and training programs for Board members are also conducted on relevant statutory changes and landmark judicial pronouncements encompassing important laws.

The details of the programmes for familiarization of Independent Directors have been put up on the website of the Company at the link http://www.reliancepower.co.in/web/reliance-power/corporate governance.

h. Meeting of Independent Directors with Operating team

The independent directors of the Company meet in executive sessions with the various operating teams as and when they deem 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 the members of management and other advisors, as the Independent Directors may deem fit.

i. 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 Holding Company monitors performance of subsidiary companies.

j. Annual Calender of Meetings

The meeting dates for the entire financial year are scheduled in 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 attendance at the meetings of the Board and its Committees.

K. Role of the Company Secretary in Governance Process

The Company Secretary plays a pivotal role in ensuring that the Board (including Committees thereof) 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 meeting(s). 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 accounts are audited by a panel of two leading independent audit firms namely:

1. M/s. Pathak H.D. & Associates,Chartered Accountants
2. M/s. B S R & Co. LLP, Chartered Accountants,

M. Compliance with the code and rules of Luxembourg Stock Exchange

The Global Depository Receipts (GDRs) issued by the Company are listed on the Luxembourg 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

The Company is fully compliant with the corporate governance requirements specified in the Listing Regulations.

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

I. Board of Directors

1. Board Composition – Board strength and representation

The Board consists of 6 members.

The composition and category of Directors on the Board of the Company is as under:

Category	Name of Directors and DIN
Promoter, Non-Executive and Non-Independent Director	Shri Anil Dhirubhai Ambani, Chairman (DIN: 00004878)
Non-executive and Non-Independent Director	Shri Sateesh Seth (DIN: 00004631)
Independent Directors	Shri K Ravikumar* (DIN: 00119753)
	Shri D. J. Kakalia (DIN: 00029159)
	Smt Rashna Khan (DIN: 06928148)
Whole-time Director	Shri N Venugopala Rao** (DIN: 03143364)
	Shri K Raja Gopal# (DIN: 00019958)

*Appointed by Shareholders on September 26, 2017.

**Superannuated from the services of the Company from June 30, 2018

Appointed as Whole-time Director with effect from July 1, 2018

Notes:

a) None of the Directors are related to any other director.

b) None of the Directors have any business relationship with the Company.

c) None of the Directors have received any loans and advances from the Company during the financial year.

d) During the year, Dr V.K.Chaturvedi relinquished his position as Director of the Company on April 13, 2017.

e) The term of Dr. Yogendra Narain expired from the office of Director of the Company with effect from September 26, 2017.

f) The Board of Directors of the Company at its meeting held on April 13, 2018, has appointed Shri K Raja Gopal as Chief Executive Officer of the Company with effect from May 2, 2018 and Whole-time Director with effect from July 1, 2018 subject to the approval of members of the Company.

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

2. Conduct of Board Proceedings

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

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

a) 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.

b) Monitoring the effectiveness of the Company's governance practices and making changes as needed.

c) Selecting, compensating, monitoring and when necessary, replacing key executives and overseeing succession planning.

d) Aligning key executive and board remuneration with the long term interests of the Company and its shareholders.

e) Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

f) 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.

g) 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.

h) Overseeing the process of disclosure and communications.

i) Monitoring and reviewing Board Evaluation framework.

3. Board Meetings

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

April 13, 2017, July 31, 2017, November 11, 2017, January 30, 2018, February 16, 2018, February 28, 2018 and March 28, 2018

The maximum time gap between any two meetings during the year under review was 108 days and the minimum gap was 11 days.

The Board periodically reviews compliance reports of all laws applicable to the Company.

4. Legal Compliance Monitoring

The Company monitors statutory compliances through a system driven tool called Legatrix which has the facility of capturing all the statutes that impact the Company's operations as also those of its operating subsidiary companies. All the compliances ensured are reported online in the tool with provision of back up, wherever necessary, in support of actual compliances. The programme is coordinated and monitored by the Compliance Officer at the corporate office. Non-compliances/delayed compliances, if any, are reported for remedial action.

A compliance certificate from the Company Secretary based on the reports generated from Legatrix is placed for periodical review by the Board, pursuant to the requirements of the Listing Regulations.

5. Attendance of directors

Attendance of the directors at the Board meetings held during the financial year 2017-18 and the last Annual General Meeting (AGM) and the details of directorships (as computed as per the provisions of Sections 165 of the Act), Committee Chairmanships and the Committee Memberships held by the directors as on March 31, 2018, were as under:

Name of Director	Number of Board Meetings attended out of 7 meetings held	Attendance at the last AGM held on September 26, 2017	No. of directorships (including RPower)	Committee(s) Membership/ Chairmanship (including RPower)	
				Membership	Chairmanship
Shri Anil Dhirubhai Ambani	3	Present	14	-	-
Shri Sateesh Seth	7	Absent	9	2	-
Shri K Ravikumar*	3	Present	4	5	3
Shri D. J. Kakalia	7	Present	6	6	2
Smt. Rashna Khan	7	Present	11	4	1
Shri N Venugopala Rao**	7	Present	2	1	-
Dr. Yogendra Narain#	2	N.A.	N.A.	N.A.	N.A.
Dr. V. K. Chaturvedi$	1	N.A.	N.A.	N.A.	N.A.

* Appointed by the Shareholders at their meeting held on September 26, 2017.

** Appointed as Whole-time Director on April 13, 2017 by the Board of Directors of the Company and subsequently members of the Company at their meeting held on September 26, 2017, has approved the said appointment.

\# Term expired from the office of Directors of the Company with effect from September 26, 2017

$ Relinguished from the office of the Company with effect from April 13, 2017

Notes:

a) 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.

b) 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.

c) No Independent Director of the Company holds the position of Independent Director in more than 7 listed companies as required under the Listing Regulations.

d) The information provided above pertains to the following committees in accordance with the provisions of Regulations 26 (1)(b) of the Listing Regulations: (i) Audit Committee and (ii) Stakeholders Relationship Committee.

e) The Committee memberships and chairmanships above exclude memberships and chairmanships in private companies, foreign companies and in Section 8 companies.

f) Memberships of Committees include chairmanships, if any.

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

6. Details of Directors

The abbreviated resume of all directors is furnished hereunder:

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

As on March 31, 2018, Shri Anil D. Ambani held 465792 shares of the Company including 1,000 shares jointly with Reliance Project Ventures and Management Private Limited.

Shri Sateesh Seth, 62 years, is a Fellow Chartered Accountant and a Law Graduate. He has vast experience in general management. Shri Sateesh Seth is also on the Board of Reliance Telecom Limited, Reliance Infrastructure

Limited, Reliance Anil Dhirubhai Ambani Group Limited, Reliance Defence and Aerospace Private Limited, Reliance Defence Technologies Private Limited, Reliance Defence Systems Private Limited, Reliance Defence Limited and Reliance Naval and Engineering Limited.

He is a Member of the Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee of the Company. He is a member of the Corporate Social Responsibility Committee of Reliance Telecom Limited.

Shri Sateesh Seth held 29 shares in the Company as on March 31, 2018.

Shri D. J. Kakalia, 69 years, is a Commerce and Law Graduate from the University of Bombay. He was enrolled as an Advocate of the Bombay High Court in 1973 and qualified as a Solicitor from Bombay in 1976. He also qualified as a Solicitor of the Supreme Court of England in 1982.

He is a partner of Mulla & Mulla & Craigie Blunt & Caroe, Advocates and Solicitors.

He commenced his practice as a Commercial Lawyer having built an extensive transaction practice and court practice having a wide background in corporate commercial matters, setting up of Joint Ventures, Mergers and Acquisitions, ADRs and GDRs as well as real estate transactions and disputes and litigations related to these sectors and areas of practice and has also extensive experience in the power sector.

He specializes in power sector litigation and Projects, acting for large power companies and has advised consortium for the bids with respect to the 4,000 MW Ultra Mega Power Projects that have been proposed by the Power Finance Corporation of India. He regularly appears before the MERC, the Bombay High Court and in the Supreme Court of India with respect to various litigations in relation to disputes including in the power sector.

He was a Lecturer in law at K. C. Law College (University of Bombay) and was also appointed as an examiner by the University of Bombay.

He is a Director of Companies of repute including Aditya Birla Finance Limited, Hercules Hoists Limited, Escorts Limited, Reliance Broadcast Network Limited and Rosa Power Supply Company Limited. He is also Chairman of Rosa Power Supply Company Limited, a Material Unlisted Indian Subsidiary of the Company.

He is a member of the Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee (CSR Committee) of the Company. He is the Chairman of the Stakeholders Relationship Committee and Risk Management Committee of the Company.

He is also a member of the Audit Committee and Nomination and Remuneration Committee of Aditya Birla Finance Limited, member of Audit Committee, Nomination and Remuneration, Stakeholders Relationship Committee and CSR Committee of Reliance Broadcast Network Limited. He is also a member of Nomination and Remuneration Committee and Chairman of Audit Committee and CSR Committee of Rosa Power Supply Company Limited.

Shri D. J. Kakalia has been re-appointed as an Independent Director of the Company for a period of three consecutive years by the shareholders at their meeting held on September 26, 2017 effective from the said date.

Shri Kakalia did not hold any shares in the Company as of March 31, 2018.

Smt. Rashna Khan, 54 years, a Law Graduate from Government Law College Mumbai (University of Bombay) and qualified as a Solicitor with the Bombay Incorporated Law Society and Law Society London.

Smt. Khan has worked with Mulla & Mulla & Craigie Blunt & Caroe, Advocates and Solicitors and with Dhruve Liladhar & Co., Advocates and Solicitors, in various capacities before she became partner of Mulla & Mulla & Craigie Blunt & Caroe, Advocates and Solicitors, since the year 2009.

She specializes in the field of civil litigation including attending matters in the High Court, Supreme Court, Company Law Board, Income Tax Tribunal, Arbitration, Customs, Excise and Service Tax Appellate Tribunal, opinion and documentation work.

She is on the Board of The Supreme Industries Limited, Sasan Power Limited (SPL), Vidarbha Industries Power Limited (VIPL), DS Toll Road Limited, TK Toll Road Private Limited, JK Toll Road Private Limited, TD Toll Road Private Limited, NK Toll Road Limited, GF Toll Road Private Limited and SU Toll Road Private Limited. She is also Chairperson of SPL and VIPL, a Material Unlisted Indian Subsidiary of the Company.

She is a member of the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Risk Management Committee and Chairperson of CSR Committee of the Company.

She is also a member of Audit Committee and Nomination and Remuneration Committee of SPL and Chairperson on Audit Committee, Nomination and Remuneration Committee and CSR Committee of VIPL. She is also member of CSR Committee of DS Toll Road Limited and NK Toll Road Limited.

Smt Khan was re-appointed as an Independent Director for a period of three consecutive years by the shareholders of the Company at their meeting held on September 26, 2017, effective from the said date.

She held 285 shares in the Company as of March 31, 2018.

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

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

He possesses M.Tech Degree from the Indian Institute of Technology, Madras, besides Post-Graduate Diploma in Business Administration. He was conferred Alumini 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 Infrasturcture Limited and Reliance Naval and Engineering Limited.

He is the Chairman of Audit Committee and Nomination and Remuneration Committee and member of Stakeholder Relationship Committee, CSR Committee and Risk Management Committee of the Company. He is also member of Audit Committee, Risk Management Committee and CSR Committee and Chairman of Stakeholders Relationship Committee of Reliance Infrastructure Limited. He is the Chairman of Audit Committee and Risk Management Committee of Reliance Naval and Engineering Limited.

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

Shri K Raja Gopal, 60 years, ME, MBA having over thirty-five years of industry and leadership experience in both public and private domains. A well acknowledged leader in power industry circles of the country known for deep insight, vision, team building capability, fostering strong relationships and a proven track record of execution and operation of large IPPs.

As on date Shri K Raja Gopal is a member of Stakeholders Relationship Committee, CSR Committee and Risk Management Committee of the Board.

Most recently chaired the 'Association of Power Producers' (APP) and also was a member of National Committee on Power at CII and FICCI at New Delhi.

Shri N. Venugopala Rao, 59 years, holds a Bachelors degree in Commerce and is also a MBA with specialization in Finance and Marketing. Shri Rao has been associated with the power industry for over 35 years and has a blend of roles in varied areas including project development, finance, project planning and execution, contracts management, treasury management, tax planning through M&A and insurance management.

Shri Rao was associated with NTPC for over 25 years in various capacities across large sized plants and regional head quarters. He was also Executive Director (Finance) with Lanco in one of its subsidiaries. Prior to being appointed as CEO of the Company in November 2015, Shri Rao was the CEO of SPL, wholly owned subsidiary of the Company which has developed the Sasan Ultra Mega Power Project, the world's largest integrated coal mine and power project with an investment outlay of nearly USD 4 billion.

Shri Rao has been felicitated with the Green Tech Lifetime Achievement Award. In addition, under his leadership, the Company has been felicitated for remarkable performance in the Power Sector at 'The Economic Times Power Focus Summit'.

Shri Rao is a member of the Stakeholders Relationship Committee, CSR Committee and Risk Management Committee of the Board. He is also on the Board of Jharkhand Integrated Power Limited.

Shri Rao held 1,054 shares of the Company as on March 31, 2018.

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.

II. Audit Committee

The Company has an Audit Committee. The composition and terms of reference of Audit Committee are in compliance with the provisions of Section 177 of the Companies Act, 2013, Listing Regulations and other applicable laws. The Committee was re-constituted by the Board of Directors of the Company on November 11, 2017. The Committee presently comprises of three independent non-executive directors and one non-independent non-executive director of the Company viz. Shri K Ravikumar as Chairman, Shri D.J.Kakalia, Smt Rashna Khan and Shri Sateesh Seth as Members. All the

members of the Committee possess financial / accounting expertise / exposure.

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.

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 appointment, remuneration and terms of appointment of the auditors of the Company;

3. Approval of payment to statutory auditors for any other services rendered by them;

4. Reviewing with the Management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:

   a. Matters required to be included in the Directors' Responsibility Statement forming a part of the Boards' report in terms of clause (c) of sub section 3 of Section 134 of the Act.

   b. Changes, if any, in accounting policies and practices and reasons for the same.

   c. Major accounting entries involving estimates based on the exercise of judgment by Management.

   d. Significant adjustments made in the financial statements arising out of audit findings.

   e. Compliance with listing and other legal requirements relating to financial statements.

   f. Disclosure of any Related Party Transactions.

   g. Modified opinion(s) 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 documents / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in these matters;

7. Review and monitor the auditors' independence and performance and effectiveness of audit process;

8. Approval and Review on quarterly basis, of Related Party Transactions (RPTs) entered into by the Company pursuant to each omnibus approval given;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing with the Management, the 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 thereon;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with the statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern;

17. To look into the reasons for substantial defaults in the 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 the Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

    Explanation: The term 'Related Party Transactions' shall have the same meaning as provided in Regulation 23 of the Listing Regulations.

    The Audit Committee is also authorised to:

    a) Investigate any activity within the terms of reference;
    b) Seek any information from any employee;
    c) To have full access to information contained in the records of the Company;
    c) Obtain outside legal and professional advice;
    d) Secure attendance of outsiders with relevant expertise, if it considers necessary;
    e) Call for comments from the auditors about internal control systems and scope of audit, including the observations of the auditors;

f) Review financial statements before submission to the Board; and

g) Discuss any related issues with the internal and statutory auditors and the Management of the Company.

The Audit Committee mandatorily reviews the following information, as necessary:

a. Management Discussion and Analysis of financial condition and results of operations;

b. Statement of significant Related Party Transactions (as defined by the Audit Committee) submitted by Management;

c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses, and;

e. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

f. Statement of deviations:

i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the Stock Exchanges as per the Listing Regulations;

ii. Annual Statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice, if any.

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

The Audit Committee held its meetings on April 13, 2017, July 31, 2017, November 10, 2017, January 29, 2018 and February 16, 2018. The maximum gap between any two meetings was 108 days and the minimum gap was 17 days.

Members	Meetings held during the FY	Meetings Attended
Shri K Ravikumar*	3	2
Shri D. J. Kakalia	5	5
Shri Sateesh Seth	5	5
Smt. Rashna Khan	5	5
Dr. Yogendra Narain**	2	2

*Appointed as Chairman of Audit Committee, with effect from November 11, 2017

** Ceased to be a member of Audit Committee, with effect from September 26, 2017

Shri K Ravikumar, the Chairman of the Audit Committee was present at the last Annual General Meeting.

The Committee considered at its meetings issues as per its terms of reference at periodic intervals.

Shri Murli Manohar Purohit, Company Secretary, acts as the Secretary to the Audit Committee.

During the year, the Committee discussed with Company's auditors, the overall scope and plans for the independent audit.

The Management has represented to the Committee that the Company's financial statements have been prepared in accordance with the existing laws and regulations.

The Committee also discussed the Company's Audited financial statement, the rationality of significant judgments and the clarity of disclosures in the financial statement. Based on the review and discussions carried out with the Management and the auditors, the Committee believes that the Company's financial statements have been presented in conformity with the prevailing laws and regulations in all material aspects.

The Committee has also reviewed the internal control systems put in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are recorded in accordance with the prevailing laws and regulations. In carrying out such reviews, the Committee has not found any material discrepancy or weakness in the internal control systems. The Committee has also reviewed the financial policies of the Company and has expressed its satisfaction with the same. Upon review, the Committee has also expressed its satisfaction as regards the independence of both the statutory and internal auditors.

Pursuant to the requirements of Section 148 of the Companies Act, 2013, the Board has, based on the recommendation of the Committee, appointed Cost Auditors to audit the cost records of the Company, in respect of its Wind Farm Power Project at Vashpet, Dist. Sangli, Maharashtra.

III. Nomination and Remuneration Committee

The Company has an Nomination and Remuneration Committee (NRC). The composition and terms of reference of Nomination and Remuneration Committee are in compliance with the provisions of Section 178 of the Companies Act, 2013, Listing Regulations, Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014, and other applicable laws. The Committee was re-constituted by the Board of Directors of the Company on November 11, 2017. The Committee comprises of four directors, viz. Shri K Ravikumar as Chairman, Shri D. J. Kakalia, Shri Sateesh Seth and Smt Rashna Khan, as Members.

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

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

a. Formulation of the criteria for determining the qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

b. Formulation of criteria for evaluation of performance of Independent Directors and the Board and the Committees thereof.

c. Devising a policy on diversity of the Board of Directors.

d. Identifying persons who are qualified to become directors and who may be appointed to the Senior Management in accordance with the criteria laid down and to recommend to the Board of Directors their appointment and removal.

e. To carry out evaluation of every directors' performance.

f. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

g. 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.

The Managerial Remuneration Policy has been provided as an Annexure to the Directors' Report.

The Company has carried out the evalution of the Board during the year in terms of the criteria laid down by the NRC, details of which have been covered in the Directors' Report forming part of this Annual Report.

Shri D. J. Kakalia, Chairman of the Committee was present at the last AGM to answer the shareholders queries.

Attendance at the meetings of the NRC held during financial year 2017-18

The Committee held its meeting on April 13, 2017 and February 16, 2018.

Members	Meeting held during the FY	Meetings Attended
Shri K Ravikumar*	1	0
Shri D. J. Kakalia	2	2
Shri Sateesh Seth	2	2
Smt. Rashna Khan	2	2
Dr. V. K. Chaturvedi**	1	1
Dr. Yogendra Narain#	1	1

* Appointed as Chairman of NRC with effect from November 11, 2017.

** Ceased to be a member of NRC with effect from April 13, 2017.

Ceased to be a member of NRC with effect from September 26, 2017.

All the directors being non-executive as on March 31, 2018, were paid only sitting fees for attending the meetings of the Board and its Committees.

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

Details of Sitting Fees paid to Directors during the financial year 2017-18:

(₹ in Lakhs)

Name	Position	Sitting Fees
Shri Anil D Ambani	Chairman	1.20
Shri Sateesh Seth	Director	8.00
Shri K Ravikumar*	Director	4.00
Shri D. J. Kakalia	Director	9.20
Smt Rashna Khan	Director	9.20
Dr V. K. Chaturvedi**	Director	1.20
Dr Yogendra Narain#	Director	3.60
	Total	36.40

* Appointed as Director with effect from September 26, 2017

**Relinquished his position as Director with effect from April 13, 2017.

Term expired as Director with effect from September 26, 2017.

Notes:

a. There were no other pecuniary relationships or transactions of non-executive directors vis-à-vis the Company.

b. Pursuant to the limits approved by the Board, all non-executive directors were paid sitting fees of ₹ 40,000 (excluding taxes as applicable) for attending each meeting of the Board and its Committees.

c. The Company did not pay any amount to the non-executive directors by way of salary, perquisites and commission.

d. The Company has so far not issued any stock options to its directors.

IV. Stakeholders Relationship Committee

The Company has a Stakeholders Relationship Committee (SRC). The composition and terms of reference of Stakeholders Relationship Committee are in compliance with the provisions of Section 178 of the Companies Act, 2013, Listing Regulations and other applicable laws. The Committee was re-constituted by the Board of Directors of the Company on November 11, 2017. The terms of reference of the Committee, inter-alia, is to consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The Committee comprises of Shri D.J.Kakalia as Chairman, Shri Sateesh Seth, Shri K Ravikumar, Smt Rashna Khan and Shri N. Venugopala Rao as members as on March 31, 2018.

Attendance of members at the meeting of the Stakeholders Relationship Committee held during financial year 2017-18:

During the year, the Committee held its meetings on April 13, 2017, July 31, 2017, November 10, 2017 and January 29, 2018. The maximum gap between any two meetings was 108 days and the minimum gap was 79 days.

Name	Meeting held during the FY	Meetings Attended
Shri D.J. Kakalia	4	4
Shri Sateesh Seth	4	4
Shri K Ravikumar*	2	2
Smt Rashna Khan	4	4
Shri N. Venugopala Rao	3	3
Dr V. K. Chaturvedi**	1	1
Dr Yogendra Narain#	2	2

* Appointed as Member with effect from November 11, 2017

**Ceased to be Member with effect from April 13, 2017.

#Ceased to be Member with effect from September 26, 2017.

Shri Murli Manohar Purohit, Company Secretary, acts as the Secretary to the above Committee.

Shri D J Kakalia was appointed as Chairman of the Committee with effect from November 11, 2017.

Information as called for by Schedule V under Clause (C) (6) of the Listing Regulations, 2015 has been provided under the 'Investor Information' Section forming a part of this Report.

V. Compliance Officer

Shri Murli Manohar Purohit, the Company Secretary is the Compliance Officer for complying with the requirements of various provisions of the laws and regulations impacting the Company's business including Listing Regulations and the Uniform Listing Agreements executed with the Stock Exchanges.

VI. Employees Stock Option Scheme (ESOS) Compensation Committee

The Board of Directors of the Company considering the Company's proposed revision in its current Employees' Remuneration & Incentive Policy, market condition and the current market price which quoted under ₹ 50 per shares for past six months, and after considering the recommendations of NRC, the Company decided to wound up the Reliance Power - Employee Stock Option Scheme 2010 with effect from October 23, 2017. Accordingly, the Employee Stock Option Scheme Committee has been wound up.

VII. Corporate Social Responsibility (CSR) Committee

The Company has a Corporate Social Responsibility (CSR) Committee. The composition and terms of reference of Corporate Social Responsibility (CSR) Committee are in compliance with the provisions of Section 135 of the Companies Act, 2013 and other applicable laws. The Committee was re-constituted by the Board of Directors of the Company on November 11, 2017.

The Committee comprises of the following members as on March 31, 2018:

1. Smt Rashna Khan, Chairperson
2. Shri D. J. Kakalia
3. Shri K Ravikumar
4. Shri Sateesh Seth
5. Shri N. Venugopala Rao*

* Ceased to be a member of the Committe with effect from June 30, 2018.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy'.

The CSR Committee has formulated a CSR policy indicating the activities to be undertaken by the Company.

The CSR Committee has recommended the amount of expenditure to be incurred by way of CSR initiatives. The CSR policy is also monitored by the Committee from time to time.

The Committee held two meetings during the year on July 31, 2017 and January 29, 2018.

The meetings were attended by all the Members of the Committee.

The Company Secretary acts as the Secretary to the CSR Committee.

VIII. Risk Management Committee

The Risk Management Committee (RMC) comprises of the following Members as on March 31, 2018:

1. Shri D. J. Kakalia, Chairman
2. Shri K Ravikumar, Director*
3. Smt Rashna Khan, Director
4. Shri N. Venugopala Rao, Whole-time Director, CEO and CFO**
5. Shri Shrikant D. Kulkarni, President
6. Shri Suresh Nagarajan, Chief Financial Officer (Upto February 16, 2018)

*Appointed as member of the Committee with effect from November 11, 2017

**Appointed as Chief Financial Officer along with the position of Whole-time Director, CEO with effect from February 16, 2018.

Shri Murli Manohar Purohit, Company Secretary, acts as the Secretary to the above Committee.

The Board of Directors has defined the role and responsibilities of the Committee and has delegated monitoring and reviewing of the risk management plan to the Committee and assigned such other functions as deemed appropriate.

During the year, the Risk Management Committee held its meetings on July 31, 2017, November 10, 2017 and January 29, 2018.

SRC, CSR Committee and RMC were reconstituted on July 21, 2018 and Shri K Raja Gopal was inducted as a member of the above mentioned committees in place of Shri N Venugopala Rao.

The minutes of the meetings of all the committees of the Board of Directors are placed before the board.

IX. General Body Meetings

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

Financial Year	Date and Time	Whether Special Resolution(s) passed or not (through electronic voting and physical Ballot)
2016-17	September 26, 2017 – 2.00 P.M.	Yes a. Re-appointment of Shri D. J. Kakalia as an Independent Director b. Re-appointment of Smt. Rashna Khan as an Independent Director c. Appointment of Shri N. Venugopala Rao as the Whole-time Director d. Private Placement of Non-Convertible Debentures e. Adoption of new Articles of Association of the Company f. Borrowing limits of the Company
2015-16	September 27, 2016 – 4.00 P.M.	Yes. a. Appointment of Dr. Yogendra Narain as an Independent Director b. Private Placement of Non Convertible Debentures
2014-15	September 30, 2015 – 4.00 P.M.	Yes a. Private Placement of Non-Convertible Debentures b. Issue of Securities to Qualified Institutional Buyers

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

During the year there was no EGM held by the Company

X. Postal Ballot

The Company had conducted business through Postal Ballot during the financial year 2017-18.

The Company had sent the Postal Ballot Notice dated February 28, 2018, together with the Postal Ballot form to the members of the Company for seeking their approval to the business listed therein, by Postal Ballot (which includes electronic voting) pursuant to Section 110 of the Companies Act, 2013.

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

The Result of the Postal Ballot was announced on April 3, 2018, in which the following special resolution was passed with requisite majority:

Description	%of votes Cast in favor resolution
Issue of Securities to the Qualified Institutional Buyers.	99.8217

The Company had complied with the procedure for Postal Ballot in terms of the provision of Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

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

XI. Means of Communication

a) Quarterly Results:

Quarterly Results are published in The Financial Express (English) newspaper circulating substantially in the whole of India and in Navshakti (Marathi) newspaper and are also posted on the Company's website www.reliancepower.co.in.

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) Website:

The Company's website contains a separate dedicated section called 'Investor Information'. It contains a comprehensive database of information of interest to our investors including the financial results and Annual Report 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 an user friendly manner. The basic information about the Company as called for in terms of 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 Management Discussion and Analysis Report and Business Responsibility Report also form part of the Annual Report and the same are displayed on the Company's website.

The Companies Act, 2013 read with the Rules thereunder and the Listing Regulations facilitate the service of documents to members through electronic means. The Company e-mails the soft copies of the Annual Report to all those members whose e-mail IDs are available with 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, etc. are filed electronically on NEAPS.

f) BSE Corporate Compliance and Listing Centre (the 'Listing Centre')

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

g) Unique Investor helpdesk:

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

Toll free no. (India)	: 1800 4250 999
Telephone no.	: +91 40 6716 1500
Fax no.	: +91 40 6716 1791
E-mail	: rpower@karvy.com

h) Designated e-mail id:

The Company has also designated the e-mail id:reliancepower.investors@relianceada.com exclusively for investor servicing.

i) SEBI Complaints Redress 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 centralized database 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.

XII. Management Discussion and Analysis

A Management Discussion and Analysis Report forms part of this Annual Report and includes discussions on various matters specified under Regulation 34(2)(e) read with Schedule V of the Listing Regulations.

XIII. Subsidiaries

All the subsidiary companies are managed by their respective Boards. Their Boards have the rights and obligations to manage such companies in the best interest of their stakeholders.

The Board monitors the performance of its subsidiary companies, *inter-alia*, by the following means:

a. The minutes of the meetings of the Boards of the subsidiary companies are periodically placed before the Company's Board.

b. Financial statement, in particular the investments made by the subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.

c. A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Audit Committee / Board.

d. Review of Risk Management process 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 having web link: http://www.reliancepower.co.in/pdf/Policy_for_Determination_of_Material_Subsidiary.pdf.

One of the Independent Directors is nominated to the Board of the subsidiaries incorporated in India as and when a subsidiary becomes an 'Unlisted Material Subsidiary' within the meaning of the above expression in accordance with Regulation 24 of the Listing Regulations. Keeping in view the above requirement, Independent Directors of the Company have been appointed on the Boards of 'Unlisted Material Subsidiary' viz. Smt Rashna Khan on the Boards of Sasan Power Limited and Vidarbha Industries Power Limited and Shri D. J. Kakalia on the Board of Rosa Power Supply Company Limited. They have been made Chairpersons of the respective subsidiaries referred to above.

XIV. Disclosures

a. There has been no non-compliance by the Company on any matter relating to the capital markets in the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other Statutory Authority.

b. Related Party Transactions

During the financial year 2017-18, no transactions of material nature have been entered into by the Company that may have a potential conflict with interest of the Company. The details of Related Party Transactions are disclosed in the Notes to Accounts. The policy on dealing with Related Party Transactions is placed on the Company's website at web link: http://www.reliancepower.co.in/pdf/Policy_for_Related_Party_Transaction.pdf.

c. Accounting Treatment

In the preparation of financial statements for the year 2017-18, the Company has followed the Accounting Standards as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as applicable. The Accounting Policies followed by the Company to the extent relevant, are set out elsewhere in this 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 personnel and the same has been posted on the Company's website www.reliancepower.co.in. The Board members and the members of the Senior Management have affirmed their compliance with the code and a declaration signed by the Whole-time Director of the Company appointed in terms of the Companies Act, 2013, is given below:

'It is hereby declared that the Company has obtained from all members of the Board and Senior Management personnel of the Company affirmation that they have complied with the Code of Conduct for directors and Senior Management for the year 2017-18.'

N. Venugopala Rao
Whole-time Director

e. CEO and CFO Certification

Shri N. Venugopala Rao, Whole-time Director, Chief Executive Officer and Chief Financial Officer of the Company, has given 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 annual accounts for the year ended March 31, 2018 have been prepared as per applicable Accounting Standards and Policies and that sufficient care has been taken for maintaining adequate accounting records.

XV. Policy on Insider Trading

The Company has formulated the Reliance Power Limited - Code of Conduct for Prevention of Insider Trading and Code for Fair Disclosure of Unpublished Price Sensitive Information (Code) in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Company Secretary is the Compliance Officer under the Code responsible for complying with the procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre-clearance of trades, monitoring of trades and implementation of the Code of Conduct 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.

XVI. Compliance of Regulation 34(3) read with Para F of Schedule V of Listing Regulations

As per Regulation 34(3) read with Para F of Schedule V of Listing Regulations, the Company reports the following details in respect of equity shares lying in suspense account relating to Initial Public Offer (IPO), Bonus Issue and the issue of shares pursuant to the Composite Scheme of Arrangement between the Company and Reliance Natural Resources Limited and Others.

i. Unclaimed Shares Suspense Accounts – IPO and Bonus Issue

The members may note that the Company has received claims from Shareholders for direct transfer of unclaimed equity shares to their respective demat accounts and that the same have been transferred to the demat accounts of the respective shareholders accounts for the year ended March 31, 2018, as under:

SR No.	Particulars	No. of Shareholders	No. of Shares
i.	Aggregate number of shareholders and the outstanding shares lying in suspense account as on April 1, 2017	5682	148433
ii.	Number of undelivered folios and shares transferred to Unclaimed Suspense Account during the year 2017-18.	--	--
iii.	Number of shareholders who approached issuer for transfer of shares from Suspense Account during the financial year 2017-18	12	310
iv.	Number of shareholders to whom Shares were transferred from Suspense Account during the financial year 2017-18	12	310
v.	Aggregate number of shareholders and the outstanding shares lying in suspense account as on March 31, 2018	5670	148123

ii. Unclaimed Shares Suspense Account

Arising out of the Composite Scheme of Arrangement between Reliance Natural Resources Limited and Reliance Power Limited & others:

SR No.	Particulars	No. of Shareholders	No. of Shares
i.	Aggregate number of shareholders and the outstanding shares lying in suspense account as on April 1, 2017	88424	974464
ii.	Number of undelivered folios and shares transferred to Unclaimed Suspense Account during the year 2017-18.	0	0
iii.	Number of shareholders who approached issuer for transfer of shares from Suspense Account during the financial year 2017-18.	292	9569
iv.	Number of shareholders to whom shares were transferred from Suspense Account during the financial year 2017-18.	292	9569
v.	Aggregate number of shareholders and the outstanding shares lying in Suspense Account as on March 31, 2018	88132	964895

The voting rights on the shares outstanding in the Unclaimed Suspense Accounts as on March 31, 2018 shall remain frozen till the rightful owner of such shares claims the shares.

Wherever shareholders have claimed the shares, after proper verification, the share certificates were dispatched to them or the shares have been credited to the respective beneficiary account.

The Company is not under obligation to transfer to the Investor Education and Protection Fund, shares in respect of which dividend has not been paid or claimed for seven consecutive years or more.

XVII. Compliance with non-mandatory Requirements

1. The Board

The Company has a non executive Chairman and he is entitled to maintain Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

2. Audit qualifications

There are no audit qualifications on the financial statement of the Company for the year 2017-18.

3. Separate posts of Chairman and CEO

The Company maintains separately the posts of Chairman and CEO.

The Board of Directors at its meeting held on April 13, 2018 has appointed Shri K Raja Gopal as Chief Executive Officer of the Company with effect from May 2, 2018 and Whole-time Director with effect from July 1, 2018 in place of Shri N Venugopala Rao, who will superannuate from the service of the Company from close of business hours of June 30, 2018.

4. Reporting of Internal Auditor

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

XVIII. 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.

XIX. Auditor's certificate on corporate governance

The Auditor's certificate on compliance of Regulation 34(3) of the Listing Regulations relating to Corporate Governance is published in this report.

XX. Review of governance practices

We have in this report endeavoured to present the governance practices and principles being followed at Reliance Power, as evolved over a period, and as considered as being appropriate to meet the needs of the Company's business and its Stakeholders.

Our disclosures and governance practices are revisited, reviewed and revised periodically to respond to the dynamic needs of our business and to ensure that our standards are at par with the best practices followed by other companies.

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	• Composition & Meetings • Review of compliance reports & compliance certificate • Plans for orderly succession for appointments • Code of Conduct • Fees / compensation to Non-Executive Directors • Minimum information to be placed before the Board • Risk assessment and management • Performance evaluation
2.	Audit Committee	18	Yes	• Composition & Meetings • Powers of the Committee • Role of the Committee and review of information by the Committee
3.	Nomination and Remuneration Committee	19	Yes	• Composition • Role of the Committee
4.	Stakeholders Relationship Committee	20	Yes	• Composition • Role of the Committee
5.	Risk Management Committee	21	Yes	• Composition • Role of the Committee
6.	Vigil Mechanism	22	Yes	• Review of Vigil Mechanism for Directors and employees • Direct access to Chairperson of Audit Committee
7.	Related Party Transactions	23	Yes	• Policy of Materiality of Related Party Transactions and dealing with Related Party Transactions • Approval including omnibus approval of Audit Committee • Review of Related Party Transactions • No material Related Party Transactions
8.	Subsidiaries of the Company	24	Yes	• Appointment of Company's Independent Director on the Board of material subsidiary • Review of financial statements of subsidiary by the Audit Committee • Minutes of the Board of Directors of the subsidiaries are placed at the meeting of the Board of Directors • Significant transactions and arrangements of subsidiary are placed at the meeting of the Board of Directors
9.	Obligations with respect to Independent Directors	25	Yes	• Maximum directorships and tenure • Meetings of Independent Directors • Cessation and appointment of Independent Directors • Familiarisation of Independent Directors
10.	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes	• Memberships / Chairmanships in Committees • Affirmation on compliance of Code of Conduct by Directors and Senior Management • Disclosure of shareholding by Non-Executive Directors • Disclosures by Senior Management about potential conflicts of interest • 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
11.	Other Corporate Governance requirements	27	Yes	• Compliance with discretionary requirements • Filing of quarterly compliance report on Corporate Governance
12.	Website	46(2)(b) to (i)	Yes	• Terms and conditions for appointment of Independent Directors • Composition of various Committees of the Board of Directors • Code of Conduct of Board of Directors and Senior Management Personnel • Details of establishment of Vigil Mechanism / Whistle-blower policy • Policy on dealing with Related Party Transactions • Policy for determining material subsidiaries • Details of familiarization programmes imparted to Independent Directors

Auditors' Certificate on Corporate Governance

To the Members
Reliance Power Limited

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. We have examined the compliance of conditions of Corporate Governance by Reliance Power Limited ("the Company"), for the year ended on 31 March 2018, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2016 ('Listing Regulations') 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Listing Regulations.

MANAGEMENT'S RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

AUDITORS' RESPONSIBILITY

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

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended March 31, 2018.

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

RESTRICTION ON USE

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

For BSR & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

Bhavesh Dhupelia
Partner
Membership Number: 042070

Place: Mumbai
Date: July 21, 2018

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration Number: 107783W

Vishal D. Shah
Partner
Membership Number: 119303

Place: Mumbai
Date: July 21, 2018

Investor Information

Important Points

Hold securities in dematerialised form as transfer of shares in physical form will no more be permissible.

As per notification issued by SEBI, with effect from December 5, 2018, the shares of the Company can be transferred only in dematerialised form. Members are advised to dematerialise shares in the Company to facilitate transfer of shares.

Form for updating PAN / Bank details is provided as a part of this Annual Report.

Members are requested to send duly filled form along with (a) self-attested copy of PAN card of all the holders; and (b) original cancelled cheque leaf with names of shareholders or bank passbook showing names of members, duly attested by an authorised bank official.

Hold Securities in Dematerialised Form

Investors should hold their securities in dematerialised form as the same is beneficial due to the following:

- A safe and convenient way to hold securities;
- Elimination of risks associated with physical certificates such as bad delivery, fake securities, delays, thefts, etc.;
- Immediate transfer of securities;
- No stamp duty on electronic transfer of securities;
- Reduction in transaction cost;
- Reduction in paperwork involved in transfer of securities;
- No odd lot problem, even one share can be traded;
- Availability of nomination facility;
- Ease in effecting change of address/bank acount details as change with Depository Participants gets registered with all companies in which investor holds securities electronically;
- Easier transmission of securities as the same is done by Depository Participants for all securities in demat account;
- 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 holding in single folio. Holding of securities in one folio enables shareholders to monitor the same with ease.

Register for SMS alert facility

Investors should register with Depository Participants 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 Depository Participants in case of shares held in dematerialised form.

Form may be downloaded from the Company's website, www.reliancepower.co.in under the section 'Investor Information'.

However, if shares are held in dematerialised form, nomination has to be registered with the concerned Depository Participants directly, as per the form prescribed by the Depository Participants.

Deal only with SEBI Registered Intermediaries

Investors should deal only 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

Investors holding shares in physical form should opt for corporate benefits like split/bonus/consolidation/merger etc. in electronic form by providing their demat account details to Company's Registrar and Transfer Agent (RTA).

Register e-mail address

Investors should register their e-mail addresses with the Company/Depository Participants. This will help them in receiving all communications from the Company electronically at their e-mail addresses. This also avoids delay in receiving communications from the Company. Prescribed form for registration may please be downloaded from the Company's website.

Course of action in case of non-receipt of interim dividend declared for the financial year 2015-16, revalidation of dividend warrant etc.

Shareholders may write to the Company's RTA, furnishing the particulars of the dividend not received, and quoting the folio number / DP ID and Client ID particulars (in case of dematerialised shares), as the case may be and provide bank details along with cancelled cheque bearing the name of the shareholder for updation of bank details and payment of unpaid dividend. 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 depository participants shall make available a BSDA for the shareholders who have only one 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 No. CIR/MRD/DP/22/2012 dated 27th August, 2012 and Circular No. CIR/MRD/DP/20/2015 dated December 11, 2015).

Investor Information

Annual General Meeting

The 24th Annual General Meeting (AGM) will be held on Tuesday, September 18, 2018 at 12.00 noon or soon after the conclusion of the AGM of Reliance Infrastructure Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.

Book closure dates for the purpose of AGM

Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 15, 2018 to Tuesday, September 18, 2018 (both days inclusive) for the purpose of AGM.

E-voting

The Members can cast their votes online from 10:00 A.M. (IST) on September 14, 2018 to 5:00 P.M. (IST) on September 17, 2018.

Financial Year of the Company

The financial year of the Company is from April 1 to March 31, each year.

Website

The Company's website www.reliancepower.co.in contains a separate dedicated section called 'Investor Information'. 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 E-mail ID for investors

For the convenience of our investors, the Company has designed an e-mail ID i.e. reliancepower.investors@relianceada.com for investors.

Registrar and Transfer Agent (RTA)

Karvy Computershare Private Limited
Unit: Reliance Power Limited
Karvy Selenium, Tower – B, Plot No. 31 & 32
Survey No. 116/22, 115/24, 115/25
Financial District, Nanakramguda
Hyderabad 500 032
Toll free no. (India): 1800 4250 999
Tel no. : +91 40 6716 1500
Fax no. : +91 40 6716 1791
E-mail : rpower@karvy.com
Website : www.karvy.com

Shareholders / Investors are requested to forward share transfer documents, dematerialisation requests (through their Depository Participant) and other related correspondence directly to Company's RTA at the above address for speedy response.

Transfer of unclaimed amount to Investor Education and Protection Fund, where necessary.

a) Unclaimed Amounts on company's IPO

In accordance with the provisions of Section 123 of the Companies Act, 2013 the Company has deposited the unclaimed amount with the Investor Education and Protection Fund (IEPF) maintained by the Central Government. Therefore, Members are requested to note that no claims shall lie against the Company in respect of any amounts which were unclaimed and unpaid.

b) Unclaimed fractional bonus warrants

The Company had issued fractional bonus warrants to the members in lieu of their fractional entitlements to bonus shares pursuant to the bonus shares allotted to them on June 11, 2008.

Considering the exchange ratio, all the fractional shares which arose pursuant to allotment of bonus shares were consolidated and 11,49,140 shares were sold in the open market and the net sales proceeds of ₹ 15,24,14,631/- were distributed proportionately among the eligible shareholders, to the extent of their entitlement.

Vide notification No. SO-2866(E) dated September 5, 2016 issued by the Ministry of Corporate Affairs (MCA), effective from September 7, 2016, the provisions of Section 124, Sub-sections (1) to (4), (6) and (8) to (11) of Section 125 of the Companies Act, 2013 (the Act), have come into force.

Pursuant to the above, the Company has transferred on January 4, 2017, an amount of ₹ 1,62,31,511/- representing the amount lying unclaimed / unpaid against the fractional proceeds as stated above, for seven or more years as on December 28, 2016 to the credit of the Investor Education and Protection Fund (IEPF) established by the Central Government.

c) Unclaimed Fractional Warrants - Composite Scheme of Arrangement

The Company had issued to the shareholders of Reliance Natural Resources Limited fractional warrants against the sale proceeds arising out of the consolidation and disposal of their fractional entitlements consequent upon the Composite Scheme of Arrangement between Reliance Natural Resources Limited ('RNRL') and Reliance Power Limited ('the Company' or 'RPower') and others, as approved by the Hon'ble High Court of Judicature at Bombay, vide its order dated October 15, 2010.

Pursuant to the above, the Company on February 12, 2018 has transferred an amount of ₹ 2,89,39,055/- representing the amount lying unclaimed / unpaid against the fractional proceeds, for seven or more years as on January 15, 2018 to the credit of the Investor Educational & Protection Fund (IEPF) established by the Central Government.

Members may please note that, in view of the above, any claim for refund of the amounts stated in (a), (b) and (c) above will have to be preferred by the claimants with the IEPF Authority after following the procedure as prescribed in the relevant Rules.

d) Unclaimed Interim Dividend declared for Financial Year 2015-16

The Company has declared interim dividend for the financial year 2015-16. Members who have not so far encashed their dividend warrants or have not received the dividend warrants are requested to seek issuance of duplicate dividend warrants by communicating with our RTA, Karvy Computershare Private Limited, for payment of their unclaimed amounts due.

Investor Information

The Company shall upload the details of unpaid and unclaimed dividend on the website of the Company in terms of the requirements of the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with the companies) Rules, 2012, in due time.

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:

Dividend	Dividend per share (₹)	Date of declaration	Due for transfer on	Amount lying in the unpaid dividend account
Interim Dividend	1	09-11-2015	15-12-2022	29,988,372

Share Transfer System

Shareholders / investors are requested to send share certificate(s) along with the share transfer deed in the prescribed Form SH 4 duly filled in, executed and affixed with the share transfer stamps, to the Company's RTA. If the transfer documents are in order, the transfer of shares is registered within 7 days from the date of receipt of transfer documents by Company's RTA. **However, SEBI vide its notification has stated that transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository with effect from December 5, 2018.**

Permanent Account Number (PAN) for transfer of shares in physical form mandatory

SEBI has stated that for securities market transactions and off-market transactions involving transfer of securities in physical form of listed companies, it shall be mandatory for the transferor(s) and transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares.

Shareholding Pattern

Category of Shareholders		As on March 31, 2018		As on March 31, 2017	
		Number of Shares	%	Number of Shares	%
A	Shareholding of Promoter and Promoter Group				
i	Indian	2103395004	74.99	2103395004	74.99
ii	Foreign	0	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group	**2103395004**	**74.99**	**2103395004**	**74.99**
B	Public Shareholding				
i	Institutions	306257462	10.92	304389478	10.85
ii	Non-Institutions	394903912	14.07	388245288	13.84
	Total Public Shareholding	**701161374**	**24.99**	**692634766**	**24.69**
C	Shares held by Custodian against which depository receipts have been issued	570088	0.02	596696	0.02
D	ESOS Trust*	0	0.00	8500000	0.30
	Grand Total (A)+(B)+(C)+(D)	**2805126466**	**100.00**	**2805126466**	**100.00**

*The ESOS Scheme has been withdrawn by the Company w.e.f October 23, 2017.

Distribution of Shareholding

Number of Shares	Number of Shareholders as on March 31, 2018		Total Shares as on March 31, 2018		Number of Shareholders as on March 31, 2017		Total Shares as on March 31, 2017	
	Number	%	Number	%	Number	%	Number	%
Up to 500	3096366	96.83	155341844	5.54	3391122	97.19	167810176	5.98
501 -5000	94748	2.96	119834186	4.27	92161	2.64	114727570	4.09
5001 -100000	6251	0.20	81399296	2.90	5604	0.16	73648890	2.63
Above 100000	249	0.01	2448551140	87.29	233	0.01	2448939830	87.30
	3197614	**100.00**	**2805126466**	**100.00**	**3489120**	**100.00**	**2805126466**	**100.00**

Dematerialisation of Shares and Liquidity

The Company has admitted its shares to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of shares. The International Securities Identification Number (ISIN) allotted to the Company is INE614G01033. The equity shares of the Company are compulsorily traded in dematerialised form as mandated by the Securities and Exchange Board of India (SEBI).

Investor Information

Status of Dematerialisation of Shares

As on March 31, 2018, 99.72 per cent of the Company's equity Shares are held in dematerialised form.

Investors' Grievances Attended

Received from	Received during financial year		Redressed during financial year		Pending as on	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Securities and Exchange Board of India	25	32	25	32	NIL	NIL
Stock Exchanges	14	12	14	12	NIL	NIL
NSDL/CDSL	0	0	0	0	NIL	NIL
Other (ROC)	1	0	1	0	NIL	NIL
Direct from investors	21	27	21	27	NIL	NIL
Total	**61**	**71**	**61**	**71**	NIL	NIL

Analysis of Grievances

Particulars	2017-18		2016-17	
	Number	%	Number	%
Non receipt of Refund Orders / Credit of shares	**3**	**4.92**	0	0.00
Non receipt of Share Certificate	**1**	**1.64**	1	1.41
Non receipt of Refund Orders	**8**	**13.11**	13	18.31
Non Credit of Shares / Others	**7**	**11.48**	7	9.86
Non Credit of Bonus Shares / Others	**0**	**0.00**	0	0.00
Non receipt of Fractional Warrants	**2**	**3.28**	4	5.63
Non receipt of Annual Report	**18**	**29.51**	11	15.49
Non receipt of Dividend Warrant	**14**	**22.95**	35	49.30
Others	**8**	**13.11**	0	0.00
Total	**61**	**100.00**	**71**	**100**

There was no complaint, pending as on March 31, 2018.

Notes:

1. The shareholder base was 31,97,614 as of March 31, 2018 and 34,89,120 as of March 31, 2017.
2. Investors' queries/ grievances are normally attended within a period of three 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 correspond to 0.0019 percent of the total number of members as of March 31, 2018.

Legal Proceedings

There are certain pending cases relating to non-receipt of refund orders and non-credit of shares in demat account, in which the Company has been made a respondent. These cases are however, not material in value.

Equity Capital Build-up

Dates	Particulars of issue	No. of shares	Cumulative No. of shares	Nominal value of shares
		(in '000)	(in '000)	(₹ in crore)
Up to 31.01.2008	Allotment(s) made prior to Initial Public Offering (IPO)	20,00,000	20,00,000	2,000.00
01.02.2008	Allotment of shares pursuant to Initial Public Offering (IPO)	2,60,000	22,60,000	2,260.00
11.06.2008	Issue of Bonus Shares	1,36,800	23,96,800	2,396.80
12.11.2010	Allotment of shares pursuant to Scheme of Arrangement between Reliance Natural Resources Limited and the Company	4,08,283	28,05,083	2,805.08
25.03.2011	Allotment of shares pursuant to conversion of 4.928 per cent Foreign Currency Convertible Bond	43	28,05,126	2,805.13

Investor Information

Stock Price and Volume

Financial Year 2017-18	BSE			NSE		
	High ₹	Low ₹	Volume No. of shares	High ₹	Low ₹	Volume No. of Shares
April-17	50.80	45.55	1,62,36,868	50.80	45.45	7,40,36,350
May-17	49.15	39.00	1,64,71,683	49.20	39.00	8,53,65,509
June-17	43.20	39.60	1,23,27,849	43.40	39.60	5,20,99,215
July-17	46.10	41.80	1,21,80,433	46.20	41.85	5,70,20,174
August-17	45.40	37.60	1,00,01,364	45.50	37.65	6,04,53,797
September-17	46.15	39.20	1,73,34,811	46.10	39.10	9,86,37,122
October-17	41.50	38.75	80,86,548	41.85	38.75	5,50,12,724
November-17	42.40	34.65	1,49,20,647	42.40	34.60	8,23,04,910
December-17	51.35	34.90	3,07,34,014	51.55	34.80	16,44,75,176
January-18	65.20	45.15	11,99,26,253	65.20	45.10	80,02,09,514
February-18	48.95	39.00	3,30,31,235	48.95	39.15	19,61,70,232
March-18	45.35	35.80	1,99,71,793	45.30	35.70	11,34,44,964

(Source: This information is complied from the data available on the website of BSE and NSE)

Stock Exchange Listings

The Company's equity shares are actively traded on BSE and NSE, the Indian Stock Exchanges.

Listing on Stock Exchanges

Equity Shares

BSE Limited
Phiroz Jeejeebhoy Towers
Dalal Street, Mumbai 400 001
website : www.bseindia.com

National Stock Exchange of India Limited
Exchange Plaza, Plot No, C/1, G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051
website : www.nseindia.com

Stock Exchange on which Company's Global Depository Receipts (GDRs) are listed (Effective from May 17, 2011)

Luxembourg Stock Exchange
Societe de la Bourse de Luxembourg
35A Boulevard Joseph II, L-1840
Luxembourg
website : www.bourse.lu

Depository for GDR holders

Depository
Deutsche Bank Trust
Company Americas, 60
Wall Street
New York 10005

Custodian
Deutsche Bank AG
Mumbai Branch
222, Kodak House, Post Box No.1142
Fort, Mumbai 400 001

Stock Codes/Symbol

BSE Limited	: 532939
National Stock Exchange of India Limited	: RPOWER
ISIN for equity shares	: INE614G01033

Security Code for GDRs

	ISIN	CUSIP	Common Code
Rule 144A GDRs	US75950V1035	75950V103	56264027
Regulation S GDRs	US75950V2025	75950V202	56264019

Note: The GDRs have been admitted for listing on the official list of the Luxembourg Stock Exchange and for trading on the Euro MTF market. The Rule 144A GDRs have been accepted for clearance and settlement through the facilities of the DTC, New York. The Regulation S GDRs have been accepted for clearance and settlement through the facilities of Euroclear and Clearstream, Luxembourg.in.

Investor Information

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

Outstanding GDRs as on March 31, 2018 represent 5,70,088 equity shares constituting 0.02 per cent of the paid up equity share capital of the Company. Each GDR represents one underlying equity share in the company.

Debt Securities

Following Debt Securities are listed on the Wholesale Debt Market (WDM) segment of NSE and BSE:

Debentures	ISIN	Date of Allotment	Date of Maturity	Total Size (₹ in Crore)
Series I (2018) – 12.18% Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs)	INE614G07048	March 28, 2018	March 28, 2025	750
Series III (2017) – 10.20% Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures (NCDs)	INE614G08079	July 10, 2017	June 29, 2018	250

Debenture Trustee

IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17 R. Kamani Marg, Ballard Estate, Mumbai 400 001.

Payment of Listing Fees

Annual listing fees for the financial year 2017-18 has been paid by the Company to the Stock Exchanges.

An Index Scrip

Equity Shares of the Company are included in the following indices:

BSE

S&P Global BMI (US Dollar), S&P/IFCI Composite price index in US Dollar, S&P/IFCI Carbon Efficient (US Dollar), S&P Intrinsic Value Weighted Global Index (US Dollar), Dow Jones Global Index, Dow Jones Global Total Stock Market Index, S&P BSE Power Index, S&P BSE 100, S&P BSE 200, S&P BSE 500, S&P BSE CARBONEX, S&P BSE AllCap, S&P BSE India Infrastructure Index, S&P BSE Enhanced Value Index, S&P BSE Power New, S&P BSE Basic Industries.

NSE

Nifty 200, Nifty 500, Nifty Midcap 150, Nifty midcap 50, Nifty full midcap 100, Nifty freefloat midcap100, Nifty midsmallcap 400, Nifty Infrastructure, Nifty500 Industry Indices.

Share Price Performance in comparison with broad based indices - Sensex (BSE) and Nifty (NSE) as on March 31, 2018:

Period	RPower (%)	Sensex (%)	Nifty (%)
FY 2017-18	-24.95	11.30	10.25
2 years	-2.63	16.88	18.55
3 years	-14.87	5.95	8.04

Note: The equity shares of the Company were listed on BSE and NSE effective from February 11, 2008.

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 the financial year 2018-19

Unaudited results for the First Quarter ending June 30, 2018	: On or before August 14, 2018
Unaudited results for the Second Quarter and half year ending September 30, 2018	: On or before November 14, 2018
Unaudited results for the Third Quarter ending December 31, 2018	: On or before February 14, 2019
Audited results for the Financial Year 2018-19	: On or before May 30, 2019

Depository Services

For guidance on depository services, shareholders may write to the Company's RTA or NSDL, Trade World, A Wing, 4th and 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai 400 013, website: www.nsdl.co.in or CDSL, Unit No. 250, A Wing, Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013, website: www.cdslindia.com.

Investor Information

Communication to Members

The quarterly financial results of the Company were declared within 45 days of the end of the quarter. The Audited Accounts of the Company 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.reliancepower.co.in. In addition, these are published in leading newspapers.

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/ Company Secretary is submitted to the Stock Exchanges where the securities of the Company are listed within 30 days from 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 correspondence directly to Karvy Computershare Private Limited at the below mentioned address for speedy response.

Karvy Computershare Private Limited

Unit: Reliance Power Limited
Karvy Selenium, Tower – B, Plot No. 31 & 32
Survey No. 116/22, 115/24, 115/25
Financial District, Nanakramguda
Hyderabad 500 032
E-mail: rpower@karvy.com

Shareholders / Investors can also send their complaints / grievances and other correspondence to the Compliance Officer of the Company at the following address:

The Company Secretary
Reliance Power Limited
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
Tel. No. : +91 22 3303 1000
Fax No. : +91 22 3303 3662
E-mail: reliancepower.investors@relianceada.com

Plant Locations

The Company and its subsidiary companies have their plants located as under:

A.		Name of the Company	Plant Capacity	Plant Location
	i	Reliance Power Limited	45 MW Wind Power	Village : Vashpet, Maharashtra

B.		Name of the Subsidiary Company	Plant Capacity	Plant Location
	i	Sasan Power Limited	3,960 MW Coal Power (6 x 660 MW)	Near Village Sasan, Dist. Singrauli, Madhya Pradesh
	ii	Rosa Power Supply Company Limited	1,200 MW Coal Power (4 x 300 MW)	Administrative Block, Hardoi Road, P.O. Rosar Kothi, Tehsil : Sadar, Rosar Kothi, Shahjahanpur, 242 401 U.P.
	iii	Vidarbha Industries Power Limited	600 MW Coal Power (2 x 300 MW)	Butibori, Dist. Nagpur, Maharashtra
	iv	Dhursar Solar Power Private Limited	40 MW Solar Power	Village Dhursar, Dist. Jaisalmer, Rajasthan
	v	Rajasthan Sun Technique Energy Private Limited	100 MW Solar Power	Village Dhursar, Dist. Jaisalmer, Rajasthan

In addition, certain projects are under implementation as per details provided in the Management Discussion and Analysis Report.

Financial Statement

Independent Auditors' Report

To the Members of Reliance Power Limited

Report on the Standalone Ind AS Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of Reliance Power Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the standalone Ind AS financial statements').

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the

   Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of state of affairs, profit (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

   This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profits (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information of the Company for the year ended March 31, 2017 included in these standalone Ind AS financial statements had been jointly audited by Price Waterhouse, Chartered Accountants and Pathak H.D. & Associates, Chartered Accountants, whose report dated April 13, 2017 expressed an unmodified opinion on those audited standalone Ind AS financial statements for the year ended March 31, 2017.

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

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

Independent Auditors' Report

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

(e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B';

(g) With respect to the other matters to be included in the 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:

i. The Company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer Note 4 to the standalone Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018; and

iv. The disclosures in the standalone Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

For BSR & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

Bhavesh Dhupelia
Partner
Membership Number: 042070

Place: Mumbai
Date: April 19, 2018

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration Number: 107783W

Vishal D. Shah
Partner
Membership Number: 119303

Place: Mumbai
Date: April 19, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the Members of Reliance Power Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2018

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.

(c) According to the information and explanations given to us and records examined by us, the title deeds of freehold land are in the name of erstwhile company i.e., Reliance Clean Power Limited which has merged with the Company under Section 391 to 394 of the Companies Act, 1956 pursuant to the scheme of amalgamation approved by Honorable High Court, with an appointed date of April 1, 2012.

ii. The Company does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, limited liability partnership or other party covered in the register maintained under Section 189 of the Act. Accordingly, the provisions stated in paragraph 3(iii)(a),(b) & (c) of the Order are not applicable.

iv. Based on the information and explanations given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Sections 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 of Sections 73 to 76 of the Act and the Rules framed there under.

Annexure A to Independent Auditors' Report

vi. We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of provident fund and service tax, though there has been a slight delay in a few cases and is regular in depositing undisputed statutory dues, including employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues, as applicable, with the appropriate authorities. There are no undisputed amounts payable in respect of such applicable statutory dues as at March 31, 2018 for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of value added tax, sales tax, duty of customs and duty of excise.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service tax, goods and service tax which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or dues to debenture holders. The Company did not have any loans or borrowings from Government during the year.

ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer, further public offer during the year under audit. The Company has raised moneys through debt instruments and term loans during the year, which on an overall basis have been applied for the purpose for which they were raised.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of the clause 3(xii) of the Order are not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of related party transactions as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, have been disclosed in the standalone Ind AS financial statements.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company, as legally advised, 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. (Also, refer note 7 of the standalone Ind AS financial statement)

For BSR & Co. LLP
Chartered Accountants
Firm Registration Number:
101248W/ W-100022

Bhavesh Dhupelia
Partner
Membership Number: 042070

Place: Mumbai
Date: April 19, 2018

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration Number:
107783W

Vishal D. Shah
Partner
Membership Number: 119303

Place: Mumbai
Date: April 19, 2018

Annexure B to Independent Auditors' Report

[Annexure to the Independent Auditor's Report referred to in paragraph "11(f)" under the heading "Report on other legal and regulatory requirements" of our report of even date on the Standalone Ind AS financial statements of Reliance Power Limited for year ended March 31, 2018.]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of Reliance Power Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

4. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For BSR & Co. LLP
Chartered Accountants
Firm Registration Number:
101248W/ W-100022

Bhavesh Dhupelia
Partner
Membership Number: 042070

Place: Mumbai
Date: April 19, 2018

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration Number:
107783W

Vishal D. Shah
Partner
Membership Number: 119303

Place: Mumbai
Date: April 19, 2018

Balance Sheet as at March 31, 2018

₹ in lakhs

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	**3.1**	**29,897**	31,312
Intangible assets	**3.2**	**34**	94
Financial assets:			
Investments	**3.3(a)**	**19,00,759**	19,72,096
Loans	**3.3(b)**	**2,29,331**	1,56,030
Other financial assets	**3.3(c)**	**200**	3,369
Other non-current assets	**3.4**	**2,032**	1,840
Current assets			
Financial assets:			
Investments	**3.5(a)**	**1,80,729**	-
Trade receivables	**3.5(b)**	**3,231**	2,231
Cash and cash equivalents	**3.5(c)**	**47,900**	2,072
Bank balances other than cash and cash equivalents	**3.5(d)**	**14,567**	35,407
Loans	**3.5(e)**	**1,59,880**	2,08,457
Other financial assets	**3.5(f)**	**17,426**	12,248
Other current assets	**3.6**	**3,890**	3,919
Non-current assets classified as held for sale	**3.7**	**12,692**	12,211
Total Assets		**26,02,568**	24,41,286
EQUITY AND LIABILITIES			
Equity			
Equity share capital	**3.8**	**2,80,513**	2,80,513
Other equity	**3.9**	**14,95,898**	13,99,738
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	**3.10(a)**	**2,00,744**	1,49,765
Other financial liabilities	**3.10(b)**	**4,458**	15,363
Provisions	**3.11**	**66**	138
Deferred tax liabilities (net)	**3.12**	**1,252**	932
Current liabilities			
Financial liabilities			
Borrowings	**3.13(a)**	**5,30,878**	5,16,807
Trade payables	**3.13(b)**	**1,479**	2,753
Other financial liabilities	**3.13(c)**	**86,486**	74,597
Other current liabilities	**3.14**	**742**	638
Provisions	**3.15**	**52**	42
Total Equity and Liabilities		**26,02,568**	24,41,286
Significant accounting policies	**2**		
Notes to financial statements	**3 to 25**		

The accompanying notes are an integral part of these 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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors

Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao — Whole-time Director, CEO & CFO

Murli Manohar Purohit — Company Secretary

Place : Mumbai
Date : April 19, 2018

Statement of Profit and Loss for the year ended March 31, 2018

₹ in lakhs

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from Operations	**3.16**	**4,427**	4,806
Other Income	**3.17**	**45,004**	42,856
Total Income		**49,431**	47,662
Expenses			
Employee benefits expense	**3.18**	**1,528**	1,469
Finance costs	**3.19**	**40,678**	29,028
Depreciation and amortization expense	**3.1 & 3.2**	**1,536**	1,695
Other expenses	**3.20**	**5,143**	8,364
Total expenses		**48,885**	40,556
Profit before tax		**546**	7,106
Income tax expense			
Current tax	**15**	**-**	283
Deferred tax	**15**	**321**	397
Profit for the year (A)		**225**	6,426
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligation (net)		**201**	3
Changes in fair value of equity instruments in subsidiaries		**98,373**	1,059
Other Comprehensive Income for the year (B)		**98,574**	1,062
Total Comprehensive Income for the year (A+B)		**98,799**	7,488
Earnings per equity share: (Face value of ₹ 10 each)			
Basic and Diluted (Rupees)	**14**	**0.01**	0.23
Significant accounting policies	**2**		
Notes to financial statements	**3 to 25**		

The accompanying notes are an integral part of these 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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors

Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao — Whole-time Director, CEO & CFO

Murli Manohar Purohit — Company Secretary

Place : Mumbai
Date : April 19, 2018

Statement of changes in equity

A. Equity Share Capital (Refer note 3.8)	₹ in lakhs
Balance as at March 31, 2016	2,80,513
Changes in equity share capital	-
Balance as at March 31, 2017	2,80,513
Changes in equity share capital	-
Balance as at March 31, 2018	**2,80,513**

B. Other Equity (Refer note 3.9)

₹ in lakhs

	Reserve and Surplus									Total
	Securities Premium Account	Retained Earnings	Capital Reserve	Debenture Redemption Reserve	Foreign currency monetary item translation difference account	Treasury Shares	Equity instruments through Other Comprehensive Income	Capital Reserve (Arisen pursuant to scheme of amalgamation)	General Reserve (Arisen pursuant to various schemes)	
Balance as at March 31, 2016	11,05,454	(15,170)	1,958	2,798	23,058	(4,130)	88,612	59,995	1,43,393	14,05,968
Profit for the year	-	6,426	-	-	-	-	-	-	-	**6,426**
Remeasurements of post-employment benefit obligation (net)	-	3	-	-	-	-	-	-	-	**3**
Other Comprehensive Income for the year	-	-	-	-	-	-	1,059	-	-	**1,059**
Total Comprehensive Income for the year	-	6,429	-	-			1,059	-	-	7,488
Transfer from Debenture Redemption Reserve	-	10,000	-	(10,000)	-	-	-	-	-	**-**
Transfer to Debenture Redemption Reserve	-	(12,247)	-	12,247	-	-	-	-	-	**-**
Addition during the year	-	-	-	-	(4,026)	-	-	-	-	**(4,026)**
Amortisation during the year	-	-	-	-	(9,692)	-	-	-	-	**(9,692)**
Balance as at March 31, 2017	11,05,454	(10,988)	1,958	5,045	9,340	(4,130)	89,671	59,995	1,43,393	13,99,738

₹ in lakhs

	Reserve and Surplus									Total
	Securities Premium Account	Retained Earnings	Capital Reserve	Debenture Redemption Reserve	Foreign currency monetary item translation difference account	Treasury Shares	Equity instruments through Other Comprehensive Income	Capital Reserve (Arisen pursuant to scheme of amalgamation)	General Reserve (Arisen pursuant to various schemes)	
Profit for the year	-	225	-	-	-	-	-	-	-	**225**
Remeasurements of post-employment benefit obligation (net)	-	201	-	-	-	-	-	-	-	**201**
Other Comprehensive Income for the year	-	-	-	-	-	-	98,367	-	-	**98,367**
Gain on sale of Investment	-	-	-	-	-	-	6	-	-	**6**
Total Comprehensive Income for the year	**-**	**426**	**-**	**-**	**-**	**-**	**98,373**	**-**	**-**	**98,799**
										-
Transfer from Debenture Redemption Reserve	-	14,000	-	(14,000)	-	-	-	-	-	**-**
Transfer to Debenture Redemption Reserve	-	(13,638)	-	13,638	-	-	-	-	-	**-**
Addition during the year	-	-	-	-	580	-	-	-	-	**580**
Amortisation during the year	-	-	-	-	(6,504)	-	-	-	-	**(6,504)**
Sale of ESOS Shares	-	-	-	-	-	3,285	-	-	-	**3,285**
Balance as at March 31, 2018	**11,05,454**	**(10,200)**	**1,958**	**4,683**	**3,416**	**(845)**	**1,88,044**	**59,995**	**1,43,393**	**14,95,898**

The accompanying notes are an integral part of these 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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors

Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao Whole-time Director, CEO & CFO

Murli Manohar Purohit Company Secretary

Place : Mumbai
Date : April 19, 2018

Cash Flow Statement for the year ended March 31, 2018

₹ in lakhs

	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
(A) Cash flow from / (used in) operating activities			
Profit before tax		**546**	7,106
Adjusted for :			
Depreciation and amortisation	**3.1 & 3.2**	**1,536**	1,695
Finance costs	**3.19**	**40,678**	29,028
Income on corporate guarantee	**3.17**	**(11,093)**	(2,953)
Interest income		**(17,112)**	(28,315)
Unrealised gain on foreign exchange fluctuations (Net)	**3.17**	**(6,537)**	(9,557)
(Gain) / Loss on sale of assets	**3.20**	**3**	1
Advances written-off		**122**	-
Provision for leave encashment and gratuity		**110**	(77)
Operating Profit / (loss) before working capital changes		**8,253**	(3,072)
Change in operating assets and liabilities:			
(Increase) / decrease in trade receivables	**3.5(b)**	**(1,000)**	(92)
(Increase) / decrease in other financial assets		**(7,853)**	(459)
(Increase) / decrease in other current assets		**(304)**	(2,828)
Increase / (decrease) in trade payables	**3.13(b)**	**(1,274)**	471
Increase / (decrease) in other financial liabilities		**7,257**	74
Increase / (decrease) in other current liabilities	**3.14**	**104**	500
		(3,070)	(2,334)
Taxes (paid) (Net)	**15**	**(191)**	(770)
Net cash used in operating activities		**4,992**	(6,176)
(B) Cash flow from / (used in) investing activities			
Payment for property, plant and equipments		**(46)**	(27)
Proceeds from sale of property, plant and equipments		**14**	@
Dividend income		**2,674**	-
Interest on bank and other deposits		**2,616**	4,216
Inter corporate deposits given to subsidiaries		**(1,12,483)**	(3,37,745)
Inter corporate deposits given to others		**(7,443)**	-
Refund of inter corporate deposits from subsidiaries		**87,115**	1,20,662
Sale of equity and preference shares in subsidiaries		**10,593**	-
Other advances to subsidiaries (Net)		**1,351**	925
Sale of investments in ESOS Trust		**3,285**	-
Loan to employees	**3.5(e)**	**(1)**	8
Fixed deposit (including Margin money deposit) having original maturity of more than three months	**3.3('c) & 3.5(d)**	**23,439**	(18,498)
Net cash from / (used in) investing activities		**11,114**	(2,30,459)

Cash Flow Statement for the year ended March 31, 2018

₹ in lakhs

	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
(C) Cash flow from / (used in) financing activities			
Inter corporate deposits from subsidiaries		**1,45,653**	1,94,705
Advances from subsidiaries		**1,093**	6,113
Refund of inter corporate deposits to subsidiaries		**(97,979)**	(1,32,410)
Other inter corporate deposits received from related party		**1,20,707**	1,16,193
Other inter corporate deposit repaid to related party		**(1,35,714)**	(71,739)
Proceeds from issue of non- convertible Debenture		**1,00,000**	56,000
Redemption of non- convertible Debenture		**(56,000)**	(40,000)
Proceeds from issue of commercial paper		**17,750**	25,000
Repayment of commercial paper		**(10,750)**	(30,000)
Repayment of working capital (Net)		**(6)**	(3)
Interest and finance charges		**(34,680)**	(27,221)
Proceeds from rupee term loan		**46,811**	1,53,535
Repayment of rupee term loan		**(65,800)**	(32,418)
Repayment of foreign currency loan		**(1,363)**	(1,376)
Net cash generated from / (used in) financing activities		**29,722**	2,16,379
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		**45,828**	(20,256)
Opening Balance of cash and cash equivalents	**3.5(c)**	**2,072**	22,328
Closing balance of cash and cash equivalents*	**3.5(c)**	**47,900**	2,072

@ Amount is below the rounding off norm adopted by the Company

* Includes restricted cash and cash equivalents of ₹ 36,365 lakhs (March 31, 2017 ₹ Nil)

The accompanying notes are an integral part of these 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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors
Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao Whole-time Director, CEO & CFO

Murli Manohar Purohit Company Secretary

Place : Mumbai
Date : April 19, 2018

Notes to the financial statements for the year ended March 31, 2018

1) General information

Reliance Power Limited ("the Company") together with its subsidiaries ("the Reliance Power Group") is primarily engaged in the business of generation of power. The projects under development include coal, gas, hydro, wind and solar based energy projects. The portfolio of the Reliance Power Group also includes Ultra Mega Power Projects (UMPPs).

The Company is a public limited company and its equity shares are listed on two recognised stock exchanges in India and is incorporated and domiciled in India under the provisions of the Companies Act, 1956. The registered office of the Company is located at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710.

These financial statements were authorised for issue by the Board of Directors on April 19, 2018.

2) Significant accounting policies and critical accounting estimate and judgments

2.1 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) **Basis of preparation**

Compliance with Ind AS

The financial statements of the Group and it's associates have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act") to the extent applicable. The policies set out below have been consistently applied during the years presented.

Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the following:

- Certain financial assets and financial liabilities at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets that are measured at fair value;
- Equity instruments in subsidiaries at fair value.

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 on the measurement date. The Company uses valuation techniques that are appropriate in the circumstances for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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

Current vis-à-vis non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

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.

Notes to the financial statements for the year ended March 31, 2018

(b) **Recent accounting pronouncements**

Standards issued but not yet effective

Ind AS 115- Revenue from Contract with Customers:

Ind AS 115 proposes a change from the age-old transfer of 'Risk And Rewards' to a 'Control' model. Under Ind AS 115, revenue is recognised when control over goods or services is transferred to a customer, which under current GAAP is based on the transfer of risks and rewards. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the goods or services, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

The Entities will have to determine whether revenue should be recognised 'over time' or 'at a point in time'. As a result, it will be required to determine whether control is transferred over time. If not, only then revenue will be recognised at a point in time, or else over time. Ind AS 115 focuses heavily on what the customer expects from a supplier under a contract. Companies will have to necessarily determine if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration will then be allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The Entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. This could result in earlier recognition of revenue compared to current practice – especially impacting industries where revenue is presently not recorded until all contingencies are resolved. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and interestingly in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense. This may impact entities having significant advance or deferred collection arrangements e.g. real estate infrastructure, EPC, IT services etc.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018, the Company is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

(c) **Property, plant and equipment**

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost which includes capitalised borrowing cost, less depreciation and impairment loss, 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 Company 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 profit or loss during the reporting period in which they are incurred.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

Depreciation methods, estimated useful life and residual value

Depreciation is provided to the extent of depreciable amount on Straight Line Method (SLM) based on useful life of the following class of assets as prescribed in Part C of Schedule II to the Companies Act, 2013 except in case of motor vehicles where the estimated useful life has been considered as five years based on a technical evaluation by the management.

Particulars	Estimated useful life (Years)
Plant and equipment (wind equipment)	22
Plant and equipment (other than wind equipment)	15
Furniture and fixtures	10
Office equipments	5
Computer	3

Estimated useful life, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

(d) **Intangible assets**

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/ depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "intangible assets under development".

Amortisation method and periods

Amortisation is charged on a straight-line basis over the estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Computer software is amortised over an estimated useful life of 3 years.

(e) **Operating Lease**

In respect of operating lease, lease rent is expensed on Straight Line basis with reference to the term of lease unless the lease rent is structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Where the lessor effectively retains substantially all risks and benefits of the ownership of the leased assets, lease is classified as operating lease. Operating lease payments are recognised as an expense in the Statement of Profit and Loss.

(f) **Impairment of non-financial assets**

Assets which are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) **Trade Receivable**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

(h) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

Investments and other 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 profit or 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 in subsidiaries, 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**

At initial recognition, the Company measures financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through statement of profit or loss are expensed in statement of profit and loss.

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 is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other 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 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 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 FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

The Company subsequently measures all equity investments in subsidiaries at fair value. 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 profit or loss. Dividends from such investments are recognised statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in the 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.

(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. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company 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.

(iv) **Derecognition of financial assets**

A financial asset is derecognised only when:

- the Company 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 to one or more recipients.

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 not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not 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.

(v) **Income recognition**

Interest income

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.

Dividend

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(i) **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.

(j) **Financial liabilities**

(i) **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(ii) **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 financial guarantee contracts.

(iii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Borrowings

Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn. In this case, the fee is deferred until the drawn occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade and other payables

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Those payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time when guarantee is issued. The liability is initially recognised at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate.

Where guarantees in relation to loans of subsidiaries are provided for no compensation, the fair values are expensed out in the Statement of Profit and Loss.

(iv) **Derecognition**

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ (losses). 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 recognised in the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(k) **Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised 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 capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(l) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions

Provisions 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 has been reliably estimated.

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 interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events but it is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation can not be measured with sufficient reliability is termed as contingent liability.

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

(m) **Foreign currency translation**

(i) **Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Indian Rupees' (₹), which is the Company's functional and presentation currency.

(ii) **Transactions and balances**

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

(b) All exchange differences arising on reporting on foreign currency monetary items at rates different from those at which they were initially recorded are recognised in the Statement of Profit and Loss.

(c) In respect of foreign exchange differences arising on restatement or settlement of long term foreign currency monetary items, the Company has availed the option available in Ind AS 101 to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items outstanding as on March 31, 2016, wherein:

- Foreign exchange differences on account of depreciable asset, are adjusted in the cost of depreciable asset and would be depreciated over the balance life of asset.
- In other cases, foreign exchange difference is accumulated in "foreign currency monetary item translation difference account" and amortised over the balance period of such long term assets/ liabilities.

(d) Non-monetary items denominated in foreign currency are stated at the rates prevailing on the date of the transactions/ exchange rate at which transaction is actually effected.

(n) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable, and represents amount receivable for goods supplied, stated net of discounts, returns and value added taxes.

(i) **Sale of energy**

Revenue from sale of energy is recognized when it is measurable and it is probable that future economic benefits will flow to the entity in accordance with tariff provided in Power Purchase Agreement (PPA) read with the regulations of Maharashtra Electricity Regulatory Commission (MERC).

(ii) **Service income**

Service income represents income from support services recognised as per the terms of the service agreements entered into with the respective parties.

(iii) **Income on Generation Based Incentive**

Income on Generation Based incentive is accounted on accrual basis considering eligibility for project for availing the incentive.

(o) **Employee benefits**

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 current employee benefit obligations in the balance sheet.

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 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.

Post employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity
- defined contribution plans such as provident fund and superannuation fund.

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 Rupees 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 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.

Defined contribution plans

Provident fund

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 recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Superannuation

Certain employees of the Company are participants in a defined contribution plan wherein, the Company has no further obligations to the plan beyond its monthly contributions which are contributed to a trust fund, the corpus of which is invested with Reliance Life Insurance Company Limited.

(p) **Employee stock option scheme (ESOS)**

ESOS Scheme

The employees of the Company are entitled for grant of stock options (equity shares), based on the eligibility criteria set in ESOS Plan of the Company.

The fair value of options granted under the ESOS Plan is recognised as an employee benefit expense with a corresponding increase in equity. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

ESOS Trust

The Company's ESOS Scheme is administered through Reliance Power ESOS Trust ("RPET"). The Company treats the RPET as its extension and shares held by RPET are treated as treasury shares and accordingly RPET has been consolidated in the Company's books.

(q) **Non-current assets held for sale**

Non-current assets 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.

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.

(r) **Income taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. 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, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). 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 assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. 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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

(s) **Cash and cash equivalents**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, demand deposits with banks, short-term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(t) **Earnings per share**

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(u) **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.

(v) **Segment reporting**

The operating segment has been identified and reported taking into account its internal financial reporting, performance evaluation and organizational structure of its operations. Operating segment is reported in the manner evaluated by Board, considered as Chief Operating Decision Maker under Ind AS 108 "Operating Segment".

(w) **Business combinations**

Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interests method as follows:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities.

(iii) Adjustments are only made to harmonise accounting policies.

(iv) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

(v) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against General Reserve.

(vi) The identities of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

(vii) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

(x) **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.

2.2 Critical accounting estimates and judgements

The preparation of the 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:

(a) **Useful life of Property, Plant and Equipment**

The Company has estimated its useful life of wind power assets based on the expected wear and tear, industry trends etc. In actual, the wear and tear can be different. When the useful life differ from the original estimated useful life, the Company will adjust the estimated useful life accordingly. It is possible that the estimates made based on existing experience are different to the actual outcomes within the next financial period and could cause a material adjustment to the carrying amount of Property, Plant and Equipment.

(b) **Income taxes**

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Company is eligible to claim tax holiday on income generated from wind power generation. The deferred tax on temporary differences which are reversing after the tax holiday period have been estimated considering future projections and Company's plan to start claiming tax holiday in certain years. It is possible that this estimate may be different to the actual outcome within the next financial periods and could cause material adjustments to the deferred tax recognised in financial statements. (Refer note 15)

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.

(c) **Fair value measurement and valuation process**

The Company measured its investments in equity shares of subsidiaries at fair value and certain financial assets and liabilities for financial reporting purposes.

The fair values of investments in subsidiaries are not quoted in an active market and are determined by using valuation techniques, primarily earnings multiples and discounted cash flows. The models used to determine fair values including estimates/ judgements involved are validated and periodically reviewed by the management. The inputs used in the valuation models include unobservable data of the Companies which are categorised within level III fair value measurements. They are based on historical experience, technical evaluation and other factors, including expectations of future events. Considering the level of estimation involved and unobservable inputs, the Company has engaged a third party qualified valuer to perform the valuation. Based on the actual performance of respective subsidiaries project, the inputs considered for valuation may vary materially and could cause a material adjustment to carrying amount of investments. (Refer note 16 and 17).

(d) **Estimation of employee benefit obligation**

Refer note 2.1 (o)

Notes to the financial statements for the year ended March 31, 2018

3.1 Property, Plant and Equipment[2]

₹ in lakhs

Particulars	Freehold land	Plant and equipment	Furniture and fixtures	Motor vehicles	Office equipment	Computers	Total
Gross carrying amount							
As at April 01, 2016	1,790	32,672	44	158	9	108	34,781
Additions during the year	-	-	-	12	1	14	27
Adjustments	-	(243)	-	-	-	-	(243)
Deductions during the year	-	-	-	31	5	-	36
Carrying amount as at March 31, 2017	1,790	32,429	44	139	5	122	34,529
Additions during the year	-	-	1	39	3	3	46
Adjustments	-	32	-	-	-	-	32
Deductions during the year	-	13	-	74	-	47	134
Carrying amount as at March 31, 2018	**1,790**	**32,448**	**45**	**104**	**8**	**78**	**34,473**

Particulars	Freehold land	Plant and equipment	Furniture and fixtures	Motor vehicles	Office equipment	Computers	Total
Accumulated depreciation							
Balance as at April 01, 2016	-	1,515	29	48	5	36	1,633
For the year	-	1,543	4	45	2	25	1,619
Deductions during the year	-	-	-	31	4	-	35
Balance as at March 31, 2017	-	3,058	33	62	3	61	3,217
For the year	-	1,420	1	32	2	20	1,475
Deductions during the year	-	-	-	72	-	44	116
Balance as at March 31, 2018	**-**	**4,478**	**34**	**22**	**5**	**37**	**4,576**
Net carrying amount							
As at March 31, 2017	1,790	29,371	11	77	2	61	31,312
As at March 31, 2018	**1,790**	**27,970**	**11**	**82**	**3**	**41**	**29,897**

Notes:

1) Adjustment represents exchange differences capitalised (Refer note 20)
2) Out of above Property, Plant and Equipment of ₹ 29,740 lakhs (March 31, 2017: ₹ 31,052 lakhs) has been pledged as security (Refer note 11)

3.2 Intangible assets

₹ in lakhs

Particulars	Computer Software
Gross carrying amount	
As at April 01, 2016	286
Additions during the year	-
Carrying amount as at March 31, 2017	286
Additions during the year	-
Carrying amount as at March 31, 2018	**286**

Notes to the financial statements for the year ended March 31, 2018

₹ in lakhs

Particulars	Computer Software
Accumulated amortisation	
As at April 01, 2016	116
For the year	76
Balance as at March 31, 2017	192
For the year	60
Balance as at March 31, 2018	**252**
Net carrying amount	
As at March 31, 2017	94
As at March 31, 2018	**34**

Note:
Intangible assets are other than internally generated.

3.3 Non-current financial assets

	Particulars	Face Value ₹	As at March 31, 2018		As at March 31, 2017	
			No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
3.3(a)	**Investments**					
A)	**Equity share (unquoted, fully paid-up)***					
I	**In Subsidiaries (Fair value through Other Comprehensive Income)**					
	Amulin Hydro Power Private Limited	10	**-**	**-**	3,93,200	-
	Chitrangi Power Private Limited	10	**10,000**	**-**	10,000	-
	Coastal Andhra Power Limited	10	**60,30,70,000**	**-**	60,30,70,000	-
	Dhursar Solar Power Private Limited (Refer note 12)	10	**9,04,000**	**16,251**	9,04,000	16,001
	Emini Hydro Power Private Limited	10	**-**	**-**	3,64,600	-
	Kalai Power Private Limited	10	**2,79,150**	**1,757**	2,79,150	1,757
	Lara Sumta Hydro Power Private Limited	10	**-**	**-**	1,19,300	1,094
	Maharashtra Energy Generation Limited	10	**75,000**	**-**	75,000	-
	Mihundon Hydro Power Private Limited	10	**-**	**-**	2,50,300	-
	Purthi Hydro Power Private Limited	10	**-**	**-**	3,15,300	3,054
	Rajasthan Sun Technique Energy Private Limited (Refer note 12)	10	**28,56,350**	**37,885**	28,56,350	37,436
	Reliance CleanGen Limited	10	**2,25,50,000**	**-**	2,25,50,000	-
	Reliance Coal Resources Private Limited	10	**20,99,335**	**-**	20,99,335	-
	Reliance Natural Resources (Singapore) Pte. Limited (Face value of USD 1 each)		**1,00,000**	**42**	1,00,000	42
	Reliance Natural Resources Limited	5	**1,00,000**	**5**	1,00,000	5
	Rosa Power Supply Company Limited	10	**42,44,05,000**	**4,30,868**	42,44,05,000	4,17,330
	Reliance Green Power Private Limited	10	**25,744**	**-**	25,744	-
	Samalkot Power Limited	10	**60,00,000**	**-**	60,00,000	-
	Sasan Power Limited (Refer note 12)	10	**4,32,73,64,250**	**5,47,236**	4,37,10,750	5,25,254
	Shangling Hydro Power Private Limited	10	**58,800**	**489**	58,800	489
	Siyom Hydro Power Private Limited	10	**3,39,600**	**-**	3,39,600	-
	Sumte Kothang Hydro Power Private Limited	10	**-**	**-**	1,45,300	1,354
	Tato Hydro Power Private Limited	10	**1,50,800**	**159**	1,50,800	159
	Teling Hydro Power Private Limited	10	**1,09,400**	**995**	1,09,400	995
	Urthing Sobla Hydro Power Private Limited	10	**16,040**	**29**	16,040	29
	Vidarbha Industries Power Limited (Refer note 12)	10	**11,26,656**	**17,009**	11,26,656	12,751
	Atos Mercantile Private Limited	10	**10,000**	**-**	10,000	-
	Atos Trading Private Limited	10	**10,000**	**-**	10,000	-
	Coastal Andhra Power Infrastructure Limited	10	**1,45,200**	**35**	1,45,200	35
	Reliance Prima Limited	10	**50,000**	**-**	50,000	-
	Total A			**10,52,760**		10,17,785
	* (Refer note 12)					
II	**In Associates (valued at cost)**					
	RPL Sun Power Private Limited	10	**5,000**	**@**	5,000	@
	RPL Photon Private Limited	10	**5,000**	**@**	5,000	@
	RPL Sun Technique Private Limited	10	**5,000**	**@**	5,000	@
				-		-

The above subsidiaries are wholly owned by the Company, except Urthing Sobla Hydro Power Private Limited
@ Amount is below the rounding off norm adopted by the Company.

Notes to the financial statements for the year ended March 31, 2018

	Particulars	Face Value ₹	As at March 31, 2018 No. of Shares	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 No. of Shares	As at March 31, 2017 ₹ in lakhs
B)	**Preference shares (unquoted, fully paid up) ***					
I	**In Subsidiaries (Fair value through Other Comprehensive Income)**					
	7.5% Preference Shares1					
	Dhursar Solar Power Private Limited (Refer note 12)	10	**8,94,000**	**16,249**	8,94,000	15,999
	Reliance CleanGen Limited	10	**1,29,00,000**	**-**	1,29,00,000	-
	Sasan Power Limited (Refer note 12)	10	**3,57,88,750**	**4,48,564**	3,57,88,750	4,30,546
	Vidarbha Industries Power Limited	10	**94,04,432**	**1,43,991**	94,04,432	1,07,949
	Amulin Hydro Power Private Limited	1	**-**	**-**	11,600	-
	Atos Mercantile Private Limited	1	**32,310**	**-**	32,310	-
	Atos Trading Private Limited	1	**18,800**	**-**	18,800	-
	Chitrangi Power Private Limited	1	**10,00,000**	**-**	10,00,000	-
	Coastal Andhra Power Infrastructure Limited	1	**1,32,015**	**19**	1,32,015	19
	Emini Hydro Power Private Limited	1	**-**	**-**	5,400	-
	Kalai Power Private Limited	1	**1,26,000**	**822**	1,26,000	822
	Lara Sumta Hydro Power Private Limited	1	**-**	**-**	1,07,900	1,079
	Maharashtra Energy Generation Limited	1	**2,50,000**	**-**	2,50,000	-
	Mihundon Hydro Power Private Limited	1	**-**	**-**	400	-
	Purthi Hydro Power Private Limited	1	**-**	**-**	3,01,900	3,019
	Rajasthan Sun Technique Energy Private Limited (Refer note 12)	1	**28,56,350**	**38,015**	28,56,350	37,564
	Reliance Prima Limited	10	**28,390**	**-**	28,390	-
	Rosa Power Supply Company Limited	1	**41,83,000**	**1,10,219**	41,83,000	1,06,756
	Reliance Green Power Private Limited	1	**2,31,705**	**1**	2,31,705	1
	Shangling Hydro Power Private Limited	1	**45,600**	**456**	45,600	456
	Siyom Hydro Power Private Limited	1	**37,979**	**-**	37,979	-
	Sumte Kothang Hydro Power Private Limited	1	**-**	**-**	1,32,000	1,320
	Tato Hydro Power Private Limited	1	**95,300**	**108**	95,300	108
	Teling Hydro Power Private Limited	1	**96,900**	**969**	96,900	969
	Urthing Sobla Hydro Power Private Limited	1	**1,62,360**	**576**	1,62,360	576
II	**In Subsidiaries (valued at amortised cost)**					
	0.5% Redeemable Preference Shares:					
	Reliance Natural Resources (Singapore) Pte. Limited (Face value of USD 1 each)			**-**	27,49,00,000	1,72,638
	Total B			**7,59,989**		8,79,821
	* (Refer note 12)					
C)	**Inter-corporate deposit classified as equity instruments**					
	In Subsidiaries (Fair value through Other Comprehensive Income)					
	Sasan Power Limited			**20,000**		20,000
	Rajasthan Sun Technique Energy Private Limited			**68,010**		54,490
	Total C			**88,010**		74,490
	Non-current investments (A+B+C)			**19,00,759**		19,72,096
	Aggregate book value of unquoted non-current investments			**19,00,759**		19,72,096

7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS)

1The issuer companies shall have a call option on the CCRPS which can be exercised by them in one or more tranches and in part or in full before the end of agreed tenure (20 years) of the said shares. In case the call option is exercised, the CCRPS shall be redeemed at an issue price (i.e. face value and premium). The Company, however, shall have an option to convert the CCRPS into equity shares at any time during the tenure of such CCRPS. At the end of tenure and to the extent the issuer Companies or the CCRPS holders thereof have not exercised their options, the CCRPS shall be compulsorily converted into equity shares. On conversion, in either case, each CCRPS shall be converted into equity shares of corresponding value (including the premium applicable thereon). In case the Issuer companies declare dividend on their equity shares, the CCRPS holders will also be entitled to the equity dividend in addition to the coupon rate of dividend.

Considering the said terms, these investments have been classified as equity and fair valued through Other Comprehensive Income.

Notes to the financial statements for the year ended March 31, 2018

	Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
3.3(b)	**Loans**		
	(Unsecured and considered good)		
	Inter corporate deposits to subsidiary (Refer note 12)	**2,29,331**	1,56,030
		2,29,331	1,56,030
3.3(c)	**Other financial assets**		
	Term deposits with more than 12 months maturity	**200**	200
	Non-current bank balances (including margin money deposits towards bank guarantee and others)	**-**	3,169
		200	3,369
3.4	**Other non-current assets**		
	(Unsecured and considered good)		
	Advance income tax (net of provision for tax of ₹ 1,586 lakhs (March 31, 2017 ₹ 1,586 lakhs)	**2,032**	1,840
		2,032	1,840
3.5	**Current financial assets**		
3.5(a)	**Current investments**		
	Current maturities of long term investments		
	Preference shares (unquoted, fully paid up)		
	In Subsidiaries (valued at amortised cost)		
	0.5% Redeemable Preference Shares:		
	Reliance Natural Resources (Singapore) Pte. Limited (No. of shares 27,49,00,000 (Face value of USD 1 each))	**1,80,729**	-
		1,80,729	-
	Aggregate amount of unquoted investments.	**1,80,729**	-
3.5(b)	**Trade receivables**		
	(Unsecured and considered good unless stated otherwise)		
	Trade receivables: [Receivables from related party (Refer note 12)]	**3,231**	2,231
		3,231	2,231
3.5(c)	**Cash and cash equivalents**		
	Balance with banks:		
	in current account*	**36,168**	2,072
	in deposit account with original maturity of less than three months	**367**	-
	Fixed deposits (including margin money)*	**11,365**	-
		47,900	2,072
	* Includes restricted cash and cash equivalents of ₹ 36,365 lakhs (March 31, 2017 ₹ Nil)		
3.5(d)	**Bank balances other than cash and cash equivalents**		
	Deposits with original maturity of more than three months but less than twelve months	**3,307**	6,278
	Unclaimed dividend	**300**	301
	Unclaimed fractional bonus share money	**-**	290
	Fixed deposits (including margin money)	**10,960**	28,538
		14,567	35,407

Notes to the financial statements for the year ended March 31, 2018

	Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
3.5(e)	**Loans**		
	(Unsecured and considered good)		
	Inter corporate deposits to related parties (Refer note 12)	**1,845**	-
	Inter corporate deposits to subsidiaries (Refer note 12)	**1,51,512**	2,06,596
	Inter corporate deposits to others	**6,012**	-
	Loans / advances to employees	**3**	2
	Loans / advances to related parties (Refer note 12)	**508**	1,859
		1,59,880	2,08,457
3.5(f)	**Other financial assets**		
	(Unsecured and considered good unless stated otherwise)		
	Security deposits	**136**	149
	Advance recoverable in cash	**7,390**	9,069
	Receivables from Subsidiaries (Refer note 12)	**2,202**	-
	Derivative assets	**-**	-
	Dividend receivable on preference shares from a subsidiary (Refer note 12)	**-**	2,674
	Receivable against Generation based incentive	**210**	356
	Other receivables (Refer note 4(b))	**7,488**	-
		17,426	12,248
3.6	**Other current assets**		
	(Unsecured and considered good)		
	Balance with statutory authorities (includes service tax credit and VAT recoverable)	**1,246**	1,741
	Prepaid expenses	**716**	278
	Advance recoverable towards land (Refer note 9)	**1,900**	1,900
	Others (gratuity paid in advance) (Refer note 10)	**28**	-
		3,890	3,919
3.7	**Non-current assets classified as held for sale**		
	Assets held for sale (Refer note 9)	**4,711**	4,711
	Others (Refer note 9)	**7,981**	7,500
		12,692	12,211
3.8	**Share capital**		
	Authorised share capital		
	11,000,000,000 (March 31, 2017: 11,000,000,000) equity shares of ₹ 10 each	**11,00,000**	11,00,000
	5,000,000,000 ((March 31, 2017: 5,000,000,000) preference shares of ₹ 10 each	**5,00,000**	5,00,000
		16,00,000	16,00,000
	Issued, subscribed and fully paid up capital		
	2,805,126,466 (March 31, 2017: 2,805,126,466) equity shares of ₹ 10 each fully paid up	**2,80,513**	2,80,513
3.8.1	**Reconciliation of number of equity shares**		
	Balance at the beginning of the year - 2,805,126,466 (March 31, 2017: 2,805,126,466) equity shares of ₹ 10 each.	**28,051**	28,051
	Balance at the end of the year - 2,805,126,466 (March 31, 2017: 2,805,126,466) equity shares of ₹ 10 each.	**28,051**	28,051

Notes to the financial statements for the year ended March 31, 2018

3.8.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having face value of ₹ 10 per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts.

3.8.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company / holding Company / ultimate holding Company or its subsidiaries

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	**Percentage of share holding**	No. of Shares	Percentage of share holding
Equity shares				
Reliance Infrastructure Limited	**1,21,19,98,193**	**43.22**	1,21,19,98,193	43.22
Reliance Project Ventures and Management Private Limited (formerly known as AAA Project Ventures Private Limited)	**53,73,87,901**	**19.16**	53,73,87,901	19.16
Reliance Wind Turbine Installators Industries Private Limited	**34,75,52,662**	**12.39**	34,75,52,662	12.39
	2,09,69,38,756	**74.77**	2,09,69,38,756	74.77

3.8.4 Pursuant to the composite scheme of arrangement with Reliance Natural Resources Limited, the Company has 5,70,088 Global Depository Receipts which are listed on Euro MTF Market of the Luxembourg Stock Exchange since May 17, 2011.

	Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
3.9	**Other equity**		
	Balance at the end of the year		
3.9.1	Capital reserve	**1,958**	1,958
3.9.2	Capital reserve (arisen pursuant to scheme of amalgamation)	**59,995**	59,995
3.9.3	Securities premium account	**11,05,454**	11,05,454
3.9.4	General reserve (arisen pursuant to various schemes)	**1,43,393**	1,43,393
3.9.5	Debenture redemption reserve	**4,683**	5,045
3.9.6	Foreign currency monetary item translation difference account	**3,416**	9,340
3.9.7	Treasury Shares (ESOS Trust)	**(845)**	(4,130)
3.9.8	Equity instruments-fair value through Other Comprehensive income (OCI)	**1,88,044**	89,671
3.9.9	Retained earnings	**(10,200)**	(10,988)
	Total	**14,95,898**	13,99,738
3.9.1	**Capital reserve**	**1,958**	1,958
3.9.2	**Capital reserve (arisen pursuant to scheme of amalgamation)**	**59,995**	59,995
3.9.3	**Securities premium account**		
	Balance at the beginning of the year	**11,05,454**	11,05,454
	Balance at the end of the year	**11,05,454**	11,05,454

Notes to the financial statements for the year ended March 31, 2018

	Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
3.9.4	**General reserve (arisen pursuant to various schemes)**		
	Balance at the beginning of the year		
	a) General reserve (arisen pursuant to composite scheme of arrangement)	**1,01,702**	1,01,702
	b) General reserve (arisen pursuant to scheme of amalgamation with erstwhile Sasan Power Infraventures Private Limited)	**18,707**	18,707
	c) General reserve (arisen pursuant to scheme of amalgamation with erstwhile Sasan Power Infrastructure Limited)	**22,984**	22,984
	Balance at the end of the year	**1,43,393**	1,43,393
3.9.5	**Debenture redemption reserve**		
	Balance at the beginning of the year	**5,045**	2,798
	Add: Transfer from Retained earnings	**13,638**	12,247
	Less: Transfer to Retained earnings	**14,000**	10,000
	Balance at the end of the year	**4,683**	5,045
3.9.6	**Foreign currency monetary item translation difference account**		
	Balance at the beginning of the year	**9,340**	23,058
	Add: Addition during the year	**580**	(4,026)
	Less: Amortisation during the year	**6,504**	9,692
	Balance at the end of the year	**3,416**	9,340
3.9.7	**Treasury Shares (ESOS Trust) (Refer note 8)**		
	Balance at the beginning of the year	**(4,130)**	(4,130)
	Less:Sale of Treasury shares	**3,285**	-
	Balance at the end of the year	**(845)**	(4,130)
3.9.8	**Equity instruments-fair value through Other Comprehensive income (OCI)**		
	Balance at the beginning of the year	**89,671**	88,612
	Add: Addition during the year	**98,367**	1,059
	Add:Gain on sale of investments (Refer note 24)	**6**	-
	Balance at the end of the year	**1,88,044**	89,671
3.9.9	**Retained earnings**		
	Balance at the beginning of the year	**(10,988)**	(15,170)
	Profit for the year	**225**	6,426
	Add: Transfer from debenture redemption reserve	**14,000**	10,000
	Add: Remeasurements of post-employment benefit obligation (net) (Refer note 10)	**201**	3
	Less: Transfer to debenture redemption reserve	**13,638**	12,247
	Balance at the end of the year	**(10,200)**	(10,988)
		14,95,898	13,99,738

Notes to the financial statements for the year ended March 31, 2018

Nature and purpose of other reserves:

(a) Capital Reserve

The Capital Reserve had arisen pursuant to the composite scheme of arrangement on account of net assets taken over from Reliance Futura Limited. (Refer note d(i) below).

(b) Capital Reserve (arisen pursuant to scheme of amalgamation)

The Capital Reserve had arisen pursuant to the composite scheme of arrangement with erstwhile Reliance Clean Energy Private Limited. The said scheme was sanctioned by Hon'ble High Court of Bombay vide order dated April 05, 2013. The capital Reserve shall be a Reserve which arose pursuant to the above scheme and shall not be and shall not for any purpose be considered to be a Reserve created by the Company.

(c) Securities Premium Account

Securities premium account is created to record premium received on issue of shares. The Reserve is utilized in accordance with the provisions of the Companies Act, 2013.

(d) General Reserve (arisen pursuant to various schemes)

All below General Reserve arisen pursuant to schemes and shall not be and shall not for any purpose be considered to be a Reserve created by the Company.

(i) General Reserves (arisen pursuant to composite scheme of arrangement)

The General Reserve had arisen pursuant to the composite scheme of arrangement between the Company, Reliance Natural Resources Limited, erstwhile Reliance Futura Limited and four wholly owned subsidiaries viz. Atos Trading Private Limited, Atos Mercantile Private Limited, Reliance Prima Limited and Coastal Andhra Power Infrastructure Limited. The said scheme was sanctioned by Hon'ble High Court of Judicature at Bombay vide order dated October 15, 2010.

(ii) General Reserve (arisen pursuant to scheme of amalgamation with erstwhile Sasan Power Infraventures Private Limited)

The General Reserve had arisen pursuant to the scheme of amalgamation with erstwhile Sasan Power Infraventure Private Limited, sanctioned by the Hon'ble High Court of Bombay vide order dated April 29, 2011. The scheme was effective from January 01, 2011.

(iii) General Reserve (arisen pursuant to scheme of amalgamation with erstwhile Sasan Power Infrastructure Limited)

The General Reserve had arisen pursuant to the scheme of amalgamation with erstwhile Sasan Power Infrastructure Limited, sanctioned by the Hon'ble High Court of Bombay, vide order dated December 23, 2011. The scheme was effective from September 01, 2011.

(e) Debentures Redemption Reserve

The Company is required to create a debenture redemption reserve out of the profits of the Company for the purpose of redemption of debentures.

(f) Foreign currency monetary item translation difference account

The Company has opted to continue the Previous GAAP policy for accounting of foreign exchange differences on long term monetary items. This Reserve represents foreign exchange accumulated on long term monetary items which are for other than depreciable assets. The same is amortized over the balance period of such long term monetary items. (Refer note 2.1(m) (ii))

(g) Treasury Shares

The Reserve comprises loss on sale of treasury shares. The RPET held Nil shares (March 31,2017: 85,00,000 shares). (Refer note 8)

(h) Equity instruments through Other Comprehensive Income:

The Company has elected to recognise changes in the fair value of investments in equity instruments in subsidiaries in other comprehensive income. The changes are accumulated within the FVOCI equity instruments Reserve within equity. The Company transfers amount from this Reserve to retained earnings when the relevant equity securities are derecognised.

Notes to the financial statements for the year ended March 31, 2018

	Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
3.10(a)	**Borrowings**		
	Secured		
	At amortised cost		
	7,500 Series I (2018) 12.18% Listed redeemable non convertible debentures of ₹ 1,000,000 each	**75,000**	-
	Term loans:		
	Rupee loans from banks	**1,17,625**	**1,40,286**
	Foreign currency loans from banks	**8,119**	9,479
		2,00,744	1,49,765

3.10(a1) Nature of security for term loans

(i) Series I (2018) 12.18% listed redeemable non convertible debentures of ₹ 75,000 lakhs (March 31, 2017 ₹ Nil) are secured by first pari-passu charge over long term loans and advances of the Company.

(ii) Rupee loans from banks of ₹ Nil (March 31, 2017 ₹ 32,000 lakhs) are secured by first charge over long term loans and advances of the Company on pari passu basis.

(iii) Rupee loans from banks of ₹ 34,380 lakhs (March 31, 2017 ₹ Nil) are secured by first charge over long term loans and advances of the Company on pari passu basis.

(iv) Rupee loans from banks of ₹ 2,383 lakhs (March 31, 2017 ₹ 2,463 lakhs) and foreign currency loan of ₹ 9,619 lakhs (March 31, 2017 ₹ 10,950 lakhs) are secured / to be secured by first charge on all the immovable and movable assets of the 45 MW wind power project at Vashpet on pari passu basis.

(v) Rupee loans from banks of ₹ 15,000 lakhs (March 31, 2017 ₹ 20,000 lakhs) are secured by first pari passu charge over current assets of the Company including receivable excluding the assets acquired under scheme of amalgamation with erstwhile Reliance Clean Power Private Limited.

(vi) Rupee loans from banks of ₹ 13,500 lakhs (March 31, 2017 ₹ 19,500 Lakhs) are secured by the residual charge over current assets of the Company including receivable excluding the assets acquired under scheme of amalgamation with erstwhile Reliance Clean Power Private Limited.

(vii) Rupee loans from banks of ₹ 12,157 lakhs (March 31, 2017 ₹ 12,407 lakhs) are secured by first charge on all the immovable and movable assets and receivables of the 45 MW wind power project at Vashpet on pari passu basis.

(viii) Rupee loans from banks of ₹ 10,500 lakhs (March 31, 2017 ₹ 10,500 lakhs) are secured by the first pari passu charge over long term loans and advances including receivables accrued out of such long term loans and advances of the Company .

(ix) Rupee loans from banks of ₹ 21,560 lakhs (March 31, 2017 ₹ 33,800 lakhs) are secured by the first pari passu charge over long term loans and advances of the Company.

(x) Rupee loans from banks of ₹ 68,125 lakhs (March 31, 2017 ₹ 71,335 lakhs) are secured by the first pari passu charge over long term loans and advances of the Company.

(xi) Current maturities of long term borrowings have been classified as other financial liabilities (Refer note 3.13(c))

3.10(a2) Terms of Repayment and Interest

(i) Series I (2018) 12.18% listed redeemable non convertible debentures of ₹ 75,000 lakhs are repayable in 8 half yearly installments starting from September 30, 2021 and carry an interest rate of 12.18% per annum payable on half yearly basis.

(ii) Rupee loans from banks of ₹ Nil (March 31, 2017 ₹ 32,000 lakhs) was repayable in one instalment on September 30, 2017 and carried an interest rate of 11.23% per annum payable on a monthly basis.

(iii) Rupee loans from banks of ₹ 34,380 lakhs (March 31, 2017 ₹ Nil) is repayable in 10 structured quarterly instalment commenced from October 31, 2017 and carry an interest rate of 10.50% per annum payable on a monthly basis.

Notes to the financial statements for the year ended March 31, 2018

(iv) Rupee term loans is repayable in 59 quarterly instalments commenced from March 2015 and carry an interest rate of 11.75% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 2,383 lakhs (March 31, 2017 ₹ 2,463 lakhs).

(v) Foreign currency loans is repayable in 42 quarterly instalments commenced from September 2013 and carry an interest rate of USD 6 month LIBOR plus 4.5% per annum payable on a half yearly basis. The outstanding balance as at year end is ₹ 9,618 lakhs (March 31, 2017 ₹ 10,950 lakhs).

(vi) Rupee term loans from bank is repayable in 16 quarterly instalments commencing from June 2017 and carry an interest rate of 12.35% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 15,000 lakhs (March 31, 2017 ₹ 20,000 lakhs).

(vii) Rupee term loans from bank is repayable in 40 monthly instalments commenced from March 2017 and carry an interest rate of 10.70% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 13,500 lakhs (March 31, 2017 ₹ 19,500 lakhs).

(viii) Rupee term loans from bank is repayable in 53 structured quarterly instalments commenced from September 2016 and carry an interest rate of 11.60% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 12,157 lakhs (March 31, 2017 ₹ 12,407 lakhs).

(ix) Rupee term loans from bank is repayable in 12 quarterly instalments commencing from December 2019 and carry an interest rate of 10.72% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 10,500 lakhs (March 31, 2017 ₹ 10,500 lakhs).

(x) Rupee term loans from bank is repayable in 16 structured monthly instalments commencing from July 2017 and carry an interest rate of 10.5% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 21,560 lakhs (March 31, 2017 ₹ 33,800 lakhs).

(xi) Rupee term loans from bank is repayable in 11 structured quarterly instalments commencing from July 2017 and carry an interest rate of 10.5% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 68,125 lakhs (March 31, 2017 ₹ 71,335 lakhs).

3.10(a3) The amortised cost disclosed above is net off incidental cost of borrowings aggregating of ₹ 1,922 lakhs (March 31,2017 ₹ 3,048 lakhs).

	Particulars	**As at March 31, 2018 ₹ in lakhs**	As at March 31, 2017 ₹ in lakhs
3.10(b)	**Other financial liabilities**		
	Financial guarantee obligations	**4,458**	15,363
		4,458	15,363
3.11	**Provisions**		
	Provision for gratuity (Refer note 10)	**-**	125
	Provision for leave encashment (Refer note 10)	**66**	13
		66	138
3.12	**Deferred tax liabilities**		
	Net deferred tax liability due to temporary difference (Refer note 15)	**1,252**	932
		1,252	932
3.13	**Current financial liabilities**		
3.13(a)	**Current borrowings**		
	At amortised cost		
	Secured		
	Working capital loan	**5,990**	5,997
	600 Series I (2017) 10.60% Listed redeemable non convertible debentures of ₹ 1,000,000 each (Refer note 12)	**-**	6,000
	2,500 Series II (2017) 10.60% Listed redeemable non convertible debentures of ₹ 1,000,000 each (Refer note 12)	**-**	25,000
	Loan against fixed deposits	**2,160**	5,400

Notes to the financial statements for the year ended March 31, 2018

Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
At amortised cost		
Unsecured		
Rupee loans from banks	**8,650**	-
2,500 Series I (2016) 10.20% Listed redeemable non convertible debentures of ₹ 1,000,000 each (Refer note 12)	**-**	25,000
2,500 Series III (2017) 10.20% Listed redeemable non convertible debentures of ₹ 1,000,000 each	**25,000**	-
Commercial paper	**10,000**	3,000
Loans from subsidiaries (Refer note 12)	**4,28,362**	3,80,687
Inter-corporate deposits from related parties (Refer note 12)	**29,115**	65,723
Inter-corporate deposits from others	**21,601**	-
	5,30,878	5,16,807

3.13(a1) Nature of security and terms of repayment

(i) Working capital loan is secured by first hypothecation and charge on all receivables of the Company, (excluding assets acquired under the merger scheme with erstwhile Reliance Clean Power Private Limited) both present and future on pari passu basis and is repayable on demand and carry an interest rate of 11.50% per annum payable on a monthly basis.

(ii) Series I (2017) 10.60% listed redeemable non convertible debentures is secured by pledge of 2.30% of outstanding equity shares of a subsidiary Rosa Power Supply Company Limited which is redeemable within a period of 364 Days from the date of allotment (i.e. January 24, 2017) and carry an interest rate of 10.60% per annum payable on a quarterly basis.

(iii) Series II (2017) 10.60% listed redeemable non convertible debentures is secured by pledge of 9.50% of outstanding equity shares of a subsidiary Rosa Power Supply Company Limited which is redeemable within a period of 364 Days from the date of allotment (i.e. March 16, 2017) and carry an interest rate of 10.60% per annum payable on a quarterly basis.

(iv) Loan against fixed deposit is secured by first pari passu charge over the fixed deposit of the Company. The loan is repayable in full on September 26, 2018 and carry an interest rate of 6% per annum payable on a monthly basis.

Unsecured

(i) 2,500 Series I (2016) 10.20% unsecured redeemable non convertible debentures are redeemable within a period of 364 days and carry an interest rate of 10.20% per annum payable on quarterly basis.

(ii) 2,500 Series III (2017) 10.20% unsecured redeemable non convertible debentures are redeemable within a period of 354 days and carry an interest rate of 10.20% per annum payable on a half yearly basis.

(iii) (a) Commercial paper of ₹ 5,000 lakhs have a tenure of 362 days from the date of issue i.e. April 26, 2017 and discount rate of 8.75% per annum.

(b) Commercial paper of ₹ 2,500 lakhs have a tenure of 309 days from the date of issue i.e. June 15, 2017 and discount rate of 8.75% per annum.

(c) Commercial paper of ₹ 2,500 lakhs have a tenure of 341 days from the date of issue i.e. June 15, 2017 and discount rate of 8.75% per annum.

(iv) Inter corporate deposits from Reliance Nippon Life assets management are repayable within one year and carry an interest rate of 12.50% per annum.

(v) Inter corporate deposits from Reliance Infrastructure Limited are repayable within one year and carry an interest rate of 10.50% per annum.

	Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
3.13(b)	**Trade payables** (Refer note 22)		
	Total Outstanding dues of micro enterprises and small enterprises	**-**	-
	Total Outstanding dues of creditors other than micro enterprises and small enterprises	**1,479**	2,753
		1,479	2,753

Notes to the financial statements for the year ended March 31, 2018

	Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
3.13(c)	**Other financial liabilities**		
	Current maturities of long-term borrowings (Refer note 3.10(a1))	**59,558**	60,142
	Interest accrued but not due on borrowings (Refer note 12)	**8,334**	3,732
	Unclaimed fractional bonus share refunds	**-**	290
	Unclaimed dividend	**300**	301
	Retention money payable	**12**	-
	Dues to subsidiaries (Refer note 12)	**7,206**	6,113
	Provision for expenses	**79**	61
	Financial guarantee obligations	**3,210**	3,398
	Other payables (Refer note 4 (b))	**7,787**	560
		86,486	74,597
3.14	**Other current liabilities**		
	Other payables	**742**	638
		742	638
3.15	**Current provisions**		
	Provision for leave encashment (Refer note 10)	**52**	42
		52	42

	Particulars	Year ended March 31, 2018 ₹ in lakhs	Year ended March 31, 2017 ₹ in lakhs
3.16	**Revenue from operations**		
	Sale of energy (Refer note 12)	**4,118**	4,470
	Other Operating income		
	Generation Based Incentive	**309**	336
		4,427	4,806
3.17	**Other income**		
	Interest income:		
	Bank deposits	**2,317**	1,952
	Inter-corporate deposits (including related party) (Refer note 12)	**6,805**	11,341
	Preference Shares	**7,511**	7,522
	Others (including related party (Refer note 9 & 12))	**510**	7,675
	Service Income (Refer note 12)	**10,140**	1,630
	Income recognised on Corporate guarantee	**11,093**	2,953
	Gain on foreign exchange fluctuations (Net)	**6,537**	9,557
	Other non-operating income	**91**	226
		45,004	42,856
3.18	**Employee benefits expense**		
	Salaries, bonus and other allowances	**1,162**	1,250
	Contribution to provident fund and other funds (Refer note 10)	**56**	75
	Gratuity (Refer note 10)	**139**	67
	Leave encashment	**153**	43
	Staff welfare expenses	**18**	34
		1,528	1,469

Notes to the financial statements for the year ended March 31, 2018

	Particulars	Year ended March 31, 2018 ₹ in lakhs	Year ended March 31, 2017 ₹ in lakhs
3.19	**Finance costs**		
	Interest on:		
	Rupee term loans	**23,062**	13,888
	Foreign currency loans	**669**	695
	Inter corporate deposits (Refer note 12)	**7,225**	5,415
	Non convertible debentures	**5,694**	5,287
	Working capital loans	**677**	596
	Others	**691**	1,084
	Other finance charges	**2,660**	2,063
		40,678	29,028
3.20	**Other expenses**		
	Rent expenses (Refer note 12)	**120**	293
	Repairs and maintenance		
	- Plant and equipment	**629**	594
	- Building	**-**	3
	- Others	**67**	182
	Stamp duty and filing fees	**25**	13
	Advertisement expenses	**9**	128
	Printing and stationery	**404**	387
	Legal and professional charges (including shared service charges)	**1,720**	4,972
	Books and periodicals	**@**	18
	Membership and subscription	**57**	64
	Postage and telephone	**320**	187
	Travelling and conveyance	**828**	679
	Custodian charges	**382**	406
	Directors sitting fees	**36**	43
	Rates and taxes	**39**	51
	Insurance	**67**	91
	Loss on sale of assets	**3**	1
	Expenditure towards Corporate Social Responsibility (Refer note 21)	**143**	136
	Miscellaneous expenses	**294**	116
		5,143	8,364

@ Amount is below the rounding off norm adopted by the Company

4) Contingent liabilities and commitments

(a) Guarantees including corporate guarantee issued for subsidiary companies aggregating to ₹ 610,743 lakhs (March 31, 2017 ₹ 701,915 lakhs). Refer note 6(a) with respect to Coastal Andhra Power Limited.

(b) In case of CPPL, as per terms of bid bond of Uttar Pradesh Power Corporation Limited (UPPCL), the Company had provided bank guarantee of ₹ 7,386 lakhs and which has since been invoked by UPPCL. The High Court has ruled that the above invocation is subject to the order passed by the High Court. Consequently, the Company has shown the guarantee invoked as the amount payable to Canara Bank and an equivalent amount has been shown as recoverable from UPPCL. Subsequently, the Company has made payment to the bank of ₹ 7,488 lakhs along with interest (₹ 102 lakhs). However, the bank has levied bank charges of ₹ 1,384 lakhs on issue of bank guarantee at regular rate than the rate as agreed upon. The bank charges levied by the bank have been disputed by the Company.

(c) In respect of subsidiaries, the Company has committed/ guaranteed to extend financial support in the form of equity or debt as per the agreed means of finance, in respect of the projects being undertaken by the respective subsidiaries, including any capital expenditure for regulatory compliance and to meet shortfall in the expected revenues/debt servicing.

Notes to the financial statements for the year ended March 31, 2018

Future cash flows in respect of the above matters can only be determined based on the future outcome of various uncertain factors.

(d) As on March 31, 2018 there were no contracts remaining unexecuted on capital account.

5) Details of remuneration to auditors

₹ in lakhs

	Particulars	Year ended March 31, 2018*	Year ended March 31, 2017
(a)	As auditors		
	For statutory audit	**89**	122
	For others	**2**	9
(b)	Out-of-pocket expenses	**1**	3
		92	134

*Includes ₹ 10 lakhs paid to Price Waterhouse, one of the earlier Joint Auditors.

6) Project status of Subsidiaries

(a) **Coastal Andhra Power Limited (CAPL)**

CAPL, a wholly owned subsidiary, has been incorporated to develop an Ultra Mega Power Project (UMPP) of 3,960 MW capacity located in Krishnapatnam, District Nellore, based on imported coal.

CAPL had entered into a firm price fuel supply agreement which envisaged supply of coal from Indonesia with Reliance Coal Resources Private Limited (RCRPL), a wholly owned subsidiary of the Company. In view of below mentioned new regulation, RCRPL cannot supply coal at the agreed price, because of which there is a risk of inability to pass through market linked prices of imported coal for the project, whereas the power needs to be supplied at a pre-agreed tariff as per the terms of Power Purchase Agreement (PPA) dated March 23, 2007. The Government of Indonesia introduced a new regulation in September, 2010 which prohibits sale of coal, including sale to affiliate companies, at below Benchmark Price which is linked to international coal prices and requires adjustment of sale price every 12 months. This regulation also mandates to align all existing long-term coal supply contracts with the new regulations within one year i.e. by September, 2011. The said issue was communicated to the power procurers and also to the Government of India through the Association of Power Producers to arrive at a suitable solution to the satisfaction of all the stakeholders.

Since no resolution could be arrived, CAPL invoked the dispute resolution provision of PPA. The procurers have also issued a notice for termination of PPA and have raised a demand for liquidated damages of ₹ 40,000 lakhs (including bank guarantee of ₹ 30,000 lakhs, which has been provided by the Company on behalf of CAPL).

CAPL has filed a petition before the Hon'ble High Court at Delhi *inter-alia* for interim relief under Section 9 of the Arbitration and Conciliation Act, 1996. The Court vide its order dated March 20, 2012 has prohibited the Procurers from taking any coercive steps against CAPL. The single judge of the Delhi High Court vide order dated July 02, 2012 dismissed the petition and the appeal filed by CAPL against the said order is pending before the Division Bench of the Delhi High Court.

CAPL has also filed a petition before the Central Electricity Regulatory Commission (CERC) without prejudice to the proceedings pending before the Delhi High Court and the arbitration process has already been initiated. During the course of the CERC proceedings, the power procurers contended that the petition could not be taken up for hearing by CERC since the matter was pending at High Court. CAPL, in response contended that both proceedings are different and independent. The CERC petition did not raise the issue of notice of termination. Considering appeal is pending before the Delhi High Court, CERC has disposed off the petition vide its order dated August 06, 2015 with a liberty to the Petitioner to approach the Commission at an appropriate stage in accordance with law.

(b) **Samalkot Power Limited (SMPL)**

(i) **With respect to 1508 Mega Watt (MW) (2 units of 754 MW each) Plant**

There is continued uncertainty regarding availability of natural gas in the country for operation of the plant, and while the SMPL is actively pursuing with relevant authorities for securing gas linkages/ supply at commercially viable prices/ generation opportunities, it is also evaluating alternative arrangements/ approaches to deal with the situation. SMPL is confident of arriving at a positive resolution to the foregoing in the foreseeable future and therefore the carrying amount of capital work in progress is considered recoverable.

(ii) **With respect to 754 MW Plant**

The Company had entered into a Memorandum of Understanding (MOU) with the Government of Bangladesh (GoB) for developing a gas project of 3000 MW capacity in a phased manner. Pursuant to the above, Reliance

Bangladesh LNG & Power Limited (RBLPL) a subsidiary of the Company, is taking steps to conclude a long term Power Purchase Agreement for supply of 718 MW (net) power from combined cycle gas based power plant to be set up at Meghnaghat near Dhaka in Bangladesh. In this regard, a letter of intent has been entered between the Company and Bangladesh Power Development Board on July 26, 2017.

SMPL has entered into MOU on March 21, 2017 for sale of the Plant to subsidiary for a consideration not less than its carrying amount. Further, during the year, RBLPL has issued letter of award to SMPL's EPC contractor Reliance Infrastructure Limited for setting up of 745 MW gas based combined cycle power plant at Meghnaghat, Bangladesh with the assets of SMPL. SMPL expects to enter into definitive sale agreement in the next financial year. SMPL is confident that the subsidiary will be able to achieve financial closure and remit the sale proceeds.

Having regard to the above plans and the continued financial support from the Company, management believes that SMPL would be able to meet its financial and other obligations in the foreseeable future. Accordingly, the financial statements of SMPL have been prepared on a going concern basis.

(c) **Jharkhand Integrated Power Limited (JIPL)**

JIPL, a wholly owned subsidiary of Reliance Power Limited (RPower), has been set up to develop Ultra Mega Power Project of 3,960 MW capacity located in Tilaiya, Hazaribagh District, Jharkhand. Tilaiya Ultra Mega Power project (UMPP) was awarded to Reliance Power Limited through International Competitive Bidding (ICB), under the UMPP Policy. Consequently, JIPL was handed over to Reliance Power Limited on August 07, 2009 by Power Finance Corporation (PFC). JIPL has signed a 25 years Power Purchase Agreement (PPA) with 18 procurers in 10 states. For fuel security, the Project was allocated Kerendari BC captive coal mine block.

Due to various reasons, Reliance Power Limited gave a notice for termination of PPA on April 28, 2015 as per the terms of the PPA and the option available therein. The Procurers have agreed to the termination of the PPA on November 03, 2015 and have agreed to take over/purchase the shares held by Reliance Power Ltd (RPower) in JIPL as per the terms of mutually agreed draft of Share Transfer Agreement (STA) and discussion held between RPower and the procurers.

As per the term of Share Transfer Agreement (STA) it has been agreed that JIPL has to be acquired by the Procurers at the purchase price equivalent to the sum of ₹ 11,279 lakhs towards net amount paid by Rpower as per Share Purchase Agreement dated August 07, 2009 (after adjustment for bank balance and other assets not being taken over now) and subsequent expenditure incurred by JIPL on Land. As per the terms of STA, in addition to the termination payment, the lead procurer (Jharkhand Urja Vikas Nigam Limited) has also agreed to make payment towards acquisition of the Geological Report (GR) within six months from the closing date of STA on certain conditions. The payment of ₹ 3,445 Lakhs shall be contributed by the Procurers in proportion to the allocated contracted capacity from Tilaiya UMPP. Therefore, such GR (₹ 3,445 Lakhs) has been shown under CWIP and corresponding liability is included as the Inter Corporate Deposit (ICD) of RPower, as contra items in the books of JIPL. As per the terms of STA, in case lead procurer does not make the aforesaid payment of ₹ 3,445 Lakhs within 6 (six) months from the closing date for any reason whatsoever, RPower shall retain the Geological Report and the entry towards payable to RPower against the Geological report/ICD in the books of JIPL shall be removed forthwith. Procurers have also agreed to discharge and release the Bank Guarantee aggregating to ₹ 60,000 lakhs (Procurer Bank Guarantees).

All the Procurers have deposited their respective share of termination payment and released Procurer Bank Guarantees with the Lead Procurer (JUVNL). Presently all the formalities/ pre-requisites for acquisition of JIPL by Procurers have been completed and procurers are ready in all aspects to acquire JIPL from RPower as per the provisions of the PPA.

7) Applicability of NBFC Regulations

The Company, based on the objects given in the Memorandum and Article of Association, its role in construction and operation of power plants through subsidiaries and other considerations, has been legally advised that it is not covered under the provisions of Non-Banking Financial Company as defined in the Reserve Bank of India Act, 1934 and accordingly, is not required to be registered under section 45 IA of the said Act.

8) Employee Stock Option Scheme (ESOS)

Pursuant to the approval accorded by the shareholders on September 30, 2007 under Section 81(1A) of the Companies Act, 1956, the Company has administered and implemented Employee Stock Option Scheme (ESOS) in terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The Board of Directors of the Company have constituted its ESOS Compensation Committee to operate and monitor the ESOS Scheme which is administered through Reliance Power ESOS Trust ("RPET"). The ESOS Scheme mentions that the employees of the Company are entitled for grant of stock options (equity shares), based on the eligibility criteria set in ESOS Plan of the Company.

The ESOS Compensation Committee of the Board of Directors (the Board) of the Company approved a grant of 20,000,000 stock options to the eligible employees of the Company and its subsidiaries on May 08, 2010. The options were granted to the employees of the Company and its subsidiaries on satisfying the performance and other eligibility criteria set out in ESOS Plan. In accordance with the ESOS Scheme, each option entitles an employee to apply for one fully paid equity share of ₹ 10 of the Company at an exercise price of ₹ 162 per share. Pursuant to the amendments made to the ESOS Scheme as

Notes to the financial statements for the year ended March 31, 2018

approved by the ESOS Compensation Committee of the Board, effective from April 01, 2014, the Independent Directors of the Company shall not be eligible to participate in the Scheme. Further, the exercise period of the vested options may be different for different plans and shall not be longer than ten years from the date of vesting.

However, considering the market price of shares, none of the employees had exercised the options vested and consequently the ESOS Committee at their meeting held on May 19, 2014, has amended to ESOS Plan 2010 and extended the validity period of exercise period.

The Company, considering the proposed revision in its current Employees' Remuneration & Incentive Policy, market condition and the market price which was quoted to be under ₹ 50 per share for past six months, and after considering the recommendation of Nomination and Remuneration Committee wind up the Reliance Power - Employee Stock Option Scheme 2010 with effect from October 23, 2017.

Considering the above, the ESOS Trust has sold its shares in the open market at a loss of ₹ 845 lakhs, impact of which has been taken to other equity in the financial statements of the Company as on March 31, 2018.

9) Status of Dadri Project

The Company proposed developing a 7,480 MW gas-fired power project to be located at the Dhirubhai Ambani Energy City in Dehra village, Dadri, Uttar Pradesh in the year 2003. The state of Uttar Pradesh (The State) in the year 2004 acquired 2,100 acres of land and conveyed the same to the Company in the year 2005. The acquisition of land by the State for the project was challenged by certain land owners in the Allahabad High Court. The High Court quashed a part of acquisition proceedings by the State and directed them to fulfill certain compliances. Subsequently the Company filed an appeal before Hon'ble Supreme Court. The Hon'ble Supreme Court in its order disposed off the appeal and upheld the right of the Company to recover the amount paid towards the land acquired and conveyed to it by the State.

The Company has already conveyed its intent to return the acquired land to Government of Uttar Pradesh (GoUP) and raised the claim for the cost incurred on the land acquisition as well as other incidental expenditure thereto.

Considering the above facts, the Company has classified assets related to Dadri project under head 'Non-current assets classified as held for sale'.

The Company has realized amount of ₹ 2,522 lakhs till March 31, 2018 from the Government of Uttar Pradesh (GoUP) and the balance amount is expected to be recovered in the future.

Based on correspondence received from GoUP in previous year towards compensation for land and interest thereon, the Company has recognised an interest income of ₹ 481 lakhs (Previous year ₹ 7,500 lakhs).

10) Employee benefit obligations

The Company has classified various employee benefits as under:

(a) **Leave obligations**

The leave obligations cover the Company liability for sick and privileged leave.

₹ in lakhs

Particulars	**March 31, 2018**	March 31, 2017
Provision for leave encashment		
Current*	**52**	42
Non-current	**66**	13

* The Company does not have an unconditional right to defer the settlements.

(b) **Defined contribution plans**

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

- 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 trust. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

Notes to the financial statements for the year ended March 31, 2018

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

₹ in lakhs

Particulars		**Year ended March 31, 2018**	Year ended March 31, 2017
(i)	Contribution to provident fund	**36**	50
(ii)	Contribution to employees' superannuation fund	**4**	5
(iii)	Contribution to employees' pension scheme, 1995	**16**	20

(c) **Post employment obligation**

Gratuity

The Company has a defined benefit plan, governed by the Payment of Gratuity Act, 1972. The plan, entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days basic salary for every completed years of services or part thereof in excess of six months, based on the rate of basic salary last drawn by the employee concerned.

(i) **Significant estimates: actuarial assumptions**

Valuation in respect of gratuity has been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	**March 31, 2018**	March 31, 2017
Discount rate (per annum)	**7.65%**	7.05%
Rate of increase in compensation levels	**7.50%**	7.50%
Rate of return on plan assets	**7.65%**	7.05%

The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(ii) **Gratuity Plan**

₹ in lakhs

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2016	555	494	61
Current service cost/ Return on Plan Assets	66	-	66
Interest on net defined benefit liability/ assets	40	39	1
Total amount recognised in Statement of Profit and Loss	106	39	67
Remeasurements during the year			
Return on plan assets, excluding amount included in interest expense/(income)	-	(2)	2
(Gain)/ loss from change in financial assumptions	34	-	34
Experience (gains)/ losses	(39)	-	(39)
Total amount recognised in Other Comprehensive Income	(5)	(2)	(3)
Employer's contributions	-	-	-
Benefits paid	(88)	(88)	-
As at March 31, 2017	568	443	125

Notes to the financial statements for the year ended March 31, 2018

₹ in lakhs

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2017	568	443	125
Current service cost	57	-	57
Past Service Cost	7	-	7
Interest on net defined benefit liability/ assets	38	32	6
Total amount recognised in Statement of Profit and Loss	**102**	**32**	**70**
Remeasurements during the year			
Return on plan assets, excluding amount included in interest expense/(income)	-	(19)	19
(Gain)/ loss from change in financial assumptions	(9)	-	(9)
(Gain)/ loss from change in demographic assumptions	(44)	-	(44)
Experience (gains)/ losses	(167)	-	(167)
Total amount recognised in Other Comprehensive Income	**(220)**	**(19)**	**(201)**
Employer's contributions	-	22	(22)
Benefits paid	(120)	(120)	-
As at March 31, 2018	**330**	**358**	**(28)**

The net liability disclosed above relates to funded plans are as follows:

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Present value of funded obligations	**330**	568
Fair value of plan assets	**358**	443
Deficit/ (Surplus) of gratuity plan	**(28)**	125
Non-current portion	**(28)**	125

(iii) **Sensitivity analysis:**

The sensitivity of the provision for defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on closing balance of provision for defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017
Discount rate	**0.50%**	0.50%	**-2.30%%**	-4.06%	**2.41%**	4.34%
Rate of increase in compensation levels	**0.50%**	0.50%	**2.40%%**	4.30%	**-2.31%**	-4.06%

The above sensitivity analysis is 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. While 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.

Notes to the financial statements for the year ended March 31, 2018

(iv) The above defined benefit gratuity plan was administrated 100% by Life Insurance Corporation of India (LIC) as at March 31, 2018 and March 31, 2017

(v) **Defined benefit liability and employer contributions:**

The Company will pay demand raised by LIC towards gratuity liability on time to time basis to eliminate the deficit in defined benefit plan.

The weighted average duration of the defined benefit obligation is 4.70 years (2017 – 8.43 years).

(vi) The Company has seconded certain employees to the subsidiaries. As per the terms of the secondment, liability towards salaries, provident fund and leave encashment will be provided and paid by the respective subsidiaries and gratuity will be paid/ provided by the Company. Accordingly, provision for gratuity includes cost in respect of seconded employees.

(vii) The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit.

11) Assets pledged as security

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Non-Current		
First charge		
Financial Assets		
Investments in shares of subsidiaries	**1,099,045**	1,118,548
Loans	**229,331**	156,030
Other financial assets	**200**	3,369
Non-financial assets		
Property, plant and equipment	**29,740**	31,052
Other non-current assets	**2,032**	1,840
Total Non-current assets pledged as security	**1,360,348**	1,310,839
Current		
First charge		
Financial assets		
Trade receivables	**3,231**	2,231
Cash and bank balances	**37,168**	36,888
Loans	**159,880**	208,457
Other financial assets	**17,426**	12,248
Non-financial assets		
Other current assets	**3,890**	3,919
Total current assets pledged as security	**221,595**	263,743
Total assets pledged as security	**1,581,943**	1,574,582

12) Related party transactions

As per Indian Accounting Standard 24 (Ind AS-24) 'Related Party Transactions' as prescribed by Companies (Indian Accounting Standards) Rules, 2015, the Company's related parties and transactions are disclosed below:

A. Parties where control exists

Subsidiaries: (Direct and step-down subsidiaries)

1 Sasan Power Limited (SPL)
2 Rosa Power Supply Company Limited (RPSCL)
3 Maharashtra Energy Generation Limited (MEGL)
4 Vidarbha Industries Power Limited (VIPL)
5 Tato Hydro Power Private Limited (THPPL)

Notes to the financial statements for the year ended March 31, 2018

6 Siyom Hydro Power Private Limited (SHPPL)
7 Chitrangi Power Private Limited (CPPL)
8 Urthing Sobla Hydro Power Private Limited (USHPPL)
9 Kalai Power Private Limited (KPPL)
10 Coastal Andhra Power Limited (CAPL)
11 Reliance Coal Resources Private Limited (RCRPL)
12 Amulin Hydro Power Private Limited (AHPPL)
13 Emini Hydro Power Private Limited (EHPPL)
14 Mihundon Hydro Power Private Limited (MHPPL)
15 Jharkhand Integrated Power Limited (JIPL)
16 Reliance CleanGen Limited (RCGL)
17 Rajasthan Sun Technique Energy Private Limited (RSTEPL)
18 Dhursar Solar Power Private Limited (DSPPL)
19 Moher Power Limited (MPL)
20 Samalkot Power Limited (SMPL)
21 Reliance Prima Limited (RPrima)
22 Atos Trading Private Limited (ATPL)
23 Atos Mercantile Private Limited (AMPL)
24 Coastal Andhra Power Infrastructure Limited (CAPIL)
25 Reliance Power Netherlands BV (RPN)
26 PT Heramba Coal Resources (PTH)
27 PT Avaneesh Coal Resources (PTA)
28 Reliance Natural Resources Limited (RNRL)
29 Reliance Natural Resources (Singapore) Pte Limited (RNRL- Singapore)
30 Reliance Solar Resources Power Private Limited (RSRPPL)
31 Reliance Wind Power Private Limited (RWPPL)
32 Reliance Green Power Private Limited (RGPPL)
33 PT Sumukha Coal Services (PTS)
34 PT Brayan Bintang Tiga Energi (BBE)
35 PT Sriwijiya Bintang Tiga Energi (SBE)
36 Shangling Hydro Power Private Limited (SPPL)
37 Sumte Kothang Hydro Power Private Limited (SKPL)
38 Teling Hydro Power Private Limited (TPPL)
39 Lara Sumta Hydro Power Private Limited (LHPPL)
40 Purthi Hydro Power Private Limited (PHPPL)
41 Reliance Geothermal Power Private Limited (RGTPPL)
42 RPL Sunshine Power Private Limited (RSUNSHINEPPL) (upto February 19, 2018)
43 RPL Surya Power Private Limited (RSURYAPPL) (upto February 19, 2018)
44 RPL Solar Power Private Limited (RSOLARPPL) (upto February 19, 2018)
45 RPL Sunlight Power Private Limited (RSUNLIGHTPPL) (upto February 19, 2018)
46 RPL Solaris Power Private Limited (RSOLARISPPL) (upto February 19, 2018)
47 RPL Star Power Private Limited (RSTARPPL) (upto February 19, 2018)
48 Reliance Bangladesh LNG & Power Limited (RBLPL) (w.e.f. September 21, 2016)
49 Reliance Power Holding FZC, Dubai (RFZC) (w.e.f. May 15, 2016)
50 Reliance Bangladesh LNG Terminal Limited (RBLTL) (w.e.f. April 17, 2017)

Notes to the financial statements for the year ended March 31, 2018

Associates:

SN	Name of Company	% of Shares
1	RPL Sun Power Private Limited (RSUNPPL) (w.e.f. June 16, 2016)	50%
2	RPL Photon Private Limited (RPHOTONPL) (w.e.f. June 16, 2016)	50%
3	RPL Sun Technique Private Limited (RSUNTPL) (w.e.f. June 16, 2016)	50%

B (I). Investing parties/promoters having significant influence on the Company directly or indirectly

(a) **Company**

Reliance Infrastructure Limited (R Infra)

(b) **Individual**

Shri Anil D. Ambani (Chairman)

(II). Other related parties with whom transactions have taken place during the year

(a) **Enterprises over which individual described in clause B (I) above and B (II) (b) has control/ significant influence:**

1 Reliance Capital Trustee Co Ltd (Rcap Trustee) (upto October 02, 2017)

2 Reliance Nippon Life Insurance Co Ltd (R Nippon Life) (formerly known as Reliance Life Insurance Company Limited) (upto October 02, 2017)

3 Reliance Nippon Life Assets Management Limited (R Nippon) (upto July 02, 2017)

4 Reliance Communications Limited

5 Reliance General Insurance Company Limited (upto October 02, 2017)

6 Mulla & Mulla and Craigie Blunt & Caroe (Mulla & Mulla)

(b) **Key Managerial Personnel:**

1 Shri Sateesh Seth (Director)

2 Shri Yogendra Narain (Director) (upto September 26, 2017)

3 Shri D. J. Kakalia (Director)

4 Smt. Rashna Khan (Director)

5 Shri V. K. Chaturvedi (Director) (upto April 12, 2017)

6 Shri K. Ravi Kumar (Director) (w.e.f. September 26, 2017)

7 Shri N. Venugopala Rao (Whole-time Director) (Chief Executive Officer) (Chief Financial Officer (w.e.f. February 16, 2018)

8 Shri Ramaswami Kalidas (Manager (upto May 26, 2016) and Company secretary (upto June 07, 2017))

9 Shri Suresh Nagrajan (CFO) (upto February 16, 2018)

10 Shri Murli M. Purohit (w.e.f June 08, 2017)

Notes to the financial statements for the year ended March 31, 2018

C. Details of transactions during the year and closing balances at the year end

₹ in lakhs

SN	Nature Of transactions	Investing parties having significant influence on the Company directly or indirectly [12 B (I)(a)]	Key Managerial Personnel [12 B (II) (b)]	Enterprises over which individual described in clause B (I) above and B (II) (b) have control/ significant influence [12 B (II) (a)]	Subsidiaries/ Associates [12 A]	Total
(i)	**Transaction during the year**					
1	Sale of energy	**4,118**	**-**	**-**	**-**	**4,118**
		4,470	-	-	-	4,470
2	Service Income from					
	(a) SPL	**-**	**-**	**-**	**9,100**	**9,100**
		-	-	-	115	115
	(b) Others				**1,040**	**1,040**
		-	-	-	1,515	1,515
3	Interest on Inter-corporate deposit given to					
	(a) RCGL	**-**	**-**	**-**	**3,191**	**3,191**
		-	-	-	8,196	8196
	(b) Others	**-**	**-**	**-**	**3,200**	**3,200**
		-	-	-	3,145	3,145
4	Interest on delayed receipts from	**29**	**-**	**-**	**-**	**29**
		46	-	-	-	46
5	Insurance Premium paid	**-**	**-**	**4**	**-**	**4**
		-	-	26	-	26
6	Interest expense towards Inter-corporate deposits and non-convertibles debentures	**5,269**	**-**	**3,481**	**12**	**8,762**
		3,983	-	6,487	11	10,481
7	Rent expenses	**105**	**-**	**-**	**-**	**105**
		238	-	-	-	238
8	Remuneration to key managerial personnel					
	(a) Short term employee benefits	**-**	**377**	**-**	**-**	**377**
		-	418	-	-	418
	(b) Sitting Fee	**-**	**36**	**-**	**-**	**36**
		-	38	-	-	38
9	Legal and Professional fees	**-**	**-**	**1**	**-**	**1**
		-	-	2	-	2
10	Transfer of expenditure	**-**	**-**	**-**	**-**	**-**
		-	-	-	945	945
11	Reversal of interest income accrued earlier	**-**	**-**	**-**	**212**	**212**
		-	-	-	-	-
12	Reimbursement of expenses and advances given to	**39**	**-**	**-**	**2,128**	**2,167**
		-	-	-	1,064	1,064
13	Inter corporate deposit received from					
	(a) RPSCL	**-**	**-**	**-**	**66,549**	**66,549**
		-	-	-	114,085	114,085
	(b) Others	**114,069**	**-**	**-**	**79,104**	**193,173**
		101,193	-	15,000	80,260	196,453

Notes to the financial statements for the year ended March 31, 2018

₹ in lakhs

SN	Nature Of transactions	Investing parties having significant influence on the Company directly or indirectly [12 B (I)(a)]	Key Managerial Personnel [12 B (II) (b)]	Enterprises over which individual described in clause B (I) above and B (II) (b) have control/ significant influence [12 B (II) (a)]	Subsidiaries/ Associates [12 A]	Total
14	Refund of inter corporate deposit received from	**135,714**	**-**	**-**	**97,979**	**233,693**
		71,739	-	-	132,410	204,149
15	Inter corporate deposit given to					
	(a) RCGL	**-**	**-**	**-**	**97,355**	**97,355**
		-	-	-	304,955	304,955
	(b) Others	**-**	**-**	**-**	**1,611**	**1,611**
		-	-	-	32,790	32,790
16	Refund of inter corporate deposit given to	**-**	**-**	**-**	**87,115**	**87,115**
		-	-	-	120,662	120,662
17	Advance Given to	**-**	**-**	**-**	**508**	**508**
		-	-	-	970	970
18	Refund of advance given to	**-**	**-**	**-**	**1,859**	**1,859**
		-	-	-	950	950
19	Advance taken from	**-**	**-**	**-**	**17,368**	**17,368**
		-	-	-	6,113	6,113
20	Refund of Advance taken from	**-**	**-**	**-**	**16,275**	**16,275**
		-	-	-	-	-
21	Sale of shares of	**-**	**-**	**-**	**10,593**	**10,593**
		-	-	-	-	-
22	Purchase of Asset from	**37**	**-**	**-**	**-**	**37**
		-	-	-	-	-
23	Guarantees issued to	**-**	**-**	**-**	**4,923**	**4,923**
		-	-	-	3,543	3,543
(ii)	**Closing Balance**					
24	Investment in Equity shares of					
	(a) SPL	**-**	**-**	**-**	**547,236**	**547,236**
		-	-	-	525,254	525,254
	(b) RPSCL	**-**	**-**	**-**	**430,867**	**430,867**
		-	-	-	417,330	417,330
	(c) Other subsidiaries/ associates	**-**	**-**	**-**	**74,657**	**74,657**
		-	-	-	75,201	75,201
25	Investment in Preference shares of					
	(a) SPL	**-**	**-**	**-**	**448,564**	**448,564**
		-	-	-	430,546	430,546
	(b) RNRL Singapore	**-**	**-**	**-**	**180,729**	**180,729**
		-	-	-	172,638	172,638
	(c) VIPL	**-**	**-**	**-**	**143,991**	**143,991**
		-	-	-	107,949	107,949
	(d) Other subsidiaries	**-**	**-**	**-**	**167,434**	**167,434**
		-	-	-	168,688	168,688

Notes to the financial statements for the year ended March 31, 2018

₹ in lakhs

SN	Nature Of transactions	Investing parties having significant influence on the Company directly or indirectly [12 B (I)(a)]	Key Managerial Personnel [12 B (II) (b)]	Enterprises over which individual described in clause B (I) above and B (II) (b) have control/ significant influence [12 B (II) (a)]	Subsidiaries/ Associates [12 A]	Total
26	Inter-corporate deposit classified as equity instruments of	**-**	**-**	**-**	**88,010**	**88,010**
		-	-	-	74,490	74,490
27	Loans and advances given to including Inter-corporate deposit and other receivables					
	(a) RCGL	**-**	**-**	**-**	**189,309**	**189,309**
		-	-	-	156,030	156,030
	(b) Others	**-**	**-**	**1,845**	**192,042**	**193,887**
		-	-	-	208,455	208,455
28	Short term borrowings – Inter corporate deposit from					
	(a) RPSCL	**-**	**-**	**-**	**356,470**	**356,470**
		-	-	-	326,956	326,956
	(b) Others	**29,115**	**-**	**-**	**71,892**	**101,007**
		50,723	-	15,000	53,731	119,454
29	Short term borrowings – Non-Convertible debentures	-	-	-	-	-
		-	-	56,000	-	56,000
30	Other financial liabilities payable to	**4,555**	**-**	**1,185**	**7,206**	**12,946**
		-	-	1,278	6,113	7,391
31	Trade receivables from	**3,229**	**-**	**-**	**-**	**3,229**
		851	-	-	1,380	2,231
32	Other current assets from	**-**	**-**	**-**	**-**	**-**
		-	-	-	2,674	2,674
33	Other financial assets	**-**	**-**	**-**	**2,202**	**2,202**
		-	-	-	-	-
34	Bank Guarantees issued to banks/ financial institutions	**-**	**-**	**-**	**206,199**	**206,199**
		-	-	-	230,419	230,419

(Figures relating to current year are reflected in Bold and relating to previous year are in unbold)

(iii) **Other transactions**

(a) As per the terms of sponsor support agreement entered for the purpose of security of term loans availed by subsidiaries, the Company has pledge following percentage of its shareholding in the respective subsidiaries.

- 100% of equity shares of Sasan Power Limited.
- 100% of equity shares of Dhursar Solar Power Private Limited.
- 77% of equity shares of Rajasthan Sun Technique Energy Private Limited.
- 98% of equity shares of Vidarbha Industries Power Limited
- 100% of preference shares of Sasan Power Limited.
- 100% of preference shares of Dhursar Solar Power Private Limited.
- 66% of preference shares of Rajasthan Sun Technique Energy Private Limited.

The Company has given commitments/ guarantees for loans taken by SPL, SMPL, VIPL, DSPPL and RSTEPL. (Refer note 4(c)).

Notes to the financial statements for the year ended March 31, 2018

(iv) The list of investment in subsidiaries along with proportion of ownership interest held and country of incorporation are disclosed in note no. 2 (b) (V) of consolidated financial statement

(v) The above disclosures do not include transactions with public utility service providers, viz, electricity, telecommunications in the normal course of business.

(vi) The above disclosures do not include accounting and balances related to financial guarantee obligation in respect of subsidiaries.

(vii) Transactions with related parties which are in excess of 10% of the total revenue of the Group are considered as material transactions.

(viii) Transactions with related parties are made on terms equivalent to those that prevail in case of arm's lenght transactions.

13) Disclosure of loans and advances to subsidiaries pursuant to Schedule V under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015

₹ in lakhs

Name of Subsidiaries	Amount outstanding*		Maximum amount outstanding	
	As at		during the year ended	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Amulin Hydro Power Private Limited	**40**	39	**40**	39
Atos Mercantile Private Limited	**72**	72	**72**	72
Atos Trading Private Limited	**3**	7	**3**	7
Chitrangi Power Private Limited	**110,788**	128,695	**128,789**	128,695
Coastal Andhra Power Infrastructure Limited	**327**	75	**327**	1,027
Coastal Andhra Power Limited	**25,135**	25,038	**25,135**	45,933
Emini Hydro Power Private Limited	**21**	21	**21**	21
Jharkhand Integrated Power Limited	**14,700**	14,831	**14,831**	14,843
Kalai Power Private Limited	**-**	-	**-**	457
Mihundon Hydro Power Private Limited	**2**	2	**2**	2
Rajasthan Sun Technique Energy Private Limited	**190**	-	**190**	54,490
Reliance CleanGen Limited	**189,309**	156,030	**221,302**	330,140
Reliance Coal Resources Private Limited	**40,022**	37,631	**40,042**	37,631
Reliance Natural Resources Limited	**-**	1,859	**-**	2,804
Reliance Prima Limited	**-**	3	**-**	3
Samalkot Power Limited	**69**	-	**69**	6,487
Sasan Power Limited	**-**	-	**1,758**	26,069
Siyom Hydro Power Private Limited	**108**	-	**108**	806
Tato Hydro Power Private Limited	**188**	-	**188**	1,295
Urthing Sobla Hydro Power Private Limited	**73**	72	**73**	72
Lara Sumta Hydro Power Private Limited	**-**	6	**1**	6
Purthi Hydro Power Private Limited	**3**	3	**3**	3
Sumte Kothang Hydro Power Private Limited	**1**	2	**1**	2
Shangling Hydro Power Private Limited	**14**	6	**14**	6
Teling Hydro Power Private Limited	**24**	8	**24**	8
Reliance Green Power Private Limited	**9**	59	**59**	1,846
Reliance Geothermal Power Private Limited	**26**	26	**26**	26
Vidarbha Industries Power Limited	**218**	-	**218**	-
Dhursar Solar Power Private Limited	**12**	-	**12**	-

*Includes Inter corporate deposits and other receivables.

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.

Notes to the financial statements for the year ended March 31, 2018

14) Earnings per share

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit available to equity shareholders		
Profit after tax (A) (₹ in lakhs)	**225**	6,426
Number of equity shares		
Weighted average number of equity shares outstanding (Basic) (B)	**2,805,126,466**	2,805,126,466
Basic and diluted earnings per share (A/ B) (₹)	**0.01**	0.23
Nominal value of an equity share (₹)	**10.00**	10.00

15) Income taxes

The major components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are as under:

(a) **Income tax recognised in Statement of Profit and Loss**

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
(i) **Income tax expense**		
Current year tax	**-**	283
(ii) **Deferred tax**		
Deferred tax expense	**321**	397
Total income tax expense (i)+(ii)	**321**	680

Deferred tax liability as on March 31, 2018 and March 31, 2017 has been recognised on temporary differences between books and tax base of PPE.

(b) **The reconciliation of tax expense and the accounting profit multiplied by tax rate**

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Profit before tax	**546**	7,106
Tax at the Indian tax rate of 34.608%	**189**	2,459
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income:		
Unrealised exchange gain	**(2,262)**	(3,307)
Corporate social responsibility expenditure	**49**	47
Other items (net)	**12**	104
Income on financial instruments not taxable under Income Tax Act, 1961 (net)	**(6,438)**	(3,626)
Tax losses on which no deferred tax assets was recognised	**8,771**	4,720
Minimum alternate tax on which no deferred tax recognised	**-**	283
Income tax expense	**321**	680

(c) **Tax assets**

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Opening balance	**1,840**	1,353
Add: Taxes paid	**13**	500
Add: Tax credit availed during the year	**179**	929
Less : Refund of income-tax	**-**	659
Less: Current tax payable for the year	**-**	283
Closing balance	**2,032**	1,840

Notes to the financial statements for the year ended March 31, 2018

(d) **Deferred tax liabilities**

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Opening balance	**932**	535
Add : Net deferred tax liability for the year	**321**	397
Closing balance	**1,252**	932

(e) **Unused tax**

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Unused tax losses for which no deferred tax assets has been recognised	**55,808**	63,161
Potential tax benefits	**15,757**	14,818

The unused tax losses were incurred which is not likely to generate taxable income in the foreseeable future.

The Company has not recognised deferred tax assets on long term capital loss. The Company does not expect any capital gain in the foreseeable future.

16) Fair value measurements

(a) **Financial instruments by category**

₹ in lakhs

Particulars	March 31, 2018			March 31, 2017		
	FVTPL	**FVOCI**	**Amortised cost**	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	**-**	**1,900,759**	**-**	-	1,799,458	-
- Debt instruments	**-**	**-**	**180,729**	-	-	172,638
Loans	**-**	**-**	**389,212**	-	-	364,487
Trade receivables	**-**	**-**	**3,231**	-	-	2,231
Cash and cash equivalents	**-**	**-**	**47,900**	-	-	2,072
Other bank balances	**-**	**-**	**14,567**	-	-	35,407
Bank deposits with more than 12 months maturity	**-**	**-**	**200**	-	-	3,369
Other financial assets	**-**	**-**	**17,426**	-	-	12,122
Total financial assets	**-**	**1,900,759**	**653,265**	-	1,799,458	592,326
Financial liabilities						
Borrowings	**-**	**-**	**799,514**	-	-	730,446
Trade payables	**-**	**-**	**1,479**	-	-	2,753
Financial guarantee obligation	**-**	**-**	**7,668**	-	-	18,761
Other financial liabilities	**-**	**-**	**15,384**	-	-	7,325
Total financial liabilities	**-**	**-**	**824,045**	-	-	759,285

(b) **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standards. An explanation of each level follows underneath the table:

Notes to the financial statements for the year ended March 31, 2018

₹ in lakhs

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial Investments at FVOCI				
Unquoted equity instruments - Investments in Subsidiaries	-	-	1,900,759	**1,900,759**
Total financial assets	**-**	**-**	**1,900,759**	**1,900,759**
Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Debt instruments- Investments in subsidiaries*	-	-	180,729	**180,729**
Loans				
Inter-corporate deposits to related parties	-	-	229,331	**229,331**
Term deposits with more than 12 months maturity (including Margin money deposits)	-	200	-	**200**
Total financial assets	**-**	**200**	**410,060**	**410,260**
Financial Liabilities				
Borrowings	-	262,061	-	**262,061**
Financial Guarantee obligation	-	-	7,668	**7,668**
Total financial liabilities		**262,061**	**7,668**	**269,729**

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVOCI				
Unquoted equity instruments - Investments in Subsidiaries	-	-	1,799,458	1,799,458
Total financial assets	-	-	1,799,458	1,799,458
Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Debt instruments- Investments in subsidiaries	-	-	168,580	168,580
Loans				
Inter-corporate deposits to related parties	-	-	156,030	156,030
Term deposits with more than 12 months maturity (including Margin money)	-	3,369	-	3,369
Total financial assets	-	3,369	324,610	327,979
Financial Liabilities				
Borrowings	-	211,524	-	211,524
Financial Guarantee obligation	-	-	21,726	21,726
Total financial liabilities	-	211,524	21,726	233,250

(*) These Debt Instruments are due for redemption within six months from the reporting date. Therefore, the management has estimated the fair value of these debt instruments shall be approximately same as the amortised cost.

Notes to the financial statements for the year ended March 31, 2018

(c) **Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the periods ended March 31, 2018 and March 31, 2017:

₹ in lakhs

Particulars	Investment in subsidiaries - Equity instruments
As at March 31, 2016	1,589,695
Conversion of loan into equity shares	208,704
Gains/ (losses) recognised in Other Comprehensive Income	1,059
As at March 31, 2017	1,799,458
Conversion of loan into equity shares	13,520
Sale of investment in Hydro Companies	(10,592)
Gains/(losses) recognised in Other Comprehensive Income	98,373
As at March 31, 2018	**1,900,759**

Sensitivity analysis

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Fair value - Unlisted Equity Securities	**1,900,759**	1,799,458
Significant unobservable inputs		
Risk adjusted discount rate		
Increase by 50 bps	**(87,700)**	(33,500)
Decrease by 50 bps	**34,300**	35,000

(d) **Valuation processes**

The Company has obtained assistance of independent and competent third party valuation experts to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the Company and the valuer on periodic basis.

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

(e) **Fair value of financial assets and liabilities measured at amortised cost**

₹ in lakhs

Particulars	March 31, 2018		March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Debt instruments- Investments in subsidiaries	**180,729**	**180,729**	172,638	168,580
Loans				
Inter-corporate deposits to related parties	**229,331**	**229,331**	156,030	156,030
Term deposits with more than 12 months maturity (including Margin money)	**200**	**200**	3,369	3,369
Total financial assets	**410,260**	**410,260**	332,037	327,979
Financial Liabilities				
Borrowings	**262,061**	**262,061**	211,524	211,524
Financial guarantee obligation	**7,668**	**7,668**	18,761	21,726
Total financial liabilities	**269,729**	**269,729**	230,285	233,250

Notes to the financial statements for the year ended March 31, 2018

(f) **Valuation technique used to determine fair values**

The fair value of financial instruments is determined using discounted cash flow analysis.

The carrying amount of current financial assets and liabilities are considered to be the same as their fair values, due to their short term nature.

The fair value of the long-term borrowings with floating-rate of interest is not impacted due to interest rate changes, and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company borrowing (since the date of inception of the loans). Further, the Company has no long-term borrowings with fixed rate of interest except 12.18% Listed redeemable non convertible debentures.

For financial assets and liabilities that are measured at fair value, the carrying amount is equal to the fair values.

Note:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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 which are included in level 3.

There are no transfers between any levels during the year.

The Company's policy is to recognise transfer into and transfer out of fair value hierarchy levels as at the end of the reporting period.

17) Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Sensitivity analysis	Unhedged
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Unhedged
Market risk - price risk	Unquoted investment in equity shares of subsidiaries – not exposed to price risk fluctuations	-	-

(a) **Credit risk**

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to trade customers including outstanding receivables.

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company's credit risk arises from accounts receivable balances on sale of electricity is based on tariff rate approved by electricity regulator and inter-corporate deposits/loans are given to subsidiaries incorporated as special purpose vehicle for power projects awarded to the Company. The credit risk is very low as the sale of electricity is based on the terms of the PPA which has been approved by the Regulator. With respect to inter corporate deposits/ loans given to subsidiaries, the Company will be able to control the cash flows of those subsidiaries as the subsidiaries are wholly owned by the Company.

For deposits with banks and financial institutions, only highly rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at company level. The Company's policy to manage this risk is to invest in debt securities that have a good credit rating.

Notes to the financial statements for the year ended March 31, 2018

(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's treasury function maintains flexibility in funding by maintaining availability under committed credit lines.

In respect of its existing operations, the Company funds its activities primarily through long-term loans secured against each power plant. In addition, each of the operating plants has working capital loans available to it which are renewed annually, together with certain intra-group loans. The Company's objective in relation to its existing operating business is to maintain sufficient funding to allow the plants to operate at an optimal level.

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 the operating subsidiaries level 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 maintained debt financing plans.

(i) **Maturities of financial liabilities**

The amounts disclosed below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

₹ in lakhs

March 31, 2018	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Financial liabilities				
Borrowings*	617,783	199,603	63,335	880,721
Trade payables	1479	-	-	1479
Creditors for supplies and services	79	-	-	79
Dues to subsidiaries	7,206	-	-	7,206
Financial guarantee obligations	113,017	219,966	110,507	443,490
Others	8,099	-	-	8,099
Total financial liabilities	**747,663**	**419,569**	**173,842**	**1,341,074**

₹ in lakhs

March 31, 2017	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Financial liabilities				
Borrowings*	606,017	161,633	26,308	793,958
Trade payables	2,753	-	-	2,753
Creditors for supplies and services	61	-	-	61
Dues to subsidiaries	6,113	-	-	6,113
Financial guarantee obligations	82,484	226,223	237,789	546,496
Others	1,151	-	-	1,151
Total financial liabilities	**698,579**	**387,856**	**264,097**	**1,350,532**

* Includes contractual interest payments based on the interest rate prevailing at the reporting date.

(c) **Market risk**

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: a) Foreign currency risk and b) Interest rate risk.

(i) **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds monetary assets in the form of investments in US Dollar. Further it has long term monetary liabilities which are in US dollar other than its functional currency.

While the Company has direct exposure to foreign exchange rate changes on the price of non-Indian Rupee-denominated securities and borrowings, it may also be indirectly affected by the impact of foreign exchange rate changes on the earnings of companies in which the Company invests. For that reason, the below sensitivity analysis may not necessarily indicate the total effect on the Company's net assets attributable to holders of equity shares of future movements in foreign exchange rates.

Notes to the financial statements for the year ended March 31, 2018

- **Foreign currency risk exposure**

The Company's exposure to foreign currency risk (all in USD $) at the end of the reporting period expressed in Rupees, are as follows.

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Financial assets		
Investments	**180,729**	172,680
Dividend receivables	**-**	2,674
Net exposure to foreign currency risk (assets)	**180,729**	175,354
Financial liabilities		
Borrowings	**9,618**	10,950
Interest accrued on borrowings	**159**	150
Net exposure to foreign currency risk (liabilities)	**9,777**	11,100

- **Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

₹ in lakhs

Particulars	Impact on profit before tax/ PPE	
	March 31, 2018	March 31, 2017
FX rate – increase by 6% on closing rate on reporting date*	**6,720**	3,705
FX rate– decrease by 6% on closing rate on reporting date *	**(6,720)**	(3,705)

* Holding all other variables constant

The above amounts have been disclosed based on the accounting policy for exchange differences (Refer note 2.1(m).

(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 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. The Company's borrowings at variable rate were mainly denominated in Rupees.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS-107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

- **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:

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Variable rate borrowings	**191,292**	215,904

- **Interest sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates for the next one year.

₹ in lakhs

Particulars	Impact on profit before tax	
	March 31, 2018	March 31, 2017
Interest sensitivity		
Interest cost – increase by 5% on existing Interest cost*	**(847)**	(664)
Interest cost – decrease by 5% on existing Interest cost*	**847**	664

* Holding all other variables constant

Notes to the financial statements for the year ended March 31, 2018

18) Capital Management

(a) **Risk Management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on basis of total equity and debt on a periodic basis. Equity comprises all components of equity including the fair value impact. Debt includes long-term loan and short term loans. The following table summarizes the capital of the Company:

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Equity (excluding other reserves)	**1,382,408**	1,381,981
Debt	**791,180**	726,714
Total	**2,173,588**	2,108,695

(b) The Company is regular in payment of its debt service obligation and the Company has not received any communication from lenders for non compliance of any debt covenant.

(c) Final Dividends for the year ended March 31, 2018 is ₹ Nil (March 31, 2017: ₹ Nil).

19) Segment reporting

Presently, the Company is engaged in only one segment viz 'Generation of Power' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Company's operations are predominantly confined in India.

Information about major customers

Revenue from sale of energy for the year ended March 31, 2018 and March 31, 2017 were from customers located in India. Customers include private distribution entities. Revenue from sale of energy to specific customers exceeding 10% of total revenue for the years ended March 31, 2018 and March 31, 2017 were as follows: (Refer note 2n(i))

₹ in lakhs

Customer Name	For the year ended			
	March 31, 2018		March 31, 2017	
	Revenue	Percent	Revenue	Percent
R Infra	**4,118**	**100%**	4,470	100%

20) Exchange Difference on Long Term Monetary Items

As explained above in note 2(m) with respect to accounting policy followed by the Company for recording of foreign exchange differences, the Company has accumulated gain of ₹ 3,416 lakhs (March 31, 2017 ₹ 9,340 lakhs) in "Foreign currency monetary item translation difference account" towards exchange variation on revaluation of long term monetary items other than on account of depreciable assets and has adjusted the value of Plant and equipment by loss of ₹ 32 lakhs (March 31, 2017 gain of ₹ 243 lakhs) towards the exchange difference arising on long term foreign currency monetary liabilities towards depreciable assets.

21) Corporate social responsibility (CSR)

As per the section 135 of the Companies Act, 2013, the Company is required to spend ₹ 143 lakhs (March 31, 2017 ₹ 136 lakhs), being 2% of the average net profits during the three immediately preceding financial years, towards CSR activity. The Company has made a contribution of ₹ 143 lakhs (March 31, 2017 ₹ 136 lakhs).

22) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

Notes to the financial statements for the year ended March 31, 2018

23) Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Statement of cash flows

₹ in lakhs

Particulars	Year Ended March 31,2018	Year Ended March 31,2017
Long term Borrowings		
Opening Balance		
- Non Current	**149,765**	79,762
- Current	**60,142**	1,774
Availed during the year	**111,000**	148,135
Changes in Fair Value		
- Impact of Effective Rate of Interest	**1,127**	(727)
- Exchange (gain)/ loss	**32**	(243)
Repaid during the year	**(61,763)**	(18,794)
Closing Balance	**260,303**	209,907
Short term Borrowings		
Opening Balance	**516,807**	408,660
Availed during the year	**319,920**	397,296
Repaid during the year	**(305,849)**	(289,149)
Closing Balance	**530,878**	516,807
Interest Expenses		
Interest accrued but not due on borrowings	**3,732**	4,242
Interest charge as per Statement Profit & Loss/ Intangible assets under development	**40,678**	29,028
Changes in Fair Value		
- Impact of Interest	**(1,396)**	(2,317)
Interest paid to Lenders	**(34,680)**	(27,221)
Closing Balance	**8,334**	3,732

24) During the year, the Company has sold its entire holding in its six wholly owned subsidiaries viz. Lara Sumta Hydro Power Private Limited, Purthi Hydro Power Private Limited, Sumte Kothang Hydro Power Private Limited, Amulin Hydro Power Private Limited, Emini Hydro Power Private Limited and Mihundon Hydro Power Private Limited to its another wholly owned subsidiary M/s. Reliance Cleangen Limited (RCGL) on January 23, 2018. On account of such sale, the Company has recognized a gain of ₹ 6 Lakhs in other comprehensive income.

25) The figures for the previous year are re-classified/ re-grouped, wherever necessary.

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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors

Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao — Whole-time Director, CEO & CFO

Murli Manohar Purohit — Company Secretary

Place : Mumbai
Date : April 19, 2018

Independent Auditors' Report

To the Members of Reliance Power Limited

Report on the Consolidated Ind AS Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Reliance Power Limited (herein referred to as the "Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group") and its associates, which comprise of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Parent Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs, consolidated profit (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates, respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Parent Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 9 and 10 of the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2018, and their consolidated profit including other comprehensive income, its consolidated cash flows and consolidated statement changes in equity for the year ended on that date.

Emphasis of Matter

8. We draw your attention to

i. Note 7(b) of the consolidated Ind AS financial statement with respect to the wholly owned subsidiary, Samalkot Power Limited (SMPL). SMPL is confident of arriving at a positive resolution to the situation arising from the unavailability of natural gas in the country, and concluding sale of its 745 MW plant. Having regard to the foregoing and the continued financial support from the Parent Company, the management believes that SMPL would be able to meet its financial obligations in the foreseeable future. Accordingly, the financial statements of SMPL have been prepared on a going concern basis.

ii. Note 36 of the consolidated Ind AS financial statement regarding the method of depreciation adopted by the Parent Company for the purpose of consolidated financial statements being different

from the depreciation method adopted by the subsidiaries for reasons stated therein.

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

Other Matter

9. The Ind AS financial statements of two subsidiaries included in the consolidated Ind AS financial statements, which constitute total assets of ₹ 16,61,190 Lacs and net assets of ₹ 7,21,934 Lacs as at March 31, 2018, total revenue of ₹ 5,03,817 Lacs, net profit of ₹ 91,136 Lacs and net cash outflows amounting to ₹ 441 Lacs for the year then ended have been audited by Pathak H.D. & Associates, Chartered Accountants, one of the joint auditors of the Parent Company. In respect of these subsidiaries, financial statements / financial information have been furnished to us by the management and our opinion on the consolidated Ind AS financial statement in so far as it is related to these subsidiaries is based on reports of joint auditors of that subsidiary on which one of the joint auditors of the Parent Company have placed reliance.

10. We did not audit the Ind AS financial statements of 47 subsidiaries included in the consolidated Ind AS financial statement, whose financial statements reflect total assets of ₹ 15,12,824 Lacs and net assets of ₹ 3,04,539 Lacs as at March 31, 2018, total revenue of ₹ 23,160 Lacs, net loss of ₹ 20,694 Lacs and net cash outflows amounting to ₹ 34 Lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ Nil for the year ended March 31, 2018 as considered in the consolidated Ind AS financial statements, in respect of three associates whose financial statements/ financial information have not been audited by us. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, to the extent they have been derived from such financial statements, is based solely on the reports of such auditors.

    Certain of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. The conversion adjustments are made by the Parent Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and conversion adjustments prepared by the management of the Parent Company and audited by other chartered accountants whose reports have been furnished to us on which we have placed reliance.

    Our opinion on the consolidated Ind AS financial statements, and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

11. The comparative financial information of the Group and its associates for the year ended March 31, 2017, included in this consolidated Ind AS financial statements had been jointly audited by Price Waterhouse, Chartered Accountants and Pathak H.D. & Associates, Chartered Accountants, whose report dated April 13, 2017 expressed unmodified opinion on the audited consolidated Ind AS financial statements for the year ended March 31, 2017.

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

Report on Other Legal and Regulatory Requirements

12. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of subsidiaries and associates, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the preparation of the consolidated Ind AS financial statements.

    (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) The matters described under the Emphasis of Matters paragraph above may have an adverse effect on the functioning of SMPL.

    (f) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2018 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiaries and associates, which are companies incorporated in India, none of the directors of the Group companies and its associates companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

Independent Auditors' Report

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Parent Company, its subsidiaries and associates, which are companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) 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 and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries and associates, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations as at March 31, 2018 on the consolidated financial position of the Group and its associates – Refer note 4, 6, 8, 9, 10, 18, 27, 29, 31 & 32 to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2018;

iii There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company during the year ended March 31, 2018 and in case of subsidiaries and associates incorporated in India, there were no amounts which were required to be transferred to the Investor Education and Protection Fund during the year ended March 31, 2018; and

iv The disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

Bhavesh Dhupelia
Partner
Membership Number: 042070

Place: Mumbai
Date: April 19, 2018

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration Number: 107783W

Vishal D. Shah
Partner
Membership Number: 119303

Place: Mumbai
Date: April 19, 2018

Annexure – A to Auditors' report

Annexure to the Independent Auditors' Report on consolidated Ind AS financial statements referred to in paragraph "12 (g)" under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the consolidated Ind AS financial statements of Reliance Power Limited for year ended March 31, 2018.

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Reliance Power Limited ("the Parent Company") and its subsidiaries ("together referred to as "the Group"), and its associates which are companies incorporated in India as of March 31, 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Parent Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company, its subsidiaries and its associates, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent Company, its subsidiaries and its associates internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls,

Annexure – A to Auditors' report

both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiaries and associates, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion the Parent Company, its subsidiaries and its associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by Parent Company, its subsidiaries and its associates, which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to

a) 37 subsidiaries and 3 associates, which are companies incorporated in India, is based on the corresponding reports of the other auditors of such companies incorporated in India.

b) 2 subsidiaries, which are companies incorporated in India, which have been audited by Pathak H. D. & Associates, Chartered Accountants, one of the joint auditors of the Parent Company, reliance has been placed by other joint auditor on the report on internal financial controls over financial reporting issued by Pathak H. D. & Associates, Chartered Accountants, for the purpose of this report.

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

Bhavesh Dhupelia
Partner
Membership Number: 042070

Place: Mumbai
Date: April 19, 2018

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration Number: 107783W

Vishal D. Shah
Partner
Membership Number: 119303

Place: Mumbai
Date: April 19, 2018

Consolidated Balance Sheet as at March 31, 2018

₹ in lakhs

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	**34,82,696**	34,79,416
Capital work-in-progress	3.2	**6,91,283**	7,40,295
Goodwill on consolidation		**1,411**	1,411
Other intangible assets	3.3	**3,947**	4,226
Financial assets			
Investments	3.4(a)	**23**	@
Loans	3.4(b)	**36,597**	36,061
Finance lease receivables	3.4(c)	**8,32,144**	8,82,086
Other financial assets	3.4(d)	**1,55,031**	1,49,422
Other non-current assets	3.5	**2,00,961**	1,93,843
Current assets			
Inventories	3.6	**72,898**	1,02,866
Financial assets			
Investments	3.7(a)	**27,992**	79,939
Trade receivables	3.7(b)	**3,71,541**	2,98,803
Cash and cash equivalents	3.7(c)	**58,459**	17,647
Bank balances other than cash and cash equivalents	3.7(d)	**33,190**	78,132
Loans	3.7(e)	**2,61,401**	2,22,212
Finance lease receivables	3.7(f)	**55,905**	44,973
Other financial assets	3.7(g)	**34,880**	32,690
Current tax assets	3.8	**817**	1,992
Other current assets	3.9	**13,426**	38,240
Non-current assets classified as held for sale	3.10	**12,744**	12,263
Total Assets		**63,47,346**	64,16,517
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3.11	**2,80,513**	2,80,513
Other equity	3.12	**19,67,664**	18,56,245
Non-controlling interests		**@**	@
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	3.13(a)	**24,20,120**	26,29,002
Other financial liabilities	3.13(b)	**12,454**	13,709
Provisions	3.14	**3,835**	3,357
Deferred tax liabilities (net)	3.15	**2,33,662**	2,39,330
Other non-current liabilities	3.16	**1,95,441**	2,01,391
Current liabilities			
Financial liabilities			
Borrowings	3.17(a)	**3,82,214**	3,64,464
Trade payables	3.17(b)	**36,071**	37,985
Other financial liabilities	3.17(c)	**7,70,198**	7,13,542
Other current liabilities	3.18	**20,140**	56,172
Provisions	3.19	**520**	309
Current tax liabilities	3.20	**24,514**	20,498
Total Equity and Liabilities		**63,47,346**	64,16,517

@ Amount is below the rounding off norm adopted by the Group

Significant accounting policies 2

Notes to consolidated financial statements 3 to 39

The accompanying notes are an integral part of these 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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors

Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao Whole-time Director, CEO & CFO

Murli Manohar Purohit Company Secretary

Place : Mumbai
Date : April 19, 2018

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

₹ in lakhs

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations	3.21	9,83,982	10,39,565
Other income	3.22	28,308	49,603
Total income		10,12,290	10,89,168
Expenses			
Cost of fuel consumed (including cost of coal excavation)	3.23	3,98,520	4,69,492
Employee benefits expense	3.24	18,652	18,265
Finance costs	3.25	2,92,597	2,84,308
Depreciation and amortization expense	3.1	75,882	73,400
Generation, administration and other expenses	3.26	1,03,505	1,01,161
Total expenses		8,89,156	9,46,626
Profit before tax		1,23,134	1,42,542
Income tax expense			
Current tax	19	25,485	25,729
Deferred tax	19	(5,668)	6,397
Income tax for earlier years	19	(164)	-
Profit for the year (A)		1,03,481	1,10,416
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans (Refer note 14)		(20)	103
(b) Items that will be reclassified to profit or loss			
Currency translation (loss)/Gains		683	(4,438)
Other Comprehensive Income for the year (B)		663	(4,335)
Total Comprehensive Income for the year (A+B)		1,04,144	1,06,081
Profit attributable to:			
(a) Owners of the parent		1,03,481	1,10,416
(b) Non-controlling interests		-	-
		1,03,481	1,10,416
Other Comprehensive Income attributable to:			
(a) Owners of the parent		663	(4,335)
(b) Non-controlling interests		-	-
		663	(4,335)
Total Comprehensive Income attributable to:			
(a) Owners of the parent		1,04,144	1,06,081
(b) Non-controlling interests		-	-
		1,04,144	1,06,081
Earnings per equity share: (Face value of Rs. 10 each)			
Basic and Diluted (Rupees)	17	3.69	3.94
Significant accounting policies	2		
Notes to consolidated financial statements	3 to 39		

The accompanying notes are an integral part of these 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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors

Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao — Whole-time Director, CEO & CFO

Murli Manohar Purohit — Company Secretary

Place : Mumbai
Date : April 19, 2018

Abridged Consolidated Statement of changes in equity

A. Equity Share Capital (Refer note 3.11)

	₹ in lakhs
Balance as at April 01, 2016	2,80,513
Changes in equity share capital	-
Balance as at March 31, 2017	2,80,513
Changes in equity share capital	-
Balance as at March 31, 2018	**2,80,513**

B. Other Equity (Refer note 3.12)

₹ in lakhs

Particulars	Note No.	Reserve and Surplus				Other reserves					Total
		Securities Premium Account	Retained Earnings	General Reserve	Debenture redemption reserve	Foreign currency monetary item translation difference account	Treasury Shares	Foreign currency translation reserve	Capital Reserve (on consolidation)	General Reserve (Arisen pursuant to composit schemes of arrangment)	
Balance as at March 31, 2016		11,05,454	4,40,039	97,807	2,798	(20,752)	(4,130)	10,461	8,337	1,02,156	17,42,170
Profit for the year		-	1,10,416	-	-	-	-	-	-	-	1,10,416
Remeasurements of post-employment benefit obligation (net)	14	-	103	-	-	-	-	-	-	-	103
Currency translation (loss)/ gains	2(p)(i)	-	-	-	-	-	-	(4,438)	-	-	(4,438)
Total Comprehensive Income for the year		-	1,10,519	-	-	-	-	(4,438)	-	-	1,06,081
Transfer from Debenture redemption reserve		-	10,000	-	(10,000)	-	-	-	-	-	-
Transfer to Debenture redemption reserve		-	(12,247)	-	12,247	-	-	-	-	-	-
Utilisation from Securities premium account	33	-	2,70,000	-	-	-	-	-	-	-	2,70,000
Transfer to Retained earnings	33	(2,70,000)	-	-	-	-	-	-	-	-	(2,70,000)
Addition during the year		-	-	-	-	3,263	-		-	-	3,263
Amortisation during the year		-	-	-	-	4,731	-	-	-	-	4,731
Balance as at March 31, 2017		8,35,454	8,18,311	97,807	5,045	(12,758)	(4,130)	6,023	8,337	1,02,156	18,56,245

₹ in lakhs

Particulars	Note No.	Reserve and Surplus				Other reserves					Total
		Securities Premium Account	Retained Earnings	General Reserve	Debenture redemption reserve	Foreign currency monetary item translation difference account	Treasury Shares	Foreign currency translation reserve	Capital Reserve (on consolidation)	General Reserve (Arisen pursuant to composit schemes of arrangment)	
Profit for the year		-	1,03,481	-	-	-	-	-	-	-	1,03,481
Remeasurements of post-employment benefit obligation (net)	14	-	(20)	-	-	-	-	-	-	-	(20)
Currency translation (loss)/Gains	2(p)(i)	-	-	-	-	-	-	683	-	-	683
Total Comprehensive Income for the year		**-**	**1,03,461**	**-**	**-**	**-**	**-**	**683**	**-**	**-**	**1,04,144**
Transfer from Debenture redemption reserve		-	14,000	-	(14,000)	-	-	-	-	-	-
Transfer to Debenture redemption reserve		-	(13,638)	-	13,638	-	-	-	-	-	-
Addition during the year		-	-	-	-	(279)	-		-	-	(279)
Amortisation during the year		-	-	-	-	4,269	-	-	-	-	4,269
Sale of Treasury shares	11	-	-	-	-	-	3,285	-	-	-	3,285
Balance as at March 31, 2018		**8,35,454**	**9,22,134**	**97,807**	**4,683**	**(8,768)**	**(845)**	**6,706**	**8,337**	**1,02,156**	**19,67,664**

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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors
Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao — Whole-time Director, CEO & CFO

Murli Manohar Purohit — Company Secretary

Place : Mumbai
Date : April 19, 2018

Consolidated Cash Flow Statement for the year ended March 31, 2018

₹ in lakhs

	Particulars	Note no.	Year ended March 31, 2018	Year ended March 31, 2017
(A)	**Cash flow from / (used in) operating activities**			
	Profit before tax		**1,23,134**	1,42,542
	Adjusted for:			
	Gain arising on mutual fund investment mandatorily measured at fair value		**(1,682)**	-
	Depreciation / amortisation	3.1 and 3.3	**89,468**	86,200
	Finance cost including (gain) / loss on derivative	3.25	**2,92,597**	2,84,308
	Profit on sale of current investment (non trade)	3.22	**(1,605)**	(8,330)
	Interest income	3.22	**(17,236)**	(31,288)
	Loss on foreign exchange fluctuations (net)		**4,401**	4,166
	Government grant	3.22	**(5,307)**	(5,307)
	(Gain)/Loss on sale of fixed assets	3.26	**747**	(462)
	Provision for doubtful debts / amount written-off	3.26	**-**	3,498
	Provision for leave encashment and gratuity		**886**	746
			4,85,403	4,76,073
	Change in operating assets and liabilities:			
	(Increase) / decrease in inventories		**29,968**	(6,396)
	(Increase) / decrease in trade receivables		**(72,738)**	(34,998)
	(Increase) / decrease in other financial assets		**36,374**	36,746
	(Increase) / decrease in other current assets		**14,006**	15,997
	Increase / (decrease) in other current liability		**(35,941)**	(1,174)
	Increase / (decrease) in trade payables		**4,065**	(9,341)
	Increase / (decrease) in other financial liabilities		**(3,600)**	2,407
			(27,866)	3,241
	Taxes paid / refund (net)		**(21,065)**	(8,778)
	Net cash from/ (used in) operating activities		**4,36,472**	4,70,536
(B)	**Cash flow from / (used in) investing activities**			
	Payment for Property, plant and equipments including capital advance		**(45,974)**	(60,061)
	Proceeds from sale of Property, plant and equipments		**1,309**	2,512
	Interest income on bank and other deposits		**17,213**	23,788
	Inter corporate deposits given		**(48,369)**	(2,69,688)
	Inter corporate deposits refunded		**9,012**	58,750
	Sale of investments in ESOS Trust		**3,285**	-
	Sale / (purchase) of investments (net)		**55,211**	15,666
	Fixed deposits / margin money deposits having original maturity more than three months		**43,741**	14,848
	Net cash from/ (used in) investing activities		**35,428**	(2,14,185)

Consolidated Cash Flow Statement for the year ended March 31, 2018

₹ in lakhs

	Particulars	Note no.	Year ended March 31, 2018	Year ended March 31, 2017
(C)	**Cash flow from / (used in) financing activities**			
	Proceeds from long term borrowings	3.13(a)	**207,961**	337,105
	Repayment of long term borrowings	3.13(a)	**(432,619)**	(477,642)
	Proceeds from short term borrowings - (net)	3.17(a)	**31,351**	63,807
	Interest and finance charges	3.25	**(299,180)**	(273,202)
	Proceeds from issue of commercial paper	3.17(a)	**17,750**	25,000
	Repayment of commercial paper	3.17(a)	**(10,750)**	(30,000)
	Other inter corporate deposits received	3.17(a)	**10,399**	-
	Proceeds/(repayment) from issue of Non- convertible Debenture	3.17(a)	**(56,000)**	56,000
	(Repayment)/proceeds of Non- convertible Debenture	3.17(a)	**100,000**	(40,000)
	Net cash from/ (used in) financing activities		**(431,088)**	(338,932)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		**40,812**	(82,581)
	Opening balance of cash and cash equivalents*	3.7(c)	**17,647**	100,228
	Closing balance of cash and cash equivalents*	3.7(c)	**58,459**	17,647

* Includes restricted cash and cash equivalents of ₹ 43,924 lakhs (March 31, 2017 ₹ 6,228 lakhs)

The accompanying notes are an integral part of these 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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors
Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao — Whole-time Director, CEO & CFO

Murli Manohar Purohit — Company Secretary

Place : Mumbai
Date : April 19, 2018

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

1) General Information

Reliance Power Limited ("the Parent Company") together with all of its subsidiaries ("the Group") and associates is primarily engaged in the business of generation of power. The projects under development include coal, gas, hydro, wind and solar based energy projects. The portfolio of the Reliance Power Group also includes Ultra Mega Power Projects (UMPPs).

The Parent Company is a Public Limited Company and it's equity shares are listed on two recognised stock exchanges in India and is incorporated and domiciled in India under the provisions of the Companies Act, 1956. The registered office of the Parent Company is located at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710.

These consolidated financial statements were authorised for issue by the Board of Directors of the Parent Company on April 19, 2018.

2) Significant accounting policies and critical accounting estimates and judgements

2.1 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group and associates.

(a) **Basis of preparation of consolidated financial statements**

The consolidated financial statements of the Group and it's associates have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act") to the extent applicable. The policies set out below have been consistently applied during the years presented.

Functional and presentation currency

The consolidated financial statements are presented in 'Indian Rupees', which is also the Parent Company functional currency. All amounts are rounded to the nearest lakhs, unless otherwise stated.

Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the following:

- Certain financial assets and financial liabilities at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets that are measured at fair value

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 on the measurement date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised 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

Current vis-à-vis non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Group or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Group or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

(b) **Principles of consolidation**

I. **Subsidiaries**

Subsidiaries are all entities, and its controlled trust 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 on which control ceases.

The acquisition method of accounting is used to account for business combinations by the Parent Company.

The financial statements of the Parent Company and its subsidiaries are consolidated by combining like items of assets, liabilities, income, expenses and cash flows after fully eliminating intra group balances and intra group transactions resulting in unrealized profit or loss in accordance with the Indian Accounting Standard ("Ind AS") 110 "Consolidated Financial Statements" as referred to in the Indian Accounting Standards Rules, 2015 and as amended from time to time. The consolidated financial statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented in the same manner as far as possible, as the standalone financial statements of the Parent Company.

Share of non-controlling Interest in net profit or loss of consolidated subsidiaries for the year is identified and adjusted against income of the Group in order to arrive at the net income attributable to the equity shareholders of the Company. Non-controlling interests and net assets of the subsidiaries are identified and presented in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively as a separate item from liabilities and the shareholders' equity.

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, after initially being recognised at cost which includes transaction costs.

III. **Equity method**

Under the equity method of accounting, the investments are initially recognised at cost, which includes transaction costs and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and other comprehensive income (OCI) of the equity accounted investees. Dividends received or receivable from associates 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 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.

IV. **Changes in ownership interests**

Change in ownership interests for transaction with non-controlling interests that do not result in a loss of control are treated as the 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. Gains or losses on disposals of controls in subsidiaries to non-controlling interests are recorded in 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 profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequent 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 off the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

V. **The subsidiaries and associates considered in the consolidated financial statements are**

Sr. No.	Name of Company	Principal place of business	Proportion (%) of shareholding	
			March 31, 2018	March 31, 2017
	Subsidiaries			
1	Rosa Power Supply Company Limited (RPSCL)	India	**100**	100
2	Sasan Power Limited (SPL)	India	**100**	100
3	Jharkhand Integrated Power Limited (JIPL)	India	**100**	100
4	Coastal Andhra Power Limited (CAPL)	India	**100**	100
5	Maharashtra Energy Generation Limited (MEGL)	India	**100**	100
6	Chitrangi Power Private Limited (CPPL)	India	**100**	100
7	Vidarbha Industries Power Limited (VIPL)	India	**100**	100
8	Siyom Hydro Power Private Limited (SHPPL)	India	**100**	100
9	Tato Hydro Power Private Limited (THPPL)	India	**100**	100
10	Kalai Power Private Limited (KPPL)	India	**100**	100
11	Urthing Sobla Hydro Power Private Limited (USHPPL)	India	**89**	89
12	Amulin Hydro Power Private Limited (AHPPL)	India	**100**	100
13	Emini Hydro Power Private Limited (EHPPL)	India	**100**	100
14	Mihundon Hydro Power Private Limited (MHPPL)	India	**100**	100
15	Reliance Coal Resources Private Limited (RCRPL)	India	**100**	100
16	Reliance CleanGen Limited (RCGL)	India	**100**	100
17	Rajasthan Sun Technique Energy Private Limited (RSTEPL)	India	**100**	100
18	Coastal Andhra Power Infrastructure Limited (CAPIL)	India	**100**	100
19	Reliance Prima Limited (RPrima)	India	**100**	100
20	Atos Trading Private Limited (ATPL)	India	**100**	100
21	Atos Mercantile Private Limited (AMPL)	India	**100**	100
22	Reliance Natural Resources Limited (RNRL)	India	**100**	100
23	Dhursar Solar Power Private Limited (DSPPL)	India	**100**	100
24	Reliance Natural Resources (Singapore) Pte Limited (RNRL-Singapore)	Singapore	**100**	100
25	Purthi Hydro Power Private Limited (PHPPL)	India	**100**	100
26	Teling Hydro Power Private Limited (TPPL)	India	**100**	100
27	Shangling Hydro Power Private Limited (SPPL)	India	**100**	100
28	Lara Sumta Hydro Power Private Limited (LHPPL)	India	**100**	100
29	Sumte Kothang Hydro Power Private Limited (SKHPPL)	India	**100**	100
30	Reliance Geothermal Power Private Limited (RGTPPL)	India	**75**	75
31	Reliance Green Power Private Limited (RGPPL)	India	**100**	100
32	Moher Power Limited (formerly known as Bharuch Power Limited) (MPL)	India	**100**	100
33	Samalkot Power Limited (SMPL)	India	**100**	100
34	Reliance Solar Resources Power Private Limited (RSRPPL)	India	**100**	100
35	Reliance Wind Power Private Limited (RWPPL)	India	**100**	100
36	Reliance Power Netherlands BV (RPN)	Netherlands	**100**	100
37	PT Heramba Coal Resources (PTH)	Indonesia	**100**	100
38	PT Avaneesh Coal Resources (PTA)	Indonesia	**100**	100
39	PT Brayan Bintang Tiga Energi (BBE)	Indonesia	**100**	100
40	PT Sriwijiya Bintang Tiga Energi (SBE)	Indonesia	**100**	100
41	PT Sumukha Coal Services (PTS)	Indonesia	**99.6**	99.6
42	Reliance Bangladesh LNG & Power Limited (RBLPL)	Bangladesh	**100**	100
43	Reliance Power Holding FZC, Dubai (RFZC)	UAE	**100**	100
44	Reliance Bangladesh LNG Terminal Limited (w.e.f. 17th April,2017) (RBLTL)	Bangladesh	**100**	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

Sr. No.	Name of Company	Principal place of business	Proportion (%) of shareholding	
			March 31, 2018	March 31, 2017
45	RPL Sunshine Power Private Limited (RPLSUNSHINEPPL) (Upto February 19, 2018)	India	**-**	100
46	RPL Surya Power Private Limited (RSURYAPPL) (Upto February 19, 2018)	India	**-**	100
47	RPL Solar Power Private Limited (RSOLARPPL) (Upto February 19, 2018)	India	**-**	100
48	RPL Sunlight Power Private Limited (RPLSUNLIGHTPPL) (Upto February 19, 2018)	India	**-**	100
49	RPL Solaris Power Private Limited (RPLSOLARISPPL) (Upto February 19, 2018)	India	**-**	100
50	RPL Star Power Private Limited (RPLSTARPPL) (Upto February 19, 2018)	India	**-**	100
	Associates			
1	RPL Sun Power Private Limited (RSUNPPL) (w.e.f. June 16, 2016)	India	**50**	50
2	RPL Photon Private Limited (RPHOTONPL) (w.e.f. June 16, 2016)	India	**50**	50
3	RPL Sun Technique Private Limited (RSUNTPL) (w.e.f. June 16, 2016)	India	**50**	50

(c) **Recent accounting pronouncements**

Standards issued but not yet effective

(i) **Amendment to Ind AS115 : Revenue from Contracts with Customers**

In March 2018, the Ministry of Corporate Affairs (the MCA), Government of India (GoI) notified Ind AS 115 'Revenue from Contracts with Customers'.

The standard is applicable to the Company with effect from April 1, 2018.

Ind AS 115 proposes a change from the age-old transfer of 'Risk and Rewards' to a 'Control' model. Under Ind AS 115, revenue is recognised when control over goods or services is transferred to a customer, which under current GAAP is based on the transfer of risks and rewards. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the goods or services, there is transfer of title, supplier has right to payment etc. with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

The Entities will have to determine whether revenue should be recognised 'over time' or 'at a point in time'. As a result, it will be required to determine whether control is transferred over time. If not, only then revenue will be recognised at a point in time, or else over time. Ind AS 115 focuses heavily on what the customer expects from a supplier under a contract. Companies will have to necessarily determine if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration will then be allocated to multiple POs and revenue recognised when control over those distinct goods or services are transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. This could result in earlier recognition of revenue compared to current practice especially impacting industries where revenue is presently not recorded until all contingencies are resolved. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and interestingly in case of advance collections, the effect will be opposite resulting is revenue exceeding the contract price with the difference accounted as a finance expense. This may impact entities having significant advance or deferred collection arrangements e.g. real estate infrastructure, EPC, IT Services etc.

(ii) **Appendix B to Ind AS 21, Foreign currency transactions and advance consideration**

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

These amendments will come into force from April 1, 2018, the Group and it's associates are evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

(d) **Property, plant and equipment (including capital work-in-progress)**

(i) Freehold land is carried at cost. All Items of Property, plant and equipment (PPE) are stated at cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of PPE comprises of its purchase price, capitalised borrowing costs and adjustment arising for exchange rate variations attributable to the assets (Note 2.1(p) (ii) below), including any cost directly attributable to bringing the assets to their working condition for their intended use.

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 derecognized when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the year in which they are incurred.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under capital work-in-progress.

Spare parts are recognised when they meet the definition of PPE, otherwise, such items are classified as inventory.

Any gain or loss on disposal/ discarding of an item of PPE is recognised in statement of profit and loss.

Depreciation methods, estimated useful life and residual value

Depreciation on PPE is provided to the extent of depreciable amount on straight line method (SLM) based on useful life of the following assets as prescribed in Part C of Schedule II to the Companies Act, 2013:

Particulars	Estimated useful life
Buildings	3 to 60 years
Plant and equipment	15 to 40 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years

Different useful life has been determined based on internal assessment and independent technical evaluation for the following assets which are not covered above:

Particulars	Estimated useful life
Motor vehicles	5 years
Coal Mine Heavy Earth Moving and Mining Equipment in SPL	30 years
Plant and equipment of DSPPL and RSTEPL	25 years

Depreciation on additions is calculated pro rata basis from the following month of addition.

Lease hold land is amortised over the lease period from the date of receipt of advance possession or execution of lease deed, whichever is earlier, except leasehold land for coal mining, which is amortised over the period of mining rights.

In SPL, freehold land acquired for coal mining is amortised over the period of mining rights, considering the same cannot be put to any other purpose other than mining.

In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of PPE, depreciation is provided as aforesaid over the residual life of the respective assets.

Estimated useful life, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

(ii) Deposits, payments/ liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

(iii) Construction stores have been valued at weighted average cost.

(iv) PPE is derecognized when asset is retired or sold.

(e) **Mining properties under property, plant and equipment (in SPL)**

(i) **Overburden removal costs**

Removal of overburden and other waste material, referred to as "Stripping Activity", is necessary to extract the coal reserves in case of open pit mining operations. The stripping ratio, as approved by the regulatory authority, for the life of the mine is obtained by dividing the estimated quantity of overburden by the estimated quantity of mineable coal reserve to be extracted over the life of the mine. This ratio is periodically reviewed and changes, if any, are accounted for prospectively.

The overburden removal costs are included in mining properties under property, plant and equipment and amortised based on stripping ratio on the quantity of coal excavated. Overburden removal cost includes cost of fuel and power related to equipments, direct labour, other direct expenditure and appropriate portion of variable and fixed overhead expenditure.

(ii) **Mine closure obligation**

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalized when incurred reflecting the Company's obligations at that time. The provision for decommissioning assets is based on the current estimate of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate.

(iii) **Mine development expenditure**

Expenditure incurred on development of coal mine is grouped under capital work-in-progress till the coal mine is ready for its intended use. Once the mine is ready for its intended use, such mine development expenditure is capitalised and included in mining properties under property, plant and equipment.

Mine development expenditure is amortised over the life of the mine on a unit of production basis.

(f) **Intangible assets**

(i) Goodwill on acquisition 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. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/ depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

(iii) Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

(iv) Mining right represents directly attributable cost (other than the land cost) incurred for obtaining the mining rights for a period of thirty years.

(v) Any gain or loss on disposal of an item of intangible asset is recognised in statement of profit and loss.

Amortisation method and periods

Amortisation is charged on a straight-line basis over the estimated useful life. The estimated useful life, residual value and amortisation method are reviewed periodically at each annual reporting date, with the effect of any changes in the estimate being accounted for on a prospective basis.

Computer software is amortised over an estimated useful life of 3 years.

In SPL, mining rights are amortised on a straight-line basis over the period of 30 years i.e. the period over which SPL has the right to carry out mining activities.

(g) **Operating lease**

In respect of operating lease, lease rent is expensed on straight line basis with reference to the term of lease unless the lease rent is structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Where the lessor effectively retains substantially all risks and benefits of the ownership of the leased assets, lease is classified as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss.

(h) **Impairment of non-financial assets**

Goodwill and intangible assets that have indefinite useful life are tested annually for impairment or more frequently, if events or changes in circumstances indicate that they may be impaired. Other assets which are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverable value is higher of net selling price and value in use. An impairment loss is recognised when carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. Impairment loss recognised in prior accounting period is increased/ reversed (for the assets other than Goodwill) where there is change in the estimate of recoverable value. Such a reversal is made only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss has been recognized.

(i) **Inventories**

Inventories of tools, stores, spare parts, consumable supplies and fuel are valued at lower of weighted average cost, which includes all non-refundable duties and charges incurred in bringing the goods to their present location and condition or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

In case of coal stock, the measured stock is based on a verification process adopted and the variation between measured stock and book stock is charged to statement of profit and loss.

(j) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

(k) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Investment and Other Financial Assets

(i) **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 Group 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 profit or loss or other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) **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 statement of profit and loss.

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. Gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other 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 FVOCI. Movements in the carrying amount are taken through other comprehensive income(OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, cumulative gain or loss previously recognised in OCI is reclassified from other 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 (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. Gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as FVPL. However, such election is allowed only if, doing so reduces or eliminates measurement or recognition inconsistency (referred to as 'accounting mismatch').

(iii) **Impairment of Financial Assets**

The Group and it's associates assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group and it's associates 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) **Derecognition of Financial Assets**

A financial asset is derecognised only when:

- 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 to one or more recipients.

Where the Group 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 Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Group 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.

(v) **Income recognition**

Interest income

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. While 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.

Dividend

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(vi) **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.

(vii) **Derivative Financial Instruments**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Further gain/ (losses) arising on settlement and fair value change therein are generally recognized in statement of profit and loss.

(l) **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.

(m) **Financial liabilities**

(i) **Classification as debt or equity**

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts, and derivative financial instruments.

(iii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Borrowings

Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss/ capital work-in-progress over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the consolidated financial statements for issue, not to demand payment as a consequence of the breach.

Trade and other payables

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Those payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

(iv) **Derecognition**

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ (losses). 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 recognised in the Consolidated statement of profit and loss.

(n) **Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised 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 capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(o) **Provisions, Contingent Liabilities and Contingent Assets**

Provision

Provisions 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 has been reliably estimated.

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 interest expense.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A present obligation that arises from past events but it is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation can not be measured with sufficient reliability.

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

(p) **Foreign currency transaction**

(i) **Functional and presentation currency**

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates are presented in Indian Rupees which is also the Parent Company functional currency. The functional currency for all the entities in the Group is Indian Rupees except following subsidiaries:-

(a)	Reliance Natural Resources (Singapore) Pte Limited	- USD
(b)	Reliance Power Netherland BV	- USD
(c)	Reliance Power Holding FZC	- AED
(d)	Reliance Bangladesh LNG & Power Limited	- BDT
(e)	Reliance Bangladesh LNG Terminal Limited	- BDT
(f)	PT Heramba Coal Resources	- USD
(g)	PT Avaneesh Coal Resources	- USD
(h)	PT Sumukha Coal Services	- USD
(i)	PT Brayan Bintang Tiga Energi	- Rupiah
(j)	PT Sriwijaya Bintang Tiga Energi	- Rupiah

In case of all foreign companies translation of financial statements to the presentation currency is done for assets and liabilities using the exchange rate in effect at the balance sheet date, and for revenue, expenses and cash flow items using the average exchange rate for the reported period. Gain/(loss) resulting from such transactions are included in foreign currency translation reserve under other component of equity.

(ii) **Transaction and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions.

All exchange differences arising on restatement/ settlement of short-term foreign currency monetary items at rates different from those at which they were initially recorded are recognised in the statement of profit and loss.

In respect of foreign exchange differences arising on revaluation or settlement of long-term foreign currency monetary items, the Group has availed the option available in the Ind AS-101 to continue the policy adopted in Previous GAAP for accounting of exchange differences arising from translation of long-term foreign currency monetary items outstanding as on March 31, 2016, wherein:

- Foreign exchange differences on account of depreciable asset, is adjusted in the cost of depreciable asset and would be depreciated over the balance life of asset.
- In other cases, foreign exchange difference is accumulated in "foreign currency monetary item translation difference account" and amortised over the balance period of such long-term asset/ liabilities.

(iii) Non-monetary items denominated in foreign currency are stated at the rates prevailing on the date of the transactions/ exchange rate at which transaction is actually effected.

(q) **Revenue recognition**

The Group recognises revenue when the amount of revenue can be reliably measured at fair value of consideration received or receivable, 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 estimate on historical results, taking into consideration the type of transactions and specifics of each arrangement.

(i) In RPSCL, revenue from sale of energy is recognised on an accrual basis as per the tariff rates approved by Uttar Pradesh Electricity Regulatory Commission (UPERC) in accordance with the provisions of Power Purchase Agreement (PPA) with Uttar Pradesh Power Corporation Limited (UPPCL). In case where final tariff rates are yet to be approved/ agreed, provisional tariff is adopted based on provisional tariff order issued by UPERC. Further, the revenue is also recognised towards truing up of fixed charges as per the petitions filed based on the principles enunciated in the PPA.

Revenue from sale of energy referred to above includes fixed charges considered as minimum lease payments in accordance with appendix "C" to Ind AS-17 'Determining whether an arrangement contains a lease', which is apportioned between finance income and reduction of finance lease receivables and finance Income is disclosed as 'Income on assets given on finance lease" under "Other Operating Income" (Refer note 2.1 (v) below). Revenue towards truing up of fixed charges is recognized as operating income in the statement of profit and loss in the year of truing up. In case of difference between the revenue recognized based on provisional tariff order/petitions filed and final tariff order, minimum lease payments is adjusted to the extent of difference for balance period of lease to arrive at revised internal rate of return based on which minimum lease payments is apportioned between finance income and reduction of finance lease receivables.

(ii) In DSPPL, revenue from sale of energy is recognised on an accrual basis as per the tariff rates notified by Central Electricity Regulatory Commission (CERC) in accordance with the provisions of PPA with Reliance Infrastructure Limited (R Infra).

(iii) In RSTEPL, revenue from sale of energy is recognised on an accrual basis and in accordance with the provisions of PPA with NTPC Vidyut Vyapar Nigam Limited (NVVN) read with CERC regulations.

(iv) In Parent Company, revenue from sale of energy of wind power project at Vashpet is recognised on an accrual basis in accordance with the provisions of PPA/ sale arrangements with R Infra read with the regulation of Maharashtra Electricity Regulatory Commission (MERC). Income on Generation based incentive of wind power project at Vashpet is accounted on an accrual basis considering eligibility for project for availing the incentive.

(v) In VIPL, revenue from sale of energy is recognized on an accrual basis as per the tariff rates approved by MERC in accordance with the provisions of PPA with R Infra. Further, revenue is also recognised towards

truing up of fixed charges and fuel adjustment charges as per the terms of PPA read with MERC (Multiyear tariff) Regulations. Further, the revenue is also recognized based on regulatory changes from time to time.

Revenue from sale of energy referred to above includes fixed charges considered as minimum lease payments in accordance with Appendix "C" to Ind AS-17 'Determining whether an arrangement contains a lease', is apportioned between finance income and reduction of finance lease receivables and finance Income is disclosed as "Income on assets given on finance lease" under "Other Operating Income" (Refer note 2.1 (v) below). Revenue towards truing up of fixed charges is recognized as operating income in the statement of profit and loss in the year of truing up. In case of difference between the revenue recognized based on provisional tariff order/petitions filed and final tariff order, minimum lease payments is adjusted to the extent of difference for balance period of lease to arrive at revised internal rate of return based on which minimum lease payments is apportioned between finance income and reduction of finance lease receivables.

(vi) In SPL, revenue from sale of energy is recognized when it is measurable and there is reasonable certainty for collection, in accordance with the tariff provided in the PPA and considering the petitions filed with regulatory authorities for tariff as per the terms of PPA.

(vii) The surcharge on late payment/ overdue trade receivables for sale of energy is recognised when no significant uncertainty as to measurement and collectability exists.

(viii) Revenue from certified reduction units is recognised as per terms and conditions agreed with trustee on future sale of certified emission reduction units.

(r) **Employee benefits**

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 current employee benefit obligations in the balance sheet.

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 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.

Post employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity
- defined contribution plans such as provident fund and superannuation fund

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 Rupees 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 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 consolidated 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.

Defined contribution plans

Provident fund

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 recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Superannuation fund

Certain employees of the Group are participants in a defined contribution plan. The Group has no further obligations to the plan beyond its monthly contributions which are contributed to a trust fund, the corpus of which is invested with Reliance Life Insurance Company Limited.

(s) **Employee stock option scheme (ESOS)**

ESOS Scheme

The employees of the Group are entitled for grant of stock option (equity shares), based on the eligibility criteria set in ESOS plan of the Parent Company.

The fair value of options granted under the ESOS plan is recognised as an employee benefits expense with a corresponding increase in equity. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

ESOS Trust

The Parent Company's ESOS Scheme is administered through Reliance Power ESOS Trust ("RPET"). The Group treats the RPET as its extension and shares held by RPET are treated as treasury shares and accordingly, RPET is consolidated in the Parent Company's books.

(t) **Non-current assets held for sale**

Non-current assets 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.

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.

(u) **Income taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operates and generates 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, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). 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 assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. 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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(v) **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.

These leases are analysed based on the situations and indicators set out in Ind AS-17 in order to determine whether they constitute operating leases or finance leases.

A finance lease is defined as a lease which transfers substantially all the risks and rewards incidental to the ownership of the related asset to the lessee. All leases which do not comply with the definition of a finance lease are classified as operating leases.

The following main factors are considered by the Group to assess if a lease transfers substantially all the risks and rewards incidental to ownership: whether

(i) the lessor transfers ownership of the asset to the lessee by the end of the lease term;

(ii) the lessee has an option to purchase the asset and if so, the conditions applicable to exercising that option;

(iii) the lease term is for the major part of the economic life of the asset;

(iv) the asset is of a highly specialized nature; and

(v) the present value of minimum lease payments amounts to at least substantially all of the fair value of the leased asset.

As a lessor (Finance lease)

Appendix "C" of Ind AS 17 deals with the identification of services and take-or-pay sales or purchasing contracts that do not take the legal form of a lease but convey rights to customers/ suppliers to use an asset or a group of assets in return for a payment or a series of fixed payments. Contracts meeting these criteria are identified as either operating leases or finance leases. In the later case, a finance lease receivable is recognized to reflect the financing deemed to be granted by the Group where it is considered as acting as lessor and its customers as lessees.

The Group has concluded the finance lease mainly with respect to PPA, particularly where the contract conveys to the purchaser of the energy an exclusive right to use generated energy.

In case of finance leases, where assets are leased out under a finance lease, the amount recognized under finance lease receivables is an amount equal to the net investment in the lease.

Minimum lease payment made under finance lease is apportioned between the finance income and the reduction of the outstanding receivables. The finance income is allocated to each period during the lease terms so as to produce a constant periodic rate of interest on the remaining balance of the lease receivable.

(w) **Cash and cash equivalents**

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less from date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(x) **Earnings per share**

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) **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.

(z) **Segment Reporting**

The Operating segments has been identified and reported taking into account its internal financial reporting, performance evaluation and organizational structure of its operations, operating segment is reported in the manner evaluated by Board considered as Chief Operating Decision-Maker under Ind AS 108 "Operating Segment".

(aa) **Accounting for oil and gas activity**

The Group follows the "Successful Efforts Method" of accounting for its oil and natural gas exploration and production activities read with the Guidance Note published by Institute of Chartered Accountants of India in December, 2016.

The cost of survey and prospecting activities conducted in search of oil and gas are expensed out in the year in which the same are incurred. Accordingly, assets and liabilities are accounted on the basis of statement of accounts of Joint operations on line by line basis according to the participating interest of the Group.

(bb) **Government grant**

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 profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

In case of SPL, exemption granted by Government of India to UMPPs under the Custom Act, 1962 is recognized at their fair value as government grant. Government grants relating to the purchase of Property, plant and equipment are included in non-current liabilities as deferred income and credited to Profit or loss in the proportions in which depreciation expense on those assets is recognised.

In case of RPSCL, the benefit of interest free government loan in the form of deferred payments of Value added tax and entry tax is treated as government grant. The deferred payment liabilities are recognised and measured in accordance with Ind AS 109, "Financial Instruments" where the benefit of the below market rate of interest shall be measured as the difference between the initial carrying value determined in accordance with Ind AS 109, and the proceeds received.

(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.

2.2 Critical accounting estimates and judgements

The preparation of the consolidated financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets, 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 Group 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:

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

(a) **Useful life of Power Plants given on finance lease classified as finance lease receivables**

The Group has independently estimated the useful life and method of depreciation of power plant and coal mine assets considering the total portfolio of power generation assets based on the expected wear and tear, industry trends etc. In actual, the wear and tear can be different. When the useful life differ from the original estimated useful life, the Group will adjust the estimated useful life/ residual value accordingly. It is possible that the estimates made based on existing experience are different to the actual outcomes within the next financial period and could cause a material adjustment to the carrying amount of property, plant and equipment and finance lease receivables.

(b) **Stripping ratio for coal mining**

Significant estimate is involved in case of open pit mining operations for estimating quantity of overburden and mineable coal reserve which would be extracted over the life of the mine, based on which stripping ratio is determined. This ratio is periodically reviewed and changes, if any, are accounted for prospectively. The Company has considered the stripping ratio based on the coal mine plan approved by the regulator.

(c) **Income taxes**

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. (Refer note 19)

(d) **Deferred tax**

The Group has deferred tax assets and liabilities which are expected to be realised through the statement of profit and loss over the extended periods of time in the future. In calculating the deferred tax items, the Group is required to make certain assumptions and estimates regarding the future tax consequences attributable to differences between the carrying amounts of assets and liabilities as recorded in the financial statements and their tax bases. Assumptions made include the expectation that future operating performance for subsidiaries will be consistent with historical levels of operating results, recoverability periods for tax loss carry forwards will not change, and that existing tax laws and rates will remain unchanged into foreseeable future. (Refer note 19)

(e) **Application of lease accounting**

Significant judgement is required to apply lease accounting rules under Appendix "C" of Ind AS 17 "Determining whether an Arrangement contains a Lease". In assessing the applicability to arrangements entered into by the Group, management has exercised judgement to evaluate customer's right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Appendix "C".

Classification of lease

In case of VIPL and RPSCL, significant judgement has been applied by the Group in determining whether substantially all the significant risks and rewards of ownership of the lease assets are transferred to the other entities.

(f) **Application of "Service concession arrangements" accounting**

In assessing the applicability the arrangement, management has exercised significant judgement in relation to the underlying ownership of the assets, the ability to enter into power purchase arrangements with any customer, ability to determine prices etc. in concluding that the arrangements do not meet the criteria for recognition as service concession arrangements.

(g) **Impairment of assets**

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and the unguaranteed residual value of assets given on lease to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset/ residual value is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount of property, plant and equipment is the higher of its fair value less costs of disposal and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated efficiency of the plant, fuel availability at economical rates, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

(h) **Fair value measurement and valuation process**

The Group has measured certain assets and liabilities at fair value for financial reporting purposes. The management determines the appropriate valuation technique and inputs for fair value measurement. In estimating the fair value, the management engages third party qualified valuer to perform the valuations.

Estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. (Refer note 21)

(i) **Revenue recognition**

In case of RPSCL and VIPL, sale of energy is recognised on an accrual basis as per the tariff rates approved by respective Electricity Regulatory Authority (Refer note 2.1(q) above) in accordance with the provisions of PPA. In case where tariff rates are yet to be approved, provisional rates are adopted based on the principles enunciated in PPA and regulations. Deviation from such estimate on receipt of final approval could result in significant adjustment to the revenue. (Refer note 27 and 28)

(j) **Mine closure obligation**

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalized when incurred reflecting the Company's obligations at that time. The provision for decommissioning assets is based on the current estimate of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate.

(k) **Estimation of employee benefit obligation**

Please refer note 2.1(r)

3.1 Property, plant and equipment

₹ in lakhs

Particulars	Freehold land	Leasehold land	Buildings	Plant & equipment	Mining properties	Furniture & fixtures	Motor vehicles	Office equipment	Computers	Total
Gross carrying amount										
Balance as at April 01, 2016	3,93,452	1,74,741	68,187	28,53,133	1,48,026	1959	610	411	258	36,40,777
Additions during the year	729	131	2,779	1,18,063	57,879	22	12	5	17	1,79,637
Adjustments (Note 3)	–	–	–	(3,879)	–	–	–	–	–	(3,879)
Deductions during the year	–	–	–	2,163	–	41	37	6	–	2,247
Carrying amount as at March 31, 2017	3,94,181	1,74,872	70,966	29,65,154	2,05,905	1,940	585	410	275	38,14,288
Additions during the year	209	2,239	6,088	72,429	69,368	31	116	83	77	1,50,640
Adjustments (Note 3)	(5)	–	–	1,634	–	–	–	–	–	1,629
Deductions during the year	–	–	–	704	–	–	117	2	47	870
Carrying amount as at March 31, 2018	3,94,385	1,77,111	77,054	30,38,513	2,75,273	1,971	584	491	305	39,65,687

Depreciation	Freehold land	Leasehold land	Buildings	Plant & equipment	Mining properties	Furniture & fixtures	Motor vehicles	Office equipment	Computers	Total
Accumulated depreciation										
Balance as at April 01, 2016	167	4,512	3,911	70,880	1,15,048	247	130	54	92	1,95,041
For the year	167	4,522	3,964	77,092	53,799	220	116	97	50	1,40,027
Deductions during the year	–	–	–	145	–	14	32	5	–	196
Balance as at March 31, 2017	334	9,034	7,875	1,47,827	1,68,847	453	214	146	142	3,34,872
For the year	169	4,553	4,195	80,287	58,666	194	83	51	39	1,48,237
Deductions during the year	–	–	–	–	–	–	74	–	44	118
Balance as at March 31, 2018	**503**	**13,587**	**12,070**	**2,28,114**	**2,27,513**	**647**	**223**	**197**	**137**	**4,82,991**
Net block										
Balance as at March 31, 2017	3,93,847	1,65,838	63,091	28,17,327	37,058	1,487	371	264	133	34,79,416
Balance as at March 31, 2018	**3,93,882**	**1,63,524**	**64,984**	**28,10,399**	**47,760**	**1,324**	**361**	**294**	**168**	**34,82,696**

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

Notes:

1 Freehold land as at March 31, 2018 includes Rs. 2,909 lakhs, Rs. 2,209 lakhs, Rs. 6 lakhs (March 31, 2017: Rs. 2,909 lakhs, Rs. 2,209 lakhs, Rs. 6 lakhs) capitalised in the books of CAPL, SMPL, JIPL respectively, on the basis of advance possession received from authorities. The registration of title deed is pending in favour of the respective Companies.

2 Leasehold land has been capitalised in the books of CPPL, on the basis of advance possession received from authorities. The land lease deed is pending for execution in favour of the CPPL.

3 Includes adjustments towards capitalisation of exchange difference Rs. 1,634 lakhs (March 31, 2017: Rs. 3,879 Lakhs) (Refer note 12).

4 Mining properties includes expenses incurred towards removal of over burden cost (refer note 3.2(A))

5 Out of above property, plant and equipment Rs. 2,536,764 lakhs (March 31, 2017: Rs. 3,442,038 lakhs) are pledged as security (Refer note 15)

Depreciation/ amortisation ₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Statement of profit and loss	**75,882**	73,400
Depreciation included in capital work-in-progress	**219**	267
Amortisation of mining properties	**58,666**	53,799
Depreciation included as part of coal excavation expenses	**1,280**	981
Depreciation included as part of overburden excavation expenses	**12,469**	11,819
Total	**1,48,516**	1,40,266

3.2 Capital work-in-progress

₹ in lakhs

	Particulars	As at April 1, 2017	Incurred during the year	Capitalised / Adjusted	As at March 31, 2018
A.	**Assets under construction[1]**	4,65,792	22,611	57,451	**4,30,952**
B.	**Expenditure pending allocation**				
(i)	**Expenses**				
	Interest and finance charges[2]	64,249	12,072	6,247	**70,074**
	Employee benefit expense				
	- Salaries and other costs	10,299	683	255	**10,727**
	- Contribution to provident and other funds (Refer note 14)	150	25	12	**163**
	- Gratuity (Refer note 14)	99	-	9	**90**
	- Leave encashment	23	-	-	**23**
	Depreciation / amortization	1,258	219	20	**1,457**
	Exchange loss (net) (Refer note 12)	1,45,795	1,520	1,189	**1,46,126**
	Legal and professional charges (including shared service charges)	7,951	1,922	222	**9,651**
	Premium paid to regulatory authority/ State Government	28,656	-	10,680	**17,976**
	Other direct and incidental expenditure	28,996	1,593	1,219	**29,370**
	Sub total	**2,87,476**	**18,034**	**19,853**	**2,85,657**
(ii)	**Incidental Income during construction**	15,055	11,966	-	**27,021**
	Net expenditure pending allocation (i)-(ii)	**2,72,421**	**6,068**	**19,853**	**2,58,636**
C.	**Construction stores**	2,082	-	387	**1,695**
	Total (A+B+C)	**7,40,295**	**28,679**	**77,691**	**6,91,283**
	Previous year	7,38,593	25,841	24,139	7,40,295

1. Includes material in transit Rs. Nil (March 31, 2017 Rs. 205,319 lakhs) lying at the custom bonded warehouse
2. THPPL and SHPPL has paid upfront fees of Rs. 1,880 lakhs and Rs. 880 lakhs respectively shown as capital work-in-progress (March 31. 2017 : THPPL Rs.1,880 lakhs and SHPPL Rs. 880 lakhs)

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

3.2 (A) In case of SPL, mining properties - overburden excavation expense:

₹ in lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fuel consumed	**17,225**	16,149
Stores and spares consumed	**10,895**	15,337
Employee benefit expense		
- Salaries and other costs	**2,969**	2,857
- Contribution to provident and other funds (Refer note 14)	**93**	90
- Gratuity (Refer note 14)	**28**	8
- Leave encashment (Refer note 14)		3
Depreciation on mining assets	**12,469**	11,819
Mine development charges	**6,491**	2,177
Rent expenses	**6**	81
Repairs and maintenance		
- Plant and equipment	**1,214**	651
- Building	**420**	908
- Others	**440**	60
Legal and professional charges	**34**	30
Insurance	**2**	10
Travelling and conveyance	**6**	9
Other expenses	**17,076**	7,690
	69,368	57,879
Less : Transfer to mining properties (Property, plant and equipment)	**(69,368)**	(57,879)
Balance at the end of the year	**-**	-

3.3 Other intangible assets

₹ in lakhs

Particulars	Computer software	Mining rights	Water supply rights	Total
Gross carrying amount				
Balance as at April 01, 2016	450	3,102	1,265	4,817
Additions during the year	95	27	-	122
Deductions during the year				
Balance as at April 1, 2017	545	3,129	1,265	4,939
Additions during the year	-	-	-	-
Deductions during the year	-	-	-	-
Balance as at March 31, 2018	**545**	**3,129**	**1,265**	**4,939**

Amortisation	Computer software	Mining rights	Water supply rights	Total
Accumulated depreciation				
Balance as at April 01, 2016	210	111	75	396
For the year	131	111	75	317
Deductions during the year	-	-	-	-
Balance as at April 1, 2017	341	222	150	713
For the year	93	111	75	279
Deductions during the year	-	-	-	-
Balance as at March 31, 2018	**434**	**333**	**225**	**992**
Net block				
Balance as at March 31, 2017	204	2,907	1,115	4,226
Balance as at March 31, 2018	**111**	**2,796**	**1,040**	**3,947**

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

	Particulars	As at March 31, 2018	As at March 31, 2017
	Non- current financial assets		
3.4(a)	**Investments**		
	Government Bond (Quoted) (Fair value through Profit & Loss)		
	14,000 (March 31, 2017: Nil) 9.33% Government Bonds of Rajasthan Government	**15**	@
	(Face value of Rs. 100 each)		
	7,000 (March 31, 2017: Nil) 8.22% Government Bonds of TamilNadu Government	**8**	@
	(Face value of Rs. 100 each)		
		23	@
	Aggregate value of quoted non-current investments	**23**	@
3.4(b)	**Loans**		
	(Unsecured, considered good)		
	Loans to others	**36,597**	36,061
		36,597	36,061
3.4(c)	**Finance lease receivables**		
	Finance lease receivables (Refer note 13)	**8,32,144**	8,82,086
		8,32,144	8,82,086
3.4(d)	**Other financial assets**		
	(Unsecured, considered good)		
	Security deposits	**1,538**	4,833
	Term deposits with more than 12 months maturity	**1,41,671**	1,26,388
	Non-current bank balances (including margin money deposits towards bank guarantee and others)	**1,220**	15,593
	Income accrued on deposits / investments	**23**	-
	Advances recoverable in cash	**1,021**	1,021
	Derivative assets (net)	**9,558**	1,587
		1,55,031	1,49,422
3.5	**Other non-current assets**		
	(Unsecured, considered good)		
	Capital advances [including to related party (Refer note 16(c))]	**1,71,382**	1,76,007
	Advances recoverable in kind	**3,598**	274
	Balance with statutory authorities (including VAT recoverable)	**23,205**	15,722
	Advance income tax [net of provision for tax of Rs. 1,964 lakhs (March 31, 2017 : Rs. 1586 lakhs)]	**2,776**	1,840
		2,00,961	1,93,843
3.6	**Inventories**		
	Fuel [including material in transit of ₹ 589 lakhs (March 31, 2017; ₹ 638 lakhs]	**8,350**	38,119
	Stores and spares	**64,548**	64,747
		72,898	1,02,866

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

	Particulars	As at March 31, 2018	As at March 31, 2017
3.7(a)	**Current investments (Non-trade)**		
	Investments in Mutual Funds (Fair value through profit and loss)		
	Unquoted		
	Indiabulls Ultra Short Term Fund - Growth	**12,687**	-
	[Number of units 734,086.429 (March 31, 2017 Nil) face value of ₹ 1,000 each]		
	Indiabulls liquid fund - Direct Growth	**1,752**	25,161
	[Number of units 103,205 (March 31, 2017 : 1,583,575) face value of ₹ 1,000 each]		
	Reliance medium term fund -Direct Growth Plan - Growth Option	**8,294**	21,306
	[Number of units 22,308,593 (March 31, 2017 : 61,417,599) face value of ₹ 10 each]		
	JM High Liquidity Fund (Direct) - Growth Option	**838**	23,423
	[Number of units 1,762,291 (March 31, 2017 : 52,620,517) face value of ₹ 10 each]		
	SBI Magnum Insta Cash Fund - Regular Plan - Growth	**-**	10,049
	[Number of units Nil (March 31, 2017 : 476,951) face value of ₹ 1,000 each]		
	SBI Ultra Short Term Debt Fund - Growth	**4,421**	-
	[Number of units 196,315 (March 31, 2017 : Nil) face value of ₹ 1,000 each]		
	Total Current Investment	**27,992**	79,939
	Aggregate value of unquoted current investments	**27,992**	79,939
3.7(b)	**Trade receivables**		
	(Unsecured, considered good)		
	Trade receivables	**3,71,541**	2,98,803
	[Includes amount receivable from related parties (Refer note 16 (C))]		
		3,71,541	2,98,803
3.7(c)	**Cash and cash equivalents**		
	Balance with banks:		
	in current account*	**39,125**	11,402
	in deposit account with original maturity of less than three months	**7,970**	6,245
	Fixed deposits (including margin money)*	**11,364**	-
		58,459	17,647
	* includes restricted cash and cash equivalent of ₹ 43,924 lakhs (March 31, 2017 ₹ 6,228 lakhs)		
3.7(d)	**Bank balances other than cash and cash equivalents**		
	Deposits with original maturity of more than three months but less than twelve months	**7,396**	48,979
	Unclaimed dividend	**300**	301
	Unclaimed fractional bonus share money	**-**	290
	Fixed deposits (including margin money deposit)	**25,494**	28,562
		33,190	78,132

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

	Particulars	As at March 31, 2018	As at March 31, 2017
3.7(e)	**Loans**		
	(Unsecured, considered good)		
	Security deposits	**43**	321
	Advance to others	**47,559**	45,140
	Inter corporate deposit to others	**54,506**	32,788
	Inter corporate deposit to related party (Refer note 16(c))	**1,59,228**	1,43,862
	Loans / advances to employees	**65**	101
		2,61,401	2,22,212
3.7(f)	**Finance lease receivables**		
	Finance lease receivables (Refer note 13)	**55,905**	44,973
		55,905	44,973
3.7(g)	**Other financial assets**		
	(Unsecured, considered good)		
	Security deposits	**1,074**	260
	Unbilled revenue	**13,871**	20,107
	Advance recoverable in cash	**11,080**	11,427
	Derivative assets	**750**	540
	Receivable against Generation based incentive	**210**	356
	Others receivables	**7,895**	-
		34,880	32,690
3.8	**Current tax assets (net)**		
	Current tax assets [net of provision of ₹ 99 lakhs (March 31, 2017: ₹ 389 lakhs)]	**817**	1,992
		817	1,992
3.9	**Other current assets**		
	(Unsecured, considered good)		
	Advance recoverable in kind	**4,670**	15,499
	Advance recoverable towards land (Refer note 9)	**1,900**	1,900
	Balance with statutory authorities (includes service tax credit and VAT recoverable)	**3,426**	17,455
	Prepaid expenses	**3,402**	3,386
	Others (Gratuity)	**28**	-
		13,426	38,240
3.10	**Non-current assets classified as held for sale**		
	Assets held for sale (Refer note 9 and 32)	**4,763**	4,763
	Others (Refer note 9)	**7,981**	7,500
		12,744	12,263

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

		As at March 31, 2018	As at March 31, 2017
3.11	**Share capital**		
	Authorised share capital		
	11,000,000,000 (March 31, 2017: 11,000,000,000) equity shares of ₹ 10 each	**11,00,000**	11,00,000
	5,000,000,000 ((March 31, 2017: 5,000,000,000) preference shares of ₹ 10 each	**5,00,000**	5,00,000
		16,00,000	16,00,000
	Issued, subscribed and fully paid up capital		
	2,805,126,466 (March 31, 2017: 2,805,126,466) equity shares of ₹ 10 each fully paid up	**2,80,513**	2,80,513
3.11.1	**Reconciliation of number of equity shares**		
	Balance at the beginning of the year - 2,805,126,466 (March 31, 2017: 2,805,126,466) equity shares of ₹ 10 each.	**2,80,513**	2,80,513
	Issued during the year	**-**	-
	Balance at the end of the year - 2,805,126,466 (March 31, 2017: 2,805,126,466) equity shares of ₹ 10 each.	**2,80,513**	2,80,513

3.11.2 Terms/ rights attached to equity shares

The Parent Company has only one class of equity shares having face value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive the remaining assets of the Parent Company, after distribution of all preferential amounts.

3.11.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Parent Company or its subsidiaries

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	**Percentage of share holding**	No. of Shares	Percentage of share holding
Equity shares				
Reliance Infrastructure Limited	**1,21,19,98,193**	**43.22**	1,21,19,98,193	43.22
Reliance Project Ventures and Management Private Limited (formerly known as AAA Project Ventures Private Limited)	**53,72,87,901**	**19.16**	53,72,87,901	19.16
Reliance Wind Turbine Installators Industries Private Limited	**34,75,52,662**	**12.39**	34,75,52,662	12.39
	2,09,68,38,756	**74.77**	2,09,68,38,756	74.77

3.11.4 Pursuant to the composite scheme of arrangement with Reliance Natural Resources Limited, the Parent Company has issued 596,696 Global Depository Receipts which are listed on Euro MTF Market of the Luxembourg Stock Exchange since May 17, 2011.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

3.12 Other equity

₹ in lakhs

	Particulars	As at March 31, 2018	As at March 31, 2017
	Balance at the end of the year		
3.12.1	Capital reserve (on consolidation)	**8,337**	8,337
3.12.2	Securities premium account	**8,35,454**	8,35,454
3.12.3	General reserve	**97,807**	97,807
3.12.4	General reserve (arisen pursuant to composite schemes of arrangement)	**1,02,156**	1,02,156
3.12.5	Debenture redemption reserve	**4,683**	5,045
3.12.6	Foreign currency translation reserve	**6,706**	6,023
3.12.7	Foreign currency monetary item translation difference account (Refer note 12)	**(8,768)**	(12,758)
3.12.8	Treasury Shares (ESOS Trust)	**(845)**	(4,130)
3.12.9	Retained earnings	**9,22,134**	8,18,311
	Total	**19,67,664**	18,56,245
3.12.1	**Capital reserve (on consolidation)**	**8,337**	8,337
3.12.2	**Securities premium account**		
	Balance at the beginning of the year	**8,35,454**	11,05,454
	Less: Transfer to Retained earnings (Refer note 33)	**-**	(2,70,000)
	Balance at the end of the year	**8,35,454**	8,35,454
3.12.3	**General reserve**		
	Balance at the beginning of the year	**97,807**	97,807
		97,807	97,807
3.12.4	**General reserve (arisen pursuant to composite schemes of arrangement)**		
	General reserve (arisen pursuant to composite scheme of arrangement)		
	Balance at the beginning of the year	**1,02,156**	1,02,156
	Balance at the end of the year	**1,02,156**	1,02,156
3.12.5	**Debenture redemption reserve**		
	Balance at the beginning of the year	**5,045**	2,798
	Add: Transfer from Retained earnings	**13,638**	12,247
	Less: Transfer to Retained earnings	**(14,000)**	(10,000)
	Balance at the end of the year	**4,683**	5,045
3.12.6	**Foreign currency translation reserve**		
	Balance at the beginning of the year	**6,023**	10,461
	Add: Addition during the year	**683**	(4,438)
	Balance at the end of the year	**6,706**	6,023
3.12.7	**Foreign currency monetary item translation difference account**		
	Balance at the beginning of the year	**(12,758)**	(20,752)
	Add: Addition during the year	**(279)**	3,263
	Less: Amortisation during the year	**4,269**	4,731
	Balance at the end of the year	**(8,768)**	(12,758)

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

	Particulars	As at March 31, 2018	As at March 31, 2017
3.12.8	**Treasury Shares (ESOS Trust)**		
	Balance at the beginning of the year	**(4,130)**	(4,130)
	Less: Sale of Treasury shares	**3,285**	-
	Balance at the end of the year	**(845)**	(4,130)
3.12.9	**Retained earnings**		
	Balance at the beginning of the year	**8,18,311**	4,40,039
	Profit for the year	**1,03,481**	1,10,416
	Add: Remeasurements of post-employment benefit obligation (net) (Refer note 14)	**(20)**	103
	Add: Transfer from securities premium account (Refer note 33)	**-**	2,70,000
	Add: Transfer from Debenture redemption reserve	**14,000**	10,000
	Less: Transfer to Debenture redemption reserve	**(13,638)**	(12,247)
	Balance at the end of the year	**9,22,134**	8,18,311
		19,67,664	18,56,245

Nature and purpose of other reserves:

(a) **Capital reserves (on consolidation)**

The Capital reserve had arisen on account for acquisition of subsidiaries.

(b) **Securities premium account**

Securities premium account is created to record premium received on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

(c) **General reserve**

General reserve is a free reserve created by the Group by transfer from Retained earnings.

(d) **General reserve (arisen pursuant to composite schemes of arrangement)**

The General reserve had arisen pursuant to the composite scheme of arrangement between the Parent Company, Reliance Natural Resources Limited, erstwhile Reliance Futura Limited and four wholly owned subsidiaries viz. Atos Trading Private Limited, Atos Mercantile Private Limited, Reliance Prima Limited and Coastal Andhra Power Infrastructure Limited. The said scheme has been sanctioned by Hon'ble High Court of Judicature at Bombay vide order dated October 15, 2010. The General Reserve shall be reserve which arose pursuant to the above scheme and shall not be and shall not for any purpose be considered to be a reserve created by the Parent Company.

(e) **Debenture redemption reserve**

The Group is required to create a debenture redemption reserve out of profits of the Group for the purpose of redemption of debentures.

(f) **Foreign currency monetary item translation difference account**

The Group has opted to continue the Previous GAAP policy for accounting of foreign exchange differences on long term monetary items. This reserve represents foreign exchange differences accumulated on long term foreign currency monetary items which are for other than depreciable assets. The same is amortized over the balance period of such long term monetary items. [Refer note 2.1(p) (ii)]

(g) **Foreign currency translation reserve**

Exchange differences arising on translation of the foreign operations as described in accounting policy are accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment in foreign operations is disposed-off.

(h) **Treasury Shares**

The Reserve comprises loss on sale of treasury shares. The RPET held Nil shares (March 31,2017: 85,00,000 shares). (Refer note 11)

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

		As at March 31, 2018	As at March 31, 2017
3.13(a)	**Borrowings**		
	At amortised cost		
	Secured		
	7,500 Series I (2018) 12.18% Listed redeemable non convertible debentures of Rs. 1,000,000 each	**75,000**	-
	Rupee loans from banks	**10,66,524**	10,96,695
	Foreign currency loans from banks	**2,75,471**	6,62,852
	Rupee loans from financial institutions / other parties	**4,28,001**	3,76,076
	Foreign currency loans from financial institutions / other parties	**5,47,659**	4,66,649
	Unsecured		
	Deferred payment liabilities:		
	Deferred entry tax [Refer note 25 (b)]	**25,622**	24,913
	Deferred value added tax [Refer note 25 (c)]	**1,843**	1,817
		24,20,120	26,29,002

3.13(a1) RPSCL

RPSCL has obtained Rupee and foreign currency loans from Banks and financial institutions. The Outstanding amount as at year end is Rs. 299,813 lakhs (March 31, 2017 Rs. 361,793 lakhs). The balance disclosed is net off initial borrowing cost aggregating of Rs. 1,120 lakhs (March 31, 2017 Rs. 2,027 lakhs)

Nature of security for Term Loans

(i) Term loans from all banks, financial Institution/other parties of Rs.262,313 lakhs (March 31, 2017: Rs. 306,793 lakhs) is secured / to be secured by first charge on all the immovable and movable assets and intangible asset of the RPSCL on pari passu basis.

(ii) Term loans from all banks, financial Institution/other parties of Rs. 37,500 lakhs (March 31, 2017: Rs. 55,000 lakhs) is secured / to be secured by residual charge on all the movable assets and current assets of RPSL on pari passu basis.

(iii) The Parent Company has given financial commitments / guarantee to the lender of RPSCL.

(iv) A negative lien by the Parent Company on 51% of its equity shares in RPSCL.

Terms of Repayment and Interest

(i) Rupee Term Loans outstanding as at the year end Rs. 137,747 lakhs (March 31, 2017: 167,138 lakhs) has been obtained from Banks and Financial Institutions for Phase I and Phase II of the project. The loans are repayable in 48 quarterly installments commencing from October 1, 2010 and January 1, 2012, respectively, and carry an average rate of interest 10.87 % per annum payable on a monthly basis.

(ii) Rupee term loan outstanding as at the year end Rs. 26,594 lakhs (March 31, 2017: 30,685 lakhs) has been obtained from Bank towards making investments in fellow subsidiaries. The loan is repayable in 46 quarterly installments commenced from June 30, 2013.and carries an interest rate of 11.65 % per annum payable on a monthly basis.

(iii) Rupee term loan outstanding as at the year end Rs. 25,000 lakhs (March 31, 2017: 30000 lakhs) has been obtained for on-lending as subordinate debt / Inter Corporate Deposit / Loans and advances to the Parent Company. The loan is repayable in 12 equal quarterly instalments starting from December 2017 and carries an interest rate of 10.85 % per annum payable on a monthly basis.

(iv) Rupee term loan outstanding as at the year end Rs. 12,500 lakhs (March 31, 2017: 25,000 lakhs) has been obtained for meeting cash flow mismatches and for funding financing expenses of the facility. The loan is repayable in 8 equal quarterly instalments starting from June 2017 and carry an interest rate of 11.35 % per annum payable on a monthly basis.

(v) Foreign currency loan outstanding as at the year end Rs.11,518 lakhs (March 31, 2017: 14,183 lakhs) has been obtained for Phase I of the project . The loan is repayable in 48 quarterly instalments commenced from October 1, 2010 and carries an interest rate of USD LIBOR plus 460 basis points per annum, payable on a quarterly basis.

(vi) Foreign currency loan outstanding as at the year end Rs. 26,085 lakhs (March 31, 2017: 30,595 lakhs) has been obtained for Phase II of the project. The loan is repayable in 48 quarterly instalments commenced from January 1, 2012 and carries an interest rate of USD LIBOR plus margin ranging from 415 basis points to 475 basis points per annum, payable on a quarterly basis.

(vii) Foreign currency loan outstanding as at the year end Rs. 60,369 lakhs (March 31, 2017: 64,190 lakhs) has been obtained for Phase II of the project. The loan is repayable in 16 quarterly instalments commenced from February 2018, and carries an interest rate of USD LIBOR plus 454 basis points per annum, payable on a quarterly basis.

(viii) The amortised cost disclosed above is net off incidental cost of borrowings aggregating of Rs. 1,120 lakhs (March 31, 2017; Rs. 2,027).

3.13(a2) SPL

SPL has obtained Rupee and foreign currency loans from Banks and financial institutions. The Outstanding amount as at year end is Rs. 1,504,963 lakhs (March 31, 2017 Rs. 1,620,167 lakhs). The balance disclosed is net off initial borrowing cost aggregating of Rs. 14,029 lakhs (March 31, 2017 Rs. 16,894 lakhs)

Nature of security for term loans

(i) Term loans from all banks, financial Institution/other parties of Rs.1,504,963 lakhs (March 31, 2017: Rs. 1,620,167 lakhs) is secured / to be secured by first charge on all the immovable and movable assets and intangible asset of the SPL and pledge of 100% of the total issued share capital of the SPL held by the Parent Company on pari passu basis with working capital lenders, permitted bank guarantee providers and hedge counterparties.

(ii) The Parent Company has given financial commitments / guarantees to the lenders of the SPL.

Terms of Repayment and Interest

(i) Rupee Term Loan outstanding as at the year end of Rs. 631,250 lakhs (March 31, 2017 : 540,401 lakhs) has been obtained from banks for the project. Earlier 50% of the loan was repayable in 40 quarterly instalments and remaining 50% in one single bullet payment at the end of ten years from March 31, 2015 was subsequently restructured under flexible structuring scheme of Reserve Bank of India and the outstanding balance as on October 01, 2015 is repayable in 82 structured quarterly instalments commenced from December 31, 2015 and carry an interest rate of 10.95% to 12.10% per annum payable on a monthly basis.

(ii) The foreign currency loans from banks outstanding as at the year end of Rs. Nil (March 31, 2017 : 155,762 lakhs) are in the nature of buyer's credit availed in foreign currency to be refinanced through long term rupee term loans and carry an interest rate of USD LIBOR plus 50 basis points.

(iii) Rupee Term Loan outstanding as at the year end of Rs. 108,940 lakhs (March 31, 2017 : Rs. 111,828 lakhs) has been obtained from financial institutions for the project. Earlier 50% of the loan was repayable in 40 quarterly instalments and remaining 50% in one single bullet payment at the end of ten years form March 31, 2015 was subsequently restructured under flexible structuring scheme of Reserve Bank of India and the outstanding balance as on October 01, 2015 is repayable in 82 structured quarterly instalments commenced from December 31, 2015 and carry an interest rate of 10.95% per annum payable on a monthly basis.

(iv) Rupee Term Loan outstanding from Financial institution as at the year end of Rs. 283,794 lakhs (March 31, 2017 : Rs. 291,264 lakhs) has been obtained from financial institutions for the project. Earlier the loan was repayable in 60 quarterly instalments starting form March 31, 2015 which has now been restructured under flexible structuring scheme of Reserve Bank of India and the outstanding balance as on October 01, 2015 is repayable in 82 structured quarterly instalments commenced from October 15, 2015 and carry an interest rate of 12.65% to 13.23% per annum payable on a quarterly basis.

(v) 50% of Foreign Currency Loan from financial Institutions/other parties outstanding as at the year end of Rs. 193,393 lakhs (March 31, 2017 : Rs. 207,436 lakhs) is repayable in 40 quarterly instalments commenced from March 31, 2015. Remaining 50% is repayable in one single bullet at the end of ten years from March 31, 2015 and carry an interest rate of USD LIBOR plus 305 basis points per annum payable on a monthly basis.

(vi) Foreign currency loan from financial institution / other parties outstanding as at the year end of Rs. 247,369 lakhs (March 31, 2017 : 267,084 lakhs) is repayable in 24 semi-annual instalments commenced from March 20, 2015 and carry fixed interest rate of 3.66% per annum payable on a semi annual basis.

(vii) Foreign currency loan from financial institution / other parties outstanding as at the year end of Rs. 40,217 lakhs (March 31, 2017 : Rs. 46,391 lakhs) is repayable in 19 semi-annual instalments commenced from March 20, 2015 and carry an interest rate of USD LIBOR plus 4 percent per annum payable on a semi annual basis.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

3.13(a3) VIPL

VIPL has obtained secured Rupee and foreign currency loans from Banks and financial institutions. The outstanding account as at the year end is Rs. 240,292 lakhs (March 31, 2017 Rs. 270,663 lakhs). The balance disclosed is net off borrowing cost aggregating of Rs. 1,482 lakhs (March 31, 2017 Rs. 1,058 lakhs)

Nature of security for term loans

(i) Rupee loans from banks of Rs. 188,416 lakhs (March 31, 2017: 196,981) is secured / to be secured by first charge on all the immovable and movable assets and intangible asset of VIPL on a pari passu basis and pledge of 51% of the equity share capital of VIPL.

(ii) Rupee loans from bank of Rs. 4,000 lakhs (March 31, 2017: 12,000) is secured by a residual charge on all the moveable fixed assets and current assets of VIPL.

(iii) Rupee loans from bank of Rs 20,000 lakhs (March 31, 2017: 20,000) is secured by first charges on all movable and immovable assets on parri passu basis.

(iv) Foreign Currency Loans from banks of Rs. 27,876 lakhs (March 31, 2017: 41,682) is secured / to be secured by first charge on all the immovable and movable assets of VIPL on pari passu basis and pledge of 51% of the equity share capital of VIPL.

(v) The Parent Company has given financial commitments / guarantee to the lenders of VIPL (Refer note 4).

Terms of repayment and interest

(i) The rupee loans from banks of Rs.188,416 lakhs (March 31, 2017: 196,981) is repayable in 56 structured quarterly instalments commencing from June 30, 2015 and carry an average interest rate of 11.42% per annum.

(ii) Foreign currency term loan is repayable in 28 equal quarterly instalments commencing from June 30, 2013 and carries an interest rate of USD three month LIBOR plus 4.60% per annum, payable on a quarterly basis.

(iii) Rupee loan from bank Rs 4,000 lakhs (March 31, 2017: 12,000 lakhs) is repayable in 10 quarterly instalments commencing from June 30, 2016 and carry an interest rate of 10.57 % p.a.

(iv) Rupee loans from banks of Rs 20,000 lakhs (March 31, 2017: 20,000 lakhs) is repayable in 48 structured quarterly instalments commencing from June 30, 2018 and carry an interest rate of 10.25 % p.a.

3.13(a4) SMPL

SMPL has obtained foreign currency term loan from Export-Import Bank of the United States (US-EXIM). The Outstanding balance as at the year end is Rs. 242,956 lakhs (March 31, 2017 Rs. 275,557 lakhs). The balance disclosed is net off initial borrowing cost aggregating of Rs. 5,073 lakhs (March 31, 2017 Rs. 8,654 lakhs).

Nature of security for term loan

(i) Term loan from a bank of Rs. 242,956 lakhs (March 31, 2017: Rs. 275,557 lakhs) is secured/ to be secured by first charge on all the immovable and movable assets and intangible asset of SMPL and pledge of 100% of the total issued share capital of SMPL held by the RCGL and the Parent Company. The carrying amount of financial asset and non-financial assets pledged as security are disclosed in note 15.

(ii) The Parent Company has given financial commitments/ guarantees to the lender of the SMPL(Refer note 4).

Terms of repayment and interest

Foreign currency term loan from Financial institution is repayable in structured instalments as under :-

In accordance with terms of financing agreement, the team loan from US Exim was originally repayable in 23 semi-annual instalments commencing from October 25, 2014 at a fixed interest of 2.65% per annum. Based on subsequent amendment to financing agreement dated September 24, 2016, the outstanding balance as on June 30, 2017 is payable in 16 equal quarterly instalments commencing from September 30, 2017. The rate of interest for the term loan is to continued to be 2.65 % per annum. The US Exim however, vide their letter dated April 3, 2018, has deferred the repayment of quarterly instalments (inclusive of Interest) due on December 31, 2017 and March 31, 2018 of USD 27,369,500 and USD 27,179,667, respectively, to April 25, 2018.

3.13(a5) DSPPL

DSPPL has obtained foreign currency term loan from Export-Import Bank of the United States (US-EXIM) and Asian Development Bank (ADB). The outstanding balance as at the year end is Rs. 44,311 lakhs (March 31, 2017 Rs 48,338 lakhs). The balance disclosed is net off initial borrowing cost aggregating of Rs. 1,405 lakhs (March 31, 2017 Rs. 1,658 lakhs).

Nature of security for Term loans:

(i) Term loans from financial Institution/ other parties of Rs.44,311 (March 31, 2017 Rs. 48,338) is secured / to be secured by first charge on all the immovable and movable assets and intangible asset of DSPPL on pari passu basis and pledge of 99.99% of the total issued share capital of DSPPL held by the Parent Company.

(ii) The Parent Company has given financial commitments/ guarantees to the lender of DSPPL (Refer note 4).

Terms of Repayment and Interest:

(i) The foreign currency loan from financial Institution/ other parties is repayable over a period of sixteen and half years in half-yearly instalments commencing from September 25, 2012 and Interest is payable based on Commercial Interest Reference Rate which is 2.97% per annum. The outstanding balance as on year end is Rs. 26,923 lakhs (March 31, 2017 Rs. 29,354 lakhs).

(ii) The foreign currency loan from financial Institution/ other parties of is repayable over a period of sixteen and half years in half-yearly instalments commencing from September 25, 2012 and interest at the rate of 6 months USD LIBOR plus 2.5% per annum.The outstanding balance as on year end is Rs. 17,388 (March 31, 2017 Rs. 18,984).

3.13(a6) RSTEPL

RSTEPL has obtained Rupee and foreign currency loans from bank, financial institutions and other parties (include Export-Import Bank of the United States (US-Exim), Asian Development Bank (ADB) and Netherlandse Financierings-Maatschappij Voor Ontuikkelings Landen N.V. – (FMO). The outstanding balance as at the year end is Rs. 137,924 lakhs (March 31, 2017 Rs.148,072 lakhs). The balance disclosed is net off initial borrowing cost aggregating of Rs. 2,477 lakhs (March 31, 2017 Rs. 2,868 lakhs).

Nature of security:

(i) Term loans from all banks, financial Institution/ other parties of Rs. 137,924 lacs (March 31, 2017 : Rs.148,072 lacs) is secured/ to be secured by first charge on all the immovable and movable assets of RSTEPL on pari passu basis and pledge of 100% of the total issued share capital of RSTEPL held by the Parent Company.

(ii) The Parent Company has given financial commitments/ guarantees to the lender of the RSTEPL (Refer note 4).

Terms of repayment of loans and rate of interest:

(i) The Rupee loan has a tenure of upto 15 years from the date of first disbursement will be repaid in 54 unequal quarterly instalments starting from January 7, 2014 and Interest rate is a floating rate linked to Axis Bank base rate plus 3%, payable on monthly basis. The outstanding balance as on year end is Rs.8,978 (31 March, 2017 Rs.9,725).

(ii) Foreign currency loan from financial institution/ other parties of has a tenure of upto 17.36 years from the date of first disbursement. It will be repaid in 33 unequal half yearly instalments starting from January 25, 2014 and carry fixed of 2.55% per annum payable half yearly. The outstanding balance as on year end is Rs. 25,564 (31 March, 2017 Rs. 27,644).

(iii) Foreign currency loan from financial institution/ other parties has a tenure of upto 17.45 years from the date of first disbursement. It will be repaid in 33 unequal half yearly instalments starting from January 7, 2014 and carry interest rate of LIBOR plus 365 basis points per annum payable half yearly. The outstanding balance as on year end is Rs. 49,007 (31 March, 2017 Rs.52,993).

(iv) Foreign currency loan from financial institution/ other parties has a tenure of upto 14.45 years from the date of first disbursement. It will be repaid in 27 unequal half yearly instalments starting from January 7, 2014 and carry fixed interest rate of 5.95% per annum, payable half yearly. The outstanding balance as on year end is Rs. 45,953 lakhs (March 31, 2017 Rs. 49,018 lakhs).

(v) Foreign currency loan from financial institution/ other parties has a tenure of upto 17.53 years from the date of first disbursement. It will be repaid in 33 unequal half yearly instalments starting from February 6, 2014 and carry fixed interest rate of 7.1% per annum, payable half yearly. The outstanding balance as on year end is Rs.8,422 lakhs (March 31, 2017 Rs. 8,691 lakhs).

3.13(a7) Parent Company

The Company has obtained Rupee and foreign currency term loan. The outstanding account as at the year end is Rs. 260,302 lakhs (March 31, 2017 Rs. 209,907 lakhs). The balance disclosed is net off borrowing cost aggregating of Rs. 1,922 lakhs (March 31, 2017 Rs. 3,048 lakhs).

Nature of security for term loans

(i) Series I (2018) 12.18% listed redeemable non convertible debentures of Rs. 75,000 lakhs (March 31, 2017 Rs. Nil) are secured by first pari-passu charge over long term loans and advances of the Company.

(ii) Rupee loans from banks of Rs. Nil (March 31, 2017 Rs.32,000 lakhs) are secured by first charge over long term loans and advances of the Company on pari passu basis.

(iii) Rupee loans from banks of Rs. 34,380 lakhs (March 31, 2017 Rs.Nil) are secured by first charge over long term loans and advances of the Company on pari passu basis.

(iv) Rupee loans from banks of Rs. 2,383 lakhs (March 31, 2017 Rs.2,463 lakhs) and foreign currency loan of Rs. 9,619 lakhs (March 31, 2017 Rs. 10,950 lakhs) are secured / to be secured by first charge on all the immovable and movable assets of the 45 MW wind power project at Vashpet on pari passu basis.

(v) Rupee loans from banks of Rs. 15,000 lakhs (March 31, 2017 Rs. 20,000 lakhs) are secured by first pari passu charge over current assets of the Company including receivable excluding the assets acquired under scheme of amalgamation with erstwhile Reliance Clean Power Private Limited.

(vi) Rupee loans from banks of Rs. 13,500 lakhs (March 31, 2017 Rs. 19,500 Lakhs) are secured by the residual charge over current assets of the Company including receivable excluding the assets acquired under scheme of amalgamation with erstwhile Reliance Clean Power Private Limited.

(vii) Rupee loans from banks of Rs. 12,157 lakhs (March 31, 2017 Rs.12,407 lakhs) are secured / to be secured by first charge on all the immovable and movable assets and receivables of the 45 MW wind power project at Vashpet on pari passu basis.

(viii) Rupee loans from banks of Rs. 10,500 lakhs (March 31, 2017 Rs. 10,500 lakhs) are secured by the first pari passu charge over long term loans and advances including receivables accrued out of such long term loans and advances of the Company .

(ix) Rupee loans from banks of Rs. 21,560 lakhs (March 31, 2017 Rs. 33,800 lakhs) are secured by the first pari passu charge over long term loans and advances of the Company.

(x) Rupee loans from banks of Rs. 68,125 lakhs (March 31, 2017 Rs. 71,335 lakhs) are secured by the first pari passu charge over long term loans and advances of the Company.

Terms of repayment of loans and rate of interest:

(i) Series I (2018) 12.18% listed redeemable non convertible debentures of Rs. 75,000 lakhs are repayable in 8 half yearly instalments starting from September 30, 2021 and carry an interest rate of 12.18% per annum payable on half yearly basis.

(ii) Rupee loans from banks of Rs. Nil (March 31, 2017 Rs.32,000 lakhs) was repayable in one instalment on September 30, 2017 and carry an interest rate of 11.23% per annum payable on a monthly basis.

(iii) Rupee loans from banks of Rs. 34,380 lakhs (March 31, 2017 Rs.Nil) is repayable in 10 structured quarterly instalment commenced from October 31, 2017 and carry an interest rate of 10.50% per annum payable on a monthly basis.

(iv) Rupee term loans is repayable in 59 quarterly instalments commenced from March 2015 and carry an interest rate of 11.75% per annum payable on a monthly basis. The outstanding balance as at year end is Rs. 2,383 lakhs (March 31, 2017 Rs.2,463 lakhs).

(v) Foreign currency loans is repayable in 42 quarterly instalments commenced from September 2013 and carry an interest rate of USD 6 month LIBOR plus 4.5% per annum payable on a half yearly basis. The outstanding balance as at year end is Rs. 9,618 lakhs (March 31, 2017 Rs. 10,950 lakhs).

(vi) Rupee term loans from bank is repayable in 16 quarterly instalments commencing from June 2017 and carry an interest rate of 12.35% per annum payable on a monthly basis. The outstanding balance as at year end is Rs. 15,000 lakhs (March 31, 2017 Rs. 20,000 lakhs).

(vii) Rupee term loans from bank is repayable in 40 monthly instalments commenced from March 2017 and carry an interest rate of 10.70% per annum payable on a monthly basis. The outstanding balance as at year end is Rs. 13,500 lakhs (March 31, 2017 Rs. 19,500 lakhs).

(viii) Rupee term loans from bank is repayable in 53 structured quarterly instalments commenced from September 2016 and carry an interest rate of 11.60% per annum payable on a monthly basis. The outstanding balance as at year end is Rs. 12,157 lakhs (March 31, 2017 Rs.12,407 lakhs).

(ix) Rupee term loans from bank is repayable in 12 quarterly instalments commencing from December 2019 and carry an interest rate of 10.72% per annum payable on a monthly basis. The outstanding balance as at year end is Rs. 10,500 lakhs (March 31, 2017 Rs. 10,500 lakhs).

(x) Rupee term loans from bank is repayable in 16 structured monthly instalments commencing from July 2017 and carry an interest rate of 10.5% per annum payable on a monthly basis. The outstanding balance as at year end is Rs. 21,560 lakhs (March 31, 2017 Rs. 33,800 lakhs).

(xi) Rupee term loans from bank is repayable in 11 structured quarterly instalments commencing from July 2017 and carry an interest rate of 10.5% per annum payable on a monthly basis. The outstanding balance as at year end is Rs. 68,125 lakhs (March 31, 2017 Rs. 71,335 lakhs).

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

		As at March 31, 2018	As at March 31, 2017
3.13(b)	**Other financial liabilities: non-current**		
	Retention money payable	**169**	375
	Derivative liabilities	**12,285**	13,334
		12,454	13,709
3.14	**Non-current provisions**		
	Provision for gratuity (Refer note 14)	**1,070**	1,086
	Provision for leave encashment (Refer note 14)	**1,556**	1,116
	Provision for mine closure obligation (Refer note 26)	**1,202**	934
	Others	**7**	221
		3,835	3,357
3.15	**Deferred tax liabilities**		
	Net deferred tax liability due to temporary difference (Refer note 19)	**2,78,447**	3,05,716
	Less: Recoverable from beneficiaries*	**(44,785)**	(66,386)
		2,33,662	2,39,330

*As per the terms of PPA, RPSCL and VIPL are eligible for refund of taxes on electricity generation business. Hence, deferred tax liability falling within the tenure of PPA and to the extent expected to be recovered through future tariff, has been disclosed as recoverable from beneficiary.

3.16	**Other non-current liabilities**		
	Advances from customers	**1,092**	1,506
	Government grant (Refer note 25)	**1,94,349**	1,99,885
		1,95,441	2,01,391
3.17(a)	**Borrowings**		
	Secured		
	Rupee loans from Financial Institutions	**23,168**	-
	Working capital loan	**1,32,530**	1,33,660
	Cash credit facility from banks	**1,04,583**	1,00,680
	600 Series I (2017) 10.60% Listed redeemable non convertible debentures of Rs. 1,000,000 each[1]	**-**	6,000
	2,500 Series II (2017) 10.60% Listed redeemable non convertible debentures of Rs. 1,000,000 each[1]	**-**	25,000
	Loan against fixed deposits	**2,160**	5,400
	Unsecured		
	Rupee loans from banks	**8,650**	-
	2,500 Series I (2016) 10.20% Listed redeemable non convertible debentures of Rs. 1,000,000 each[1]	**-**	25,000
	2,500 Series III (2017) 10.20% Listed redeemable non convertible debentures of Rs. 1,000,000 each	**25,000**	-
	Commercial paper	**10,000**	3,000
	Inter-corporate deposits (including from related party) [1]	**76,123**	65,724
		3,82,214	3,64,464

[1][Refer note 16(C)]

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

3.17(a1) RPSCL

Nature of security for short term borrowings

Working capital facilities from banks outstanding balance as at the year end of Rs. 126,540 lakhs (March 31,2017 Rs. 127,665 lakhs) are secured pari passu with term loan lenders by first mortgage / hypothecation/charge on all the immovable and movable assets and intangible assets of the RPSCL.

A negative lien by the Parent Company on 51% of its equity in RPSCL.

Terms of repayment and interest

Working capital facilities have a tenure of twelve months from the date of sanction and are repayable on demand and carry an average rate of interest of 11.64% p.a.

3.17(a2) VIPL

Nature of security for short term borrowings

Cash credit facilities outstanding balance as at the year end of Rs. 50,025 lakhs (March 31, 2017 Rs. 50,331 lakhs) which are repayable on demand is secured pari passu along with term loan lenders by first charge on all the immovable and movable assets and intangible asset of VIPL on a pari passu basis and pledge of 51% of the equity share capital of VIPL held by the Parent Company.

Cash credit facilities carry an average rate of interest of 11.33% per annum.

3.17(a3) SPL

Nature of security for short term borrowings

Cash credit facility outstanding balance as at the year end of Rs. 54,558 lakhs (March 31, 2017 Rs. 50,349 lakhs) which are repayable on demand is secured / to be secured by first charge on all current and fixed assets of the SPL and pledge of 100% of the total issued share capital of the SPL held by the Parent Company on pari passu basis with term loan lenders, permitted bank guarantee providers and hedge counterparties.

Terms of repayment and interest

Cash credit facility carry an average interest rate of 11% per annum.

3.17(a4) Parent Company

Nature of security for Short term borrowings

(a) Working capital loan outstanding balance as at the year end of Rs. 5,990 lakhs (March 31, 2017 Rs. 5,996 lakhs) is secured by first hypothecation and charge on all receivables of the Company, (excluding assets acquired under the merger scheme with erstwhile Reliance Clean Power Private Limited) both present and future on pari passu basis and is repayable on demand and carry an interest rate of 11.50% per annum payable on a monthly basis.

(b) Series I (2017) 10.60% listed redeemable non convertible debentures is secured by pledge of 2.30% of outstanding equity shares of a subsidiary Rosa Power Supply Company Limited and are redeemable within a period of 364 Days from the date of allotment (i.e. January 24, 2017) and carry an interest rate of 10.60% per annum payable on a quarterly basis.

(c) Series II (2017) 10.60% listed redeemable non convertible debentures are secured by pledge of 9.50% of outstanding equity shares of a subsidiary Rosa Power Supply Company Limited and are redeemable within a period of 364 Days from the date of allotment (i.e. March 16, 2017) and carry an interest rate of 10.60% per annum payable on a quarterly basis.

(d) Loan against fixed deposit is secured by first pari passu charge over the fixed deposit of the Company. The loan is repayable in full on September 26, 2018 and carries an interest rate of 6.00% per annum payable on a monthly basis.

Unsecured

(a) 2,500 Series I (2016) 10.20% unsecured redeemable non convertible debentures are redeemable within a period of 364 days and carry an interest rate of 10.20% per annum payable on a quarterly basis.

(b) 2,500 Series III (2017) 10.20% unsecured redeemable non convertible debentures are redeemable within a period of 354 days and carry an interest rate of 10.20% per annum payable on a half yearly basis.

(c) (i) Commercial paper of Rs. 5,000 lakhs have a tenure of 362 days from the date of issue i.e. April 26, 2017 and discount rate of 8.75% per annum.

(ii) Commercial paper of Rs. 2,500 lakhs have a tenure of 309 days from the date of issue i.e. June 15, 2017 and discount rate of 8.75% per annum.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

(iii) Commercial paper of Rs. 2,500 lakhs have a tenure of 341 days from the date of issue i.e. June 15, 2017 and discount rate of 8.75% per annum.

(d) Inter corporate deposits of Rs. 15,000 lakhs(March 31, 2017 Rs. 15,000 lakhs) from Reliance Nippon Life Assets Management are repayable within one year and carry an interest rate of 12.50% per annum.

(e) Inter corporate deposits of Rs. 29,982 lakhs (March 31, 2017 Rs. 50,760 lakhs) from Reliance Infrastructure Limited are repayable within one year and carry an interest rate of 10.50% per annum.

₹ in lakhs

		As at March 31, 2018	As at March 31, 2017
3.17(b)	**Trade payables[2]**		
	Total outstanding dues of micro enterprises and small enterprises	**-**	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	**36,071**	37,985
		36,071	37,985
3.17(c)	**Other financial liabilities**		
	Current maturities of long-term borrowings [Refer note 3.13(a)]	**3,67,322**	2,99,067
	Interest accrued but not due on borrowings[1]	**20,385**	15,772
	Interest accrued and due on borrowings	**746**	417
	Unclaimed fractional bonus share refunds	**-**	290
	Unclaimed dividend	**300**	301
	Security deposits received	**514**	433
	Creditors for capital expenditure[2]	**2,47,223**	2,55,264
	Retention money payable	**1,08,408**	1,13,155
	Creditors for supplies and services[2]	**8,689**	8,177
	Derivative liabilities	**91**	300
	Other payables	**16,520**	20,366
		7,70,198	7,13,542
3.18	**Other current liabilities**		
	Advance from customers[1]	**1,915**	5,063
	Government grant (Refer note 25)	**5,907**	5,836
	Other payables (including unscheduled interchange charges, provident fund, tax deducted at source and other miscellaneous payables)	**12,318**	45,273
		20,140	56,172
3.19	**Provisions - current**		
	Provision for gratuity (Refer note 14)	**25**	15
	Provision for leave encashment (Refer note 14)	**486**	294
	Provision for regulatory matters	**9**	-
		520	309
3.20	**Current tax liabilities (net)**		
	Provision for income tax [net of advance tax of Rs. 88,957 (March 31, 2017: Rs. 90,221 lakhs)]	**24,514**	20,498
		24,514	20,498

[1] Includes received from related parties, refer note 16(C)

[2] Refer note 35

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
3.21	**Revenue from operations**		
	Sale of energy (including sale to related parties) [Refer note 16(C)]	**8,63,587**	9,05,963
	Other operating income:		
	Income on assets given on finance lease	**1,13,972**	1,25,504
	Interest from customers on delayed payments (including interest from related parties) [Refer note 16(C)]	**5,952**	7,600
	Carbon credit emission	**162**	161
	Generation based incentive	**309**	337
		9,83,982	10,39,565
3.22	**Other income**		
	Interest income:		
	Bank deposits	**8,672**	10,339
	Inter-corporate deposits [Refer note 16(C)]	**7,842**	13,449
	Others	**722**	7,830
	Income from investments mandatorily measured at FVPL		
	Investment in mutual funds	**1,682**	2,240
	Net gain on sale of financial assets mandatorily measured at FVPL		
	Investment in mutual funds	**1,605**	6,090
	Gain on sale of property, plant and equipments	**-**	462
	Gain on foreign exchange fluctuations	**564**	1,397
	Provision written back	**45**	-
	Government grant (Refer note 25)	**5,307**	5,307
	Other non-operating income	**1,869**	2,489
		28,308	49,603
3.23	**Cost of fuel consumed (including cost of coal excavation)**		
a)	**Purchased coal consumed**		
	Opening balance of fuel	**29,993**	57,282
	Add: Purchases during the year	**2,44,447**	2,68,089
	Less : Closing balance of fuel	**(2,606)**	29,993
		2,71,834	2,95,378
b)	**Coal excavation cost**		
	Opening balance of fuel	**8,126**	6,872
	Amortisation of mining properties	**58,666**	53,799
	Taxes and duties	**54,868**	1,12,357
	Fuel	**5,486**	3,153
	Stores and spares	**2,578**	297
	Depreciation	**1,226**	981
	Other expenses	**1,480**	4,781
	Less : Closing balance of fuel	**(5,744)**	(8,126)
		1,26,686	1,74,114
	Total (a)+(b)	**3,98,520**	4,69,492

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
3.24	**Employee benefits expense**		
	Salaries, bonus and other allowances	**16,519**	16,139
	Contribution to provident fund and other funds (Refer note 14)	**665**	679
	Gratuity and leave encashment (Refer note 14)	**886**	767
	Staff welfare expenses	**582**	680
		18,652	18,265
3.25	**Finance cost**		
	Interest on:		
	Rupee term loans	**1,88,124**	1,78,695
	Foreign currency loans	**39,569**	50,170
	Inter corporate deposits (including Interest to related parties) [Refer note 16(C)]	**7,397**	5,404
	Working capital loans	**25,350**	26,738
	Unwinding of discount on mine closure provision	**124**	96
	Other finance charges (including fair value change and loss arising on settlement of derivative contracts)	**22,485**	16,834
	Other finance charges (including Interest to related parties) [Refer note 16(C)]	**9,548**	6,371
		2,92,597	2,84,308
3.26	**Generation, administration and other expenses**		
	Stores and spares consumed	**11,463**	10,450
	Rent expenses (including rent to related party) [Refer note 16(C)]	**2,526**	1,706
	Repairs and maintenance		
	- Plant and equipment	**14,227**	10,771
	- Building	**280**	766
	- Others	**1,210**	1,667
	Fuel handling and service charges	**937**	1,125
	Stamp duty and filing fees	**66**	23
	Printing and stationery	**408**	391
	Legal and professional charges (including shared service charges)	**8,976**	9,505
	Rates and taxes	**625**	648
	Insurance (including insurance charges to related party) [Refer note 16(C)]	**7,353**	8,535
	Loss on sale of property, plant and equipment	**747**	-
	Loss on foreign exchange fluctuations	**4,402**	6,002
	Provision for doubtful debts / amount written-off	**-**	3,498
	Electricity duty expense	**31,741**	28,868
	Expenditure towards Corporate social responsibility (Refer note 34)	**2,297**	2,152
	Miscellaneous expenses	**16,247**	15,054
		1,03,505	1,01,161

4) Contingent liabilities/ assets and commitments

(a) Bank Guarantees issued for subsidiary companies aggregating to ₹ 157,074 lakhs (March 31, 2017 ₹ 155,507 lakhs). Refer note 6 with respect to CAPL.

(b) In case of CAPL, Government of Andhra Pradesh has levied a penalty of ₹ 137 lakhs (March 31, 2017: ₹ 137 lakhs) at the rate of 50% on account of non-payment of conversion fee of ₹ 274 lakhs (March 31, 2017: ₹ 274 lakhs) towards conversion of agriculture land to non-agricultural land at site. CAPL has filed an appeal with the Government of Andhra Pradesh (Revenue department) for waiver of the above amount.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

(c) In case of DSPPL, demand of ₹ 1,591 lakhs (March 31, 2017 ₹ 1,812 lakhs) has been raised towards the provisional Unscheduled Interchanges (UI) charges from the financial year 2012-13 to financial year 2017-18 by Jodhpur Vidyut Vitran Nigam Ltd. (JdVVNL), which has been disputed by DSPPL. Based on the order received from Rajasthan Electricity Regulatory Commission, DSPPL has deposited ₹ 1,558 lakhs under protest and has filed an appeal against the order of commission with Appellant Tribunal for Electricity (APTEL), which is pending for disposal.

(d) In case of RSTEPL, declared its concentrated- Solar Power (CSP) plant as commercially operational (COD) on November 17, 2014 against the scheduled commissioning date (SCD) of March 07, 2014 as per the terms of Power Purchase Agreement (PPA), Company has filed a petition before Central Electricity Regulatory Commission (CERC) for extension of SCD. Pleadings in the said petition have been completed and the matter is listed for hearing.

(e) In case of RSTEPL, as per the terms of the PPA entered by RSTEPL with NTPC Vidyut Vyapar Nigam Limited (NVVN), RSTEPL was required to generate minimum committed energy in the contract year subsequent to declaration of commercial operation date (COD) under the terms of PPA. RSTEPL has received a demand of ₹ 8,536 lakhs (March 31, 2017 ₹ 8,536 lakhs) towards shortfall in minimum energy supply for period from November 17, 2014 (date of COD as per the terms of PPA) to March 31, 2016. In response to said demand, RSTEPL has communicated to NVVN that the shortfall is due to factors beyond the control of RSTEPL. Moreover, in the matter of petitions filed by other CSP developers against the compensation claimed by NVVN due to shortfall in minimum energy supply, CERC has ruled that NVVN and the distribution companies are not entitled to raise any claim from the CSP developer unless they prove that they suffered loss by the way of penalty from the State Electricity Regulatory Commission (SERC) on account of non-compliance of Renewable Purchase Obligation (RPO) due to shortfall in generation. It is to be noted that NVVN has not submitted any proof of claim received from any Distribution Company (Discom) on account of penalty imposed by respective SERC on the Discom due to non-compliance of RPO.

Considering the said facts and the terms of the PPA, RSTEPL has disputed the demand raised and no provision has been made in the financial statements for the said period and the current financial year.

Future cash flows in respect of the above matter can only be determined based on the future outcome of various uncertain factors.

(f) In case of CPPL, as per terms of bid bond of Uttar Pradesh Power Corporation (UPPCL), the Company had provided bank guarantee of ₹ 7,386 lakhs and which has since been invoked by UPPCL. The High Court has ruled that the above invocation is subject to the order passed by the High Court. Consequently, the Company has shown the guarantee invoked as the amount payable to bank and an equivalent amount has been shown as recoverable from UPPCL. Subsequently, the Company has made payment to the bank of ₹ 7,488 lakhs along with interest (₹ 102 lakhs). However, the bank has levied bank charges of ₹ 1,384 lakhs on issue of bank guarantee at regular rate than the rate as agreed upon. The bank charges levied by the bank have been disputed by the Company.

(g) In case of SMPL, disputed income tax dues for Assessment Year 2014-15 is ₹ 41 lakhs and for Assessment Year 2015-16 is ₹ 411 lakhs.

(h) In case of SPL:

(i) SPL has received claims amounting to ₹ 1,001 lakhs (March 31, 2017: ₹ 3,485 lakhs) from a contractors towards deductions made by SPL due to non-performance of certain obligations under the terms of arrangement for the construction of certain works. The matter is under dispute.

(ii) SPL has received claims amounting to ₹ 18,889 lakhs (March 31, 2017: ₹ 16,127 lakhs) from a party towards consultancy and advisory services provided by them. As per the terms of arrangement between both the parties, the same would be settled by an arbitration process. Presently, the Arbitral Tribunal has been constituted and the matter is pending before the Arbitral Tribunal.

(iii) SPL has received a claim of ₹ 2,568 lakhs (March 31, 2017: ₹ 2,568 lakhs) from some of the procurers alleging delay in achievement of commercial operation of first and second unit, which has been disputed by SPL and is pending before the High Courts.

(iv) SPL has disputed the quantification of the demand for payment of tax on annual value of mineral bearing land amounting to ₹ 15,683 lakhs (March 31, 2017: ₹ 8,065) from District Authorities under Madhya Pradesh Gramin Avsanrachna Tatha Sadak Vikas Adhiniyam (MPGSTVA) and hence the same is deposited as per quantification done by SPL.

SPL had filed a writ petition before Jabalpur High Court for revised quantification, however the same was rejected by the Court by its order dated January 17, 2018. The Company has now filed a Review Petition before Jabalpur High Court against its earlier order dated January 17, 2018 and the matter is pending.

(v) SPL has received favorable order from Office of the Commissioner, Service Tax IV, Mumbai for service tax demand of ₹ 2,229 Lakhs raised by DGCEI (Directorate General of Central Excise Intelligence) on exposure fees. Service tax department has filed the appeal before CESTAT against the order of Commissioner, Service Tax IV, Mumbai.

(i) In case of SMPL, Central Electricity Regulatory Commission (CERC) vide its order dated April 06, 2015 has directed Samalkot Power Limited (SMPL) and Spectrum Power Generation Limited (SPGL) to reimburse 80% of the acquisition price incurred by Power Grid Corporation India Limited (PGCIL) for acquiring Vemagiri Transmission System Limited (VTSL) in proportion to the long term accesses (LTA) granted to them (SMPL and SPGL). It was further directed that the balance 20% and the expenditure incurred by VTSL from the date of acquisition till the liquidation of the said company shall be borne by PGCIL.The financial liability for Samalkot Power Limited (SMPL) in this matter amounts to a sum total of ₹ 908 lakhs subject to the outcome of the Ld. Appellate Tribunal of Electricity (APTEL).

Both SMPL and SPGL have preferred appeals before the Appellate Tribunal for Electricity (APTEL) against the aforesaid order of the CERC dated April 06, 2015, on the ground that PGCIL has not complied with its obligation of setting up transmission system and other valid reasons. The matter is pending before the Ld. Appellate Tribunal of Electricity (APTEL).

(j) The Parent Company has committed/ guaranteed to extend financial support in the form of equity or debt as per the agreed means of finance, in respect of the projects being undertaken by the respective subsidiaries, including any capital expenditure for regulatory compliance and to meet shortfall in the expected revenues/ debt servicing.

Future cash flows in respect of the above matters can only be determined based on the future outcome of various uncertain factors.

(k) Estimated amount of contracts remaining unexecuted on capital account (net of advances paid) and not provided for ₹ 1,728,528 lakhs (March 31, 2017: ₹ 3,228,915 lakhs).

5) Applicability of NBFC Regulations

The Parent Company, based on the objects given in the Memorandum of Association, its role in construction and operation of power plants through its subsidiaries and other considerations, has been legally advised that the Parent Company is not covered under the provisions of Non-Banking Financial Company as defined in Reserve Bank of India Act, 1934 and accordingly is not required to be registered under section 45 IA of the said Act.

6) Project status of Coastal Andhra Power Limited (CAPL)

CAPL has been incorporated to develop an Ultra Mega Power Project (UMPP) of 3,960 MW capacity located in Krishnapatnam, District Nellore, based on imported coal.

CAPL had entered into a firm price fuel supply agreement which envisaged supply of coal from Indonesia with RCRPL, a wholly owned subsidiary of the Parent Company. In view of below mentioned new regulation, RCRPL cannot supply coal at the agreed price, because of which there is a risk of inability to pass through market linked prices of imported coal for the project, whereas the power needs to be supplied at a pre-agreed tariff as per the terms of Power Purchase Agreement (PPA) dated March 23, 2007. The Government of Indonesia introduced a new regulation in September, 2010 which prohibits sale of coal, including sale to affiliate companies, at below Benchmark Price which is linked to international coal prices and requires adjustment of sale price every 12 months. This regulation also mandates to align all existing long-term coal supply contracts with the new regulations within one year i.e. by September, 2011. The said issue was communicated to the power procurers and also to the Government of India through the Association of Power Producers to arrive at a suitable solution to the satisfaction of all the stakeholders.

Since no resolution could be arrived, CAPL invoked the dispute resolution provision of PPA. The procurers have also issued a notice for termination of PPA and have raised a demand for liquidated damages of ₹ 40,000 lakhs (including bank guarantee of ₹ 30,000 lakhs, which has been provided by the Parent Company on behalf of CAPL).

CAPL has filed a petition before the Hon'ble High Court at Delhi *inter-alia* for interim relief under Section 9 of the Arbitration and Conciliation Act, 1996. The Court vide its order dated March 20, 2012 has prohibited the Procurers from taking any coercive steps against CAPL. The single judge of the Delhi High Court vide order dated July 02, 2012 dismissed the petition and the appeal filed by CAPL against the said order is pending before the Division Bench of the Delhi High Court.

CAPL has also filed a petition before the Central Electricity Regulatory Commission (CERC) without prejudice to the proceedings pending before the Delhi High Court and the arbitration process has already been initiated. During the course of the CERC proceedings, the power procurers contended that the petition could not be taken up for hearing by CERC since the matter was pending at High Court. CAPL, in response contended that both proceedings are different and independent. The CERC petition did not raise the issue of notice of termination. Considering appeal is pending before the Delhi High Court, CERC has disposed off the petition vide its order dated August 06, 2015 with a liberty to the Petitioner to approach the Commission at an appropriate stage in accordance with law.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

7) Project status of Samalkot Power Limited (SMPL)

(a) **Capital work in progress [1508 Mega Watt (MW) (754 MW X 2) Plant]**

There is continued uncertainty regarding availability of natural gas in the country for operation of the plant, and while SMPL is actively pursuing with relevant authorities for securing gas linkages/ supply at commercially viable prices/ generation opportunities, it is also evaluating alternative arrangements/ approaches to deal with the situation. SMPL is confident of arriving at a positive resolution to the foregoing in the foreseeable future and therefore the carrying amount of capital work in progress is considered recoverable.

(b) **Non Current assets held for sale (754 MW Plant)**

Reliance Power Limited, the ultimate holding company, had entered into a Memorandum of Understanding (MOU) with the Government of Bangladesh (GoB) for developing a gas project of a 3000 MW capacity in a phased manner. Pursuant to the above, Reliance Bangladesh LNG and Power Limited (RBLPL), subsidiary of the company is taking steps to conclude a long-term power purchase agreement (PPA) for supply of 718 MW (net) power from a combined cycle gas based power plant to be set up at Meghnaghat near Dhaka in Bangladesh. In this regard, a letter of intent has been entered between the ultimate holding company and Bangladesh Power Development Board on July 26, 2017.

SMPL has entered into a MOU on March 21, 2017 for sale of the Plant to subsidiary for a consideration not less than its carrying amount. Further, during the year, RBLPL has issued letter of awards to SMPL's EPC contractor Reliance Infrastructure Limited for setting up of 745 MW gas based combined cycle power plant at Meghnaghat, Bangladesh with the assets of SMPL. SMPL expects to enter into definitive sale agreement in the next financial year. SMPL is confident that RBLPL will be able to achieve financial closure and remit the sale proceeds.

Having regard to the above plans, and the continued financial support from the ultimate holding Company, management believes that SMPL would be able to meet its financial and other obligations in the foreseeable future. accordingly, the financial statements of SMPL have been prepared on a going concern basis.

8) Project status of Jharkhand Integrated Power Limited (JIPL)

JIPL, a wholly owned subsidiary of Reliance Power Limited (RPower), has been set up to develop Ultra Mega Power Project of 3,960 MW capacity located in Tilaiya, Hazaribagh District, Jharkhand. Tilaiya Ultra Mega Power project (UMPP) was awarded to Reliance Power Limited through International Competitive Bidding (ICB), under the UMPP policy. Consequently, JIPL was handed over to Reliance Power Limited on August 07, 2009 by Power Finance Corporation (PFC). JIPL has signed a 25 years Power Purchase Agreement (PPA) with 18 Procurers in 10 States. For fuel security, the Project was allocated Kerandari BC captive coal mine block.

Due to variour reasons, Reliance Power Limited gave a notice for termination of PPA on April 28, 2015 as per the terms of PPA and the option available therein.

The Procurers have agreed to the termination of the PPA on November 03, 2015 and have agreed to take over/ purchase the share held by Reliance Power Limited (RPower) in JIPL as per terms of mutually agreed draft of Share Transfer Agreement (STA) and discussion held between Rpower and the procurers.

As per the term of Share Transfer Agreement (STA) it has been agreed that JIPL has to be acquired by the Procurers at the purchase price equivalent to the sum of ₹ 11,279 Lakhs towards net amount paid by RPower as per Share Purchase Agreement dated August 07, 2009 (after adjustment for Bank balance and other assets not being taken over) and subsequent expenditure incurred by the Company on Land. As per the terms of STA, in addition to the termination payment, the lead procurer (Jharkhand Urja Vikas Nigam Limited) has also agreed to make payment towards acquisition of the Geological Report (GR) within six months from the closing date of STA on certain conditions. The payment of ₹ 3,445 Lakhs shall be contributed by the Procurers in proportion to the allocated contracted capacity from Talaiya UMPP. Therefore such GR (₹ 3,445 Lakhs) has been shown under CWIP and corresponding liability is included as the Inter Corporate Deposit (ICD) of RPower, as contra items. As per the terms of STA, in case the Lead Procurer does not make the aforesaid payment of ₹ 3,445 Lakhs within 6 (six) months from the Closing Date for any reason whatsoever, RPower shall retain the Geological Report and the entry towards payable to RPower against the Geological report/ ICD in the books of JIPL shall be removed forthwith. Procurers have also agreed to discharge and release the Bank Guarantees aggregating to ₹ 60,000 Lakhs (Procurer Bank Guarantees).

All the Procurers have deposited their respective share of Termination Payment and released Procurer Bank Guarantees with the Lead Procurer (JUVNL). Presently all the formalities/ pre-requisites, for acquisition of JIPL by Procurers, have been completed and Procurers are ready in all aspects to acquire JIPL from RPower as per the provisions of the PPA.

9) Status of Dadri Project

The Company proposed developing a 7,480 MW gas-fired power project to be located at the Dhirubhai Ambani Energy City in Dehra village, Dadri, Uttar Pradesh in the year 2003. The state of Uttar Pradesh (The State) in the year 2004 acquired 2,100 acres of land and conveyed the same to the Company in the year 2005. The acquisition of land by the State for the project was challenged by certain land owners in the Allahabad High Court. The High Court quashed a part of acquisition proceedings by the State and directed them to fulfill certain compliances. Subsequently the Company filed an appeal before Hon'ble

Supreme Court. The Supreme Court in its order disposed off the appeal and upheld the right of the Company to recover the amount paid towards the land acquired and conveyed to it by the State.

The Company has already conveyed its intent to return the acquired land to Government of Uttar Pradesh (GoUP) and raised the claim for the cost incurred on the land acquisition as well as other incidental expenditure thereto.

Considering the above facts, the Group has classified assets related to Dadri project under head 'Non-current assets classified as held for sale'.

The Company has realized amount of ₹ 2,522 lakhs till March 31, 2018 from the GoUP and the balance amount is expected to be recovered in the future.

Based on correspondence received from GoUP in previous year towards compensation for land and interest thereon, the Group has recognised an interest income of ₹ 481 lakhs (March 31, 2017 ₹ 7,500 lakhs).

10) Status of RSTEPL Project

The plant is being set up on a solar energy source of first of its kind in the country and also internationally, based on data base about Direct Normal Irradiance (DNI) as provided by the Government sources then. Based on actual DNI available and other technical issues the plant has been operating with irregular interruptions. RSTEPL is relentlessly engaged with the experts and erection, procurement and construction contractor in the field and undertaking additional improvement measures in the plant to achieve augmented generation, thereby attaining desirable output. Management is confident to achieve the intended capacity in coming quarters.

Considering these facts, pre-operative expenses, which are directly attributable to the construction of the asset for its intended use, are being capitalized and revenue generated is netted off from expenditure. Further, the Company has also assessed the estimated value in use of the project. Based on the assessments, involving an expert, the Company has concluded that there is no need for any impairment.

11) Employee Stock Option Scheme (ESOS)

Pursuant to the approval accorded by the shareholders on September 30, 2007 under Section 81(1A) of the Companies Act, 1956, the Company has administered and implemented Employee Stock Option Scheme (ESOS) in terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The Board of Directors of the Company have constituted its ESOS Compensation Committee to operate and monitor the ESOS Scheme which is administered through Reliance Power ESOS Trust ("RPET"). The ESOS Scheme mentions that the employees of the Company are entitled for grant of stock options (equity shares), based on the eligibility criteria set in ESOS Plan of the Company.

The ESOS Compensation Committee of the Board of Directors ("the Board") of the Company approved a grant of 200 lakhs stock options to the eligible employees of the Company and its subsidiaries on May 8, 2010. The options were granted to the employees of the Company and its subsidiaries on satisfying the performance and other eligibility criteria set out in ESOS Plan. In accordance with the ESOS Scheme, each option entitles an employee to apply for one fully paid equity share of ₹ 10 of the Company at an exercise price of ₹ 162 per share. Pursuant to the amendments made to the ESOS Scheme as approved by the ESOS Compensation Committee of the Board, effective from April 01, 2014, the Independent Directors of the Company shall not be eligible to participate in the Scheme. Further, the exercise period of the vested options may be different for different plans and shall not be longer than ten years from the date of vesting.

However, considering the market price of shares, none of the employees had exercised the options vested and consequently the ESOS Committee at their meeting held on May 19, 2014, had amended the ESOS Plan 2010 and extended the validity period of exercise period.

Thereafter, considering the Company's proposed revision in its current employees' remuneration & incentive policy, market condition and the market price which was quoted to be under ₹ 50 per share for past six months, and after considering the recommendation of Nomination and Remuneration Committee, the Company decided to wind up the Reliance Power - Employee Stock Option Scheme 2010 with effect from October 23, 2017.

Considering the above, the ESOS Trust has sold its shares in the open market at a loss of ₹ 845 lakhs, impact of which has been taken to other equity in the financial statements of the Company as on March 31, 2018.

12) Exchange differences on foreign currency monetary items

As explained above in note 2.1(p) with respect to exchange differences amounting to ₹ 1,634 lakhs loss (March 31, 2017: ₹ 3,879 lakhs gain) in the value of property, plant and equipment and ₹ 1,520 lakhs loss (March 31, 2017: ₹ 11,967 lakhs gain) in the Capital-work-in-progress arising on settlement or restatement of the long-term foreign currency monetary items towards depreciable assets.

In case of RPSCL and VIPL, the Group has accumulated the exchange differences in 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA) of ₹ 8,768 lakhs (March 31, 2017: ₹ 12,758 lakhs) and shall amortize the same over the term of the foreign currency monetary item.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

13) Finance Lease Receivables (Refer note 2.1 (v))

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Current finance lease receivables	**55,905**	44,973
Non-current finance lease receivables	**832,144**	882,086
Total	**888,049**	927,059

Minimum lease payments

Particulars	March 31, 2018	March 31, 2017
Not later than one year	**169,353**	165,842
Between one year and five year	**652,837**	634,584
Later than five year	**1,062,283**	1,249,889
Total	**1,884,473**	2,050,315
Less: Unearned finance income	**1,417,389**	1,541,043
Less: Expected cash outflows	**3,835**	5,194
Less: Uncollectible lease payments	**(1,819)**	-
Add: Unguaranteed residual value	**422,981**	422,981
Total	**888,049**	927,059

Present value of minimum lease payments

Particulars	March 31, 2018	March 31, 2017
Not later than one year	**55,905**	44,973
Between one year and five year	**235,219**	224,279
Later than five year	**175,960**	240,020
Total	**467,084**	509,272

In RPSCL, the finance lease receivables, accounted for as finance lease in accordance with Appendix C of Ind AS 17 and Ind AS 17, relate to the 25-year power purchase agreement under which RPSCL sells all of its electricity output of its coal based generation capacity at Rosa village in Shahjahanpur, Uttar Pradesh in two Phases of 600 MW each (Both the stages comprise two units of 300 MW each and employ subcritical Pulverized Coal Combustion (PCC) technology) to its off taker, Uttar Pradesh Power Corporation Limited (UPPCL).

The effective interest rate implicit in the finance lease was approximately 13% for both 2017 and 2018.

In VIPL, the finance lease receivables, accounted for as finance lease in accordance with Appendix C of Ind AS 17 and Ind AS 17, relate to the 25-year power purchase agreement under which VIPL sells all of its electricity output of its coal based generation capacity at Butibori village in Nagpur, Maharashtra of 600 MW.

The effective interest rate The effective interest rate Implicit in the finance lease was approximately 13.42 % for both 2017 and 2018.

14) Employee Benefit Obligations

The Company has classified various employee benefits as under:

(a) **Leave obligations**

The leave obligations cover the group's liability for sick and privileged leave.

₹ in lakhs

Particulars	March 31, 2018	March 31,2017
Provision for leave encashment		
Current*	**486**	294
Non-current	**1,556**	1,116

* The Group does not have an unconditional right to defer the settlements.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

(b) **Defined contribution plans**

(i) Provident fund
(ii) Superannuation fund
(iii) State defined contribution plans
(iv) 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 trust. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has recognised the following amounts in the statement of profit and loss/ capital work-in-progress for the year:

₹ in lakhs

Particulars	**Year Ended March 31, 2018**	Year Ended March 31, 2017
Contribution to defined contribution plans (provident and other funds)	**783**	784

(c) **Post employment obligation**
Gratuity

The Group provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

(i) **Significant estimates: actuarial assumptions**

Valuations in respect of gratuity have been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	**March 31, 2018**	March 31, 2017
Discount Rate (per annum)	**7.65%**	7.05%
Rate of increase in compensation levels	**7.50%**	7.50%
Rate of return on plan assets	**7.65%**	7.05%

The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(ii) **Gratuity Plan**

₹ in lakhs

Particulars	**Present value of obligation**	**Fair value of plan assets**	**Net amount**
April 01, 2016	1,818	1,217	601
Current service cost	352	-	352
Interest cost	137	94	43
Total amount recognised in Consolidated statement of profit and loss/ capital work-in-progress	489	94	395
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	26	(26)
(Gain)/ loss from change in financial assumptions	179	-	179
Experience (gains)/ losses	(50)	-	(50)
Total amount recognised in Other Comprehensive Income	129	26	103
Employer's contributions	-	-	-
Benefit payments	(174)	(174)	-
Amount not recognised due to assets limit as per para 64b of IND AS 19	-	(2)	2
March 31, 2017	2,262	1,161	1,101

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2017	2,262	1,161	1,101
Current service cost	406	-	406
Past service cost	7	-	7
Interest cost	151	80	71
Total amount recognised in profit and loss	**564**	**80**	**484**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(26)	26
(Gain)/ loss from change in demographic assumptions	(373)	-	(373)
(Gain)/ loss from change in financial assumptions	(79)	-	(79)
Experience (gains)/ losses	(101)	-	(101)
Total amount recognised in other comprehensive income	**(553)**	**(26)**	**(527)**
Employer contributions	(18)	20	(38)
Benefit payments	(199)	(196)	(3)
March 31, 2018	**2,056**	**1,039**	**1,017**

The net liability disclosed above relates to funded and unfunded plans are as follows:

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Present value of obligations	**1,906**	2,131
Fair value of plan assets	**960**	1,093
(Surplus)/ Deficit of funded plan	**946**	1,038
Present value of obligations	**150**	131
Fair value of plan assets	**79**	68
(Surplus)/ Deficit of unfunded plan	**71**	63
(Surplus)/ Deficit of funded/ unfunded plan	**1,017**	1,101
Current Portion	**25**	15
Non-Current Portion (net of assets ₹ 79 lakhs)	**992**	1,086

(iii) **Sensitivity analysis**

The sensitivity of the provision for defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on closing balance of provision for defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017
Discount rate	**0.50%**	0.50%	**-2.50%**	-5.01%	**2.63%**	5.47%
Rate of increase in compensation levels	**0.50%**	0.50%	**2.62%**	5.42%	**-2.51%**	-5.02%

The above sensitivity analysis is 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. While 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.

The above funded defined benefit plan are administrated by Life Insurance Corporation of India (LIC) and Reliance Life Insurance Company Limited (RLIC) as at March 31, 2018 and March 31, 2017 respectively.

(iv) For unfunded plan, the Group has no compulsion to pre-fund the liability of the plan. The Group's policy is not to externally fund these liabilities but instead recognize the provision and pay the gratuity to its employees directly from its own resources as and when the employee leaves the Group.

(v) **Defined benefit liability and employer contributions**

The Company will pay based on demand raised by LIC and RLIC towards gratuity liability on time to time basis to eliminate the deficit in defined benefit plan.

(vi) The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit.

15) Group's assets pledged as security

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Non - current		
First charge		
Financial assets		
Finance lease receivable	**832,144**	882,086
Other financial assets	**12,802**	21,735
Non-financial assets		
Property, plant and equipment	**2,536,764**	3,442,038
Capital work-in-progress	**418,757**	689,283
Other intangible assets	**3,905**	2,989
Other non-current assets	**88,246**	64,078
Total Non-current assets pledged as security	**3,892,618**	5,102,209

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Current		
First charge		
Financial assets		
Investment	**27,992**	79,939
Trade receivable	**371,548**	298,803
Cash and bank balance	**65,152**	78,043
Loans	**213,460**	15,415
Finance lease receivable	**55,905**	44,973
Other financial assets	**30,236**	33,034
Non-financial assets		
Inventories	**72,558**	102,527
Other current assets	**13,603**	38,169
Total current assets pledged as security	**850,454**	690,903
Total assets pledged as security	**4,743,072**	5,793,112

16) Related party transactions

As per Indian Accounting Standard 24 (Ind AS-24) 'Related Party Transactions' as prescribed by Companies (Indian Accounting Standards) Rules, 2015, the Group's related parties and transactions are disclosed below:

A. Investing parties/ promoters having significant influence on the Group directly or indirectly

(i) **Company**
Reliance Infrastructure Limited (R Infra)

(ii) **Individual**
Shri Anil D. Ambani (Chairman)

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

B. Other related parties with whom transactions have taken place during the year

(i) **Enterprises over which Companies/ individual described in clause (A) above and clause (B) (ii) has control/ significant influences**

a) Reliance Communications Limited (RCOM)

b) Reliance Infocom Infrastructure Limited (RIIL)

c) Reliance Capital Limited (RCAP)

d) Reliance Commercial Finance Limited (RCFL) (upto October 02, 2017)

e) Reliance Nippon Life Assets Management Limited (R Nippon) (upto July 02, 2017)

f) Reliance Nippon Life Insurance Co. Ltd (R Nippon Life) (formerly known as Reliance Life Insurance Company Limited) (upto October 02, 2017)

g) Reliance General Insurance Company Limited (RGICL) (upto October 02, 2017)

h) Reliance Big Entertainment Private Limited (RBEPL)

i) BSES Rajdhani Power Limited (BRPL)

j) BSES Yamuna Power Limited (BYPL)

k) Reliance Capital Trustee Co Ltd (Rcap Trustee) (upto October 02, 2017)

l) Mulla & Mulla and Carigie Blunt & Caroe (Mulla & Mulla)

(ii) **Key Managerial Personnel**

For Parent Company

a) Shri Sateesh Seth (Director)

b) Shri Yogendra Narain (Director)

c) Shri D. J. Kakalia (Director)

d) Smt. Rashna Khan (Director)

e) Shri V. K . Chaturvedi (Director) (upto April 12, 2017)

f) Shri K Ravi Kumar (Director) (w.e.f. September 26, 2017)

g) Shri N. Venugopala Rao (Whole-time-Director) (Chief Executive Officer) and (Chief Financial Officer w.e.f February 16, 2018)

h) Shri Ramaswami Kalidas (Manager (upto May 26, 2016) and Company secretary (upto June 07, 2017))

i) Shri Suresh Nagrajan (Chief Financial Officer) (upto February 16, 2018)

j) Shri Murli M. Purohit (w.e.f June 08, 2017)

(iii) **Entities over which parent/ group is having significant influence**

(a) RPL Sun Power Private Limited (RSUNPPL)

(b) RPL Photon Private Limited (RPHOTONPL)

(c) RPL Sun Technique Private Limited (RSUNTPL)

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

C. Details of transactions during the year and closing balances at the year end

₹ in lakhs

Sr. No.	Nature of transactions	Investing parties having significant influence on the Group directly or indirectly [16 A(i)]	Key managerial personnel [16 B(ii)]	Enterprises over which Companies/ individual described in clause (A) above have control/ significant influences [16 B(i)]	Associates [16 B (iii)]	Total
Transaction during the year						
1	Sale of energy (net of Rebate)	**189,133**	**-**	**42,081**	**-**	**231,214**
		201,333	-	36,303	-	237,636
2	Interest on delayed payment	**4,125**	**-**	**1,856**	**-**	**5,981**
		2,065	-	2,957	-	5,022
3	Interest income on inter corporate deposits	**-**	**-**	**1,283**	**-**	**1,283**
		984	-	5,329	-	6,313
4	Insurance claim received/ accrued	**-**	**-**	**-**	**-**	**-**
		-	-	7,110	-	7,110
5	Remuneration to key managerial personnel					
	a) Short Term employee benefits	**-**	**-**	**377**	**-**	**377**
		-	626	-	-	626
	b) Post employement defined benefits	**-**	**-**	**8**	**-**	**8**
		-	13	-	-	13
	c) Leave encashment	**-**	**-**	**3**	**-**	**3**
		-	30	-	-	30
6	Reimbursement of expenses	**203**	**4**	**-**	**-**	**207**
		11	5	598	-	614
7	Rent expenses	**272**	**-**	**-**	**-**	**272**
		434	-	-	-	434
8	Interest expenses towards Intercoporate deposits and non-covertibles debentures	**5,269**	**-**	**3,630**	**-**	**8,899**
		3,983	-	10,960	-	14,943
9	Insurance premium	**-**	**-**	**6,516**	**-**	**6,516**
		-	-	8,239	-	8,239
10	Reimbursement of expenses received	**-**	**-**	**-**	**-**	**-**
		-	-	8	-	8
11	Advances given	**2,034**	**-**	**-**	**-**	**2,034**
		-	-	-	-	-
12	Advance refunded	**-**	**-**	**-**	**-**	**-**
		36	-	-	-	36
13	Assets purchased	**45**	**-**	**-**	**-**	**45**
		-	-	-	-	-
14	Assets sold	**431**	**-**	**102**	**-**	**533**
		-	-	-	-	-
15	Material and services received	**4,970**	**-**	**-**	**-**	**4,970**
		20,175	-	21	-	20,196
16	Short term borrowing received	**114,069**	**-**	**4,500**	**-**	**118,569**

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

₹ in lakhs

Sr. No.	Nature of transactions	Investing parties having significant influence on the Group directly or indirectly [16 A(i)]	Key managerial personnel [16 B(ii)]	Enterprises over which Companies/ individual described in clause (A) above have control/ significant influences [16 B(i)]	Associates [16 B (iii)]	Total
		101,193	-	53,000	-	154,193
17	Short term borrowing refunded	**135,714**	**-**	**-**	**-**	**135,714**
		71,739	-	38,000	-	109,739
18	Inter corporate deposit given	**4,000**	**-**	**22,995**	**-**	**26,995**
		58,750	-	128,151	-	186,901
19	Inter corporate deposit received back	**-**	**-**	**9,012**	**-**	**9,012**
		43,750	-	15,000	-	58,750
20	Trade receivables written off	**-**	**-**	**-**	**-**	**-**
		-	-	7,228	-	7,228
Outstanding Closing Balances						
21	Financial liabilities	**245,399**	**-**	**1440**	**-**	**246,839**
		238,102	-	1,549	-	239,651
22	Other current liability	**1**	**-**	**-**	**-**	**1**
		-	-	2,098	-	2,098
23	Retention payable towards EPC contract	**6,465**	**-**	**-**	**-**	**6,465**
		5,859	-	-	-	5,859
24	Advances against EPC and other contracts	**141,406**	**-**	**-**	**-**	**141,406**
		160,528	-	-	-	160,528
25	Short term borrowing - Inter corporate deposits	**29,115**	**-**	**-**	**-**	**29,115**
		50,723	-	15,000	-	65,723
26	Short term borrowing non-convertible debentures	**-**	**-**	**-**	**-**	**-**
		-	-	56,000	-	56,000
27	Receivables -financial assets	**133,440**	**-**	**8,824**	**-**	**142,264**
		78,588	-	14,823	-	93,411
28	Other current assets	**-**	**-**	**-**	**-**	**-**
		-	-	1,755	-	1,755
29	Inter corporate deposits receivables	**19,000**	**-**	**1,40,228**	**-**	**159,228**
		15,000	-	128,862	-	143,862
30	Equity share capital contribution	**@**	**-**	**-**	**-**	**@**
		@	-	-	-	@
Capital Commitment						
31	Capital commitment	**1,719,445**	**-**	**-**	**-**	**1,719,445**
		1,646,196	-	-	-	1,646,196

@ Amount is below the rounding off norm adopted by the Group.
(Figures relating to current year are reflected in bold, relating to previous year are in unbold)

Note

1. The above disclosures do not include transactions with public utility service providers, viz, electricity, telecommunications in the normal course of business.
2. Transactions with related parties which are in excess of 10% of the total revenue of the Group are considered as material transactions.
3. During the year 2017-18, the Group has paid sitting fees of ₹ Nil (March 31, 2017 ₹ 2 lakhs) to Individual mentioned in A (ii) above.
4. Transactions with related parties are made on terms equivalent to those that prevail in case of arm's lenght transactions.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

17) Earnings per share

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit available to equity shareholders		
Profit after tax (A) (₹ in lakhs)	**103,481**	110,416
Number of equity shares		
Weighted average number of equity shares outstanding (Basic) (B)	**2,805,126,466**	2,805,126,466
Basic and diluted earnings per share (A/B) (₹)	**3.69**	3.94
Nominal value of an equity share (₹)	**10**	10

18) Disclosure related to Oil & Gas and Coal Bed Methane (CBM) blocks

The Parent Company, through its subsidiaries, has acquired Participating Interest (PI) in Oil & Gas and Coal Bed Methane (CBM) blocks in India by executing Production Sharing Contract (PSC) with the Government of India. PI in Oil & Gas block in Mizoram is held by Reliance Prima Limited (R Prima), PI in two CBM blocks in Rajasthan is held by Atos Trading Private Limited (ATPL), PI in CBM block in Madhya Pradesh is held by Coastal Andhra Power Infrastructure Limited (CAPIL) and PI in CBM block in Andhra Pradesh is held by Atos Mercantile Private Limited (AMPL).

During the year, the Group has accounted for ₹ 61 lakhs (March 31, 2017: ₹ 50 lakhs) towards expenditure on survey and prospecting activities.

Name of the Subsidiary	Name of the field	Location	Participating interest (%)
Coastal Andhra Power Infrastructure Limited	SP (N) CBM-2005/III	Sohagpur, Madhya Pradesh	45
Atos Mercantile Private Limited	KG (E) CBM-2005/III	Kothagudem, Andhra Pradesh	45
Atos Trading Private Limited	BS (4) CBM-2005/III	Barmer, Rajasthan	45
Atos Trading Private Limited	BS (5) CBM-2005/III	Barmer, Rajasthan	45
Reliance Prima Limited	MZ-ONN-2004/ 2	Mizoram	10

Based on the statement of accounts of consortium, the subsidiaries have accounted for assets, liabilities, income and expenditure of Oil & Gas and Coal Bed Methane (CBM) blocks.

₹ in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Current assets		
Inventories	**339**	339
Short term loan and advances	**4**	5
Cash and cash equivalent	**4**	6
Current liabilities		
Other current liabilities	**1**	2

During the year 2013, PSC of Oil & Gas block in Mizoram, wherein R Prima (subsidiary of Reliance Power Limited) has a participating interest of 10%, was terminated by the Government of India pursuant to discovery of misrepresentation by the Operator of the block, M/s. Naftogaz India Private Limited. Pursuant to such termination, R Prima has represented to the Government of India that it was not aware about the misrepresentation of fact by Naftogaz India Private Limited whose credentials to act as Operator were accepted by the Government of India. Hence, no obligation can accrue to the Group in connection with the termination of the contract due to misrepresentation by the Operator.

19) Income taxes

The major components of income tax expense for the year ended March 31, 2018 and March 31, 2017 are as under :

(a) **Income tax recognised in Statement of Profit and Loss**

₹ in lakhs

Particulars	March 31 , 2018	March 31, 2017
Income tax expense		
Current tax (net of earlier year)	**25,321**	25,729
Deferred tax	**(5,668)**	6,397
Income tax expense	**19,653**	32,126

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

(b) **The reconciliation of tax expense and the accounting profit multiplied by tax rate** ₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Profit before income tax expense	**1,23,134**	1,42,542
Tax at the Indian corporate tax rate of 34.608%	**42,614**	49,331
Tax effect of amounts which are not deductible(taxable) in calculating taxable income :		
Expenses (admissible)/ inadmissible under Income Tax Act (net)	**(2,326)**	(1,672)
Effect of finance lease reduction from lease receivable/ recoverable from beneficiaries	**(18,274)**	14,457
Effect of tax on account of available tax holiday under section 80IA of the Income tax Act	**(45,866)**	(64,218)
Losses of subsidiaries on which no deferred tax assets was recognised/ not admissible loss	**9,004**	990
Minimum alternate tax on which no deferred tax recognised	**25,144**	25,618
Other items (net)	**9,357**	7,620
Income tax expense	**19,653**	32,126

(c) **Tax liabilities (net of assets)** ₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Provision for income tax (advance tax) – Opening balances	**16,665**	(286)
Add: Current tax payable for the year	**25,321**	25,729
Less: Taxes paid (net of refund)	**(21,065)**	(8,778)
Provision for income tax (advance tax) – Closing balances	**20,921**	16,665

(d) **Deferred tax assets/ (liabilities)** ₹ in lakhs

Particulars	Property, plant and equipment	Government Grant	Finance lease receivables	Total
At April 01, 2016	(174,356)	71,632	(130,209)	(232,933)
(Charged)/credited to profit and loss	1,066	(1,837)	(5,626)	(6,397)
At April 01, 2017	(173,290)	69,795	(135,835)	(239,330)
(Charged)/credited to profit and loss	7,249	(1,181)	(400)	5,668
At March 31, 2018	**(166,041)**	**68,614**	**(136,235)**	**(233,662)**

(e) **Unused tax*** ₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Unused tax losses for which no deferred tax asset has been recognised	**55,808**	42,158
Potential tax benefit	**15,757**	14,590
(includes unabsorbed depreciation)		

*The unused tax losses were incurred which is not likely to generate taxable income in the foreseeable future.

The Group has not recognised deferred tax assets on long-term capital loss. The Group does not expect any capital gain in the foreseeable future.

20) The information as required by para 35 of the Guidance Note on Accounting for Self- generated Certified Emission Reductions (CERs) relating to certified emission rights are as follows:

Sr. No	Particulars	March 31, 2018	March 31, 2017
(a)	No. of CERs held as inventory and the basis of valuation	**-**	-
(b)	No. of CERs under certification	**82,718**	64,701
(c)	Depreciation and operating & maintenance costs of emission reduction equipment expensed during the year	**-**	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

21) Fair value measurements

(a) **Financial instruments by category**

₹ in lakhs

Particulars	As at March 31, 2018		As at March 31, 2017	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Loans	**-**	**2,97,955**	-	2,57,953
Finance lease receivable	**-**	**8,88,049**	-	9,27,059
Security deposit	**-**	**2,655**	-	5,414
Term deposits with more than 12 months maturity	**-**	**1,41,671**	-	1,26,388
Non current bank balances	**-**	**1,220**	-	15,593
Derivative assets	**10,308**	**-**	2,127	-
Investment in mutual funds	**27,992**	**-**	79,939	-
Trade receivables	**-**	**3,71,541**	-	2,98,803
Unbilled revenue	**-**	**13,871**	-	20,107
Cash and cash equivalents	**-**	**58,459**	-	17,647
Other bank balances	**-**	**33,190**	-	78,132
Government bond	**-**	**23**		23
Other financial assets	**-**	**20,228**	-	12,782
Total financial assets	**38,300**	**18,28,862**	82,066	17,59,901
Financial liabilities				
Borrowings	**-**	**31,90,787**	-	33,08,722
Retention money payable	**-**	**1,08,577**	-	1,13,530
Creditors for capital expenditure	**-**	**2,47,223**	-	2,55,264
Derivative liability	**12,376**	**-**	13,634	
Trade payables	**-**	**36,071**	-	37,985
Creditors for supply and services	**-**	**8,689**	-	8,177
Security deposit received	**-**	**514**	-	433
Unclaimed dividend	**-**	**300**	-	301
Other financial liabilities	**-**	**16,520**	-	20,655
Total financial liabilities	**12,376**	**36,08,681**	13,634	37,45,067

(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. The Group has not disclosed fair values of financial instruments such as short-term trade receivables, trade payables, cash and cash equivalents, loans, security deposits, retention money etc. as carrying value is reasonable approximation of fair values. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

₹ in lakhs

Financial assets and liabilities measured at fair value measurements as at March 31, 2018	Level 1	Level 2	Level 3	Total
Financial assets	-	-	-	**-**
Financial Investments at FVPL	-	-	-	**-**
Derivative assets	-	10,308	-	**10,308**
Investments in mutual funds	-	27,992	-	**27,992**
Government Bond	23	-	-	**23**
Total financial assets	**23**	**38,300**	**-**	**38,323**
Financial liabilities				
Derivative liabilities	-	12,376	-	**12,376**
Total financial liabilities	-	**12,376**	**-**	**12,376**

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

Assets and liabilities which are measured at amortised cost for which fair values are disclosed at March 31, 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Finance lease receivable	-	1,030,915	-	**1,030,915**
Term deposits with more than 12 months maturity	-	141,671	-	**141,671**
Non-current bank balance	-	1,219	-	**1,219**
Other financial assets	-	-	1,021	**1,021**
Total financial assets	**-**	**1,173,805**	**1,021**	**1,174,826**
Financial liabilities				
Borrowings	-	2,600,043	231,157	**2,831,200**
Total financial liabilities	**-**	**2,600,043**	**231,157**	**2,831,200**

₹ in lakhs

Assets and liabilities which are measured at amortized cost for which fair values are disclosed as at March 31, 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Derivative assets	-	2,127	-	2,127
Investments in mutual funds	-	79,939	-	79,939
Total financial assets	-	82,066	-	82,066
Financial liabilities				
Derivatives liabilities	-	13,634	-	13,634
Total financial liabilities	-	13,634	-	13,634
Financial assets				
Finance lease receivables	-	989,461	-	989,461
Term deposits with more than 12 months maturity	-	126,388	-	126,388
Non-current bank balances	-	15,593	-	15,593
Other financial assets	-	-	1,021	1,021
Total financial assets	-	1,131,442	1,021	1,132,463
Financial Liabilities				
Borrowings	-	2,676,952	261,079	2,938,031
Total financial liabilities	-	2,676,952	261,079	2,938,031

(c) **Valuation processes**

The Group obtains assistance of independent and competent third party valuation experts to perform the valuations of financial assets and liabilities required for financial reporting purposes. Discussions of valuation processes and results are held between the Group and the valuer on periodic basis.

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

Fair value of financial assets and liabilities measured at amortised cost

₹ in lakhs

Fair value of financial assets and liabilities measured at amortised cost	March 31, 2018		March 31, 2017	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Loans	**36,597**	**36,597**	36,061	36,061
Finance lease receivables	**888,049**	**1,030,915**	927,059	989,461
Security deposits	**1,538**	**1,538**	4,833	4,833
Term deposits with more than 12 months maturity	**141,671**	**141,671**	126,388	126,388
Non-current bank balances (including margin money deposits towards bank guarantee)	**1,220**	**1,220**	15,593	15,593
Other financial assets	**1,019**	**1,019**	1,021	1,021
Government Bond	**23**	**23**	-	-
Total financial assets	**1,070,117**	**1,212,983**	1,110,955	1,173,357
Financial Liabilities				
Borrowings	**2,808,573**	**2,831,200**	2,944,258	2,938,031
Retention money payable	**169**	**169**	375	375
Creditors for capital expenditure	**-**	**-**	-	-
Total financial liabilities	**2,808,742**	**2,831,369**	2,944,633	2,938,406

(d) **Valuation technique used to determine fair values**

Specific valuation technique used to determine fair values :

- Investment in funds are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue these units and will redeem such units of mutual fund to and from the investor.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable curves.
- The fair value of forward foreign exchange contracts is determined using Bloomberg forward contract pricing model, which determines fair value on a discontinued cash flow basis.
- The fair value of foreign currency option contracts is determined using the Black Scholes valuation model.
- The fair value of remaining financial instruments is determined using discounted cash flow analysis.

The fair value of financial instruments is determined using discounted cash flow analysis.

The carrying amount of current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair value of the long-term borrowings with floating-rate of interest is not impacted due to interest rate changes, and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Group borrowing (since the date of inception of the loans).

For financial assets and liabilities that are measured at fair value, the carrying amount is equal to the fair values.

Note

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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 which are included in level 3.

There are no transfers between any levels during the year.

The Group's policy is to recognise transfer into and transfer out of fair value hierarchy levels as at the end of the reporting period.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

22) Financial risk management

The Group's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Partly hedge by foreign exchange forward contracts and call spread
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Partly hedge by Interest rate swap

(a) **Credit risk**

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions mutual funds, as well as credit exposures with trade customers towards sale of electricity as per the terms of PPA under respective state regulations and respective state distribution companies including outstanding receivables.

Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group's credit risk arises from accounts receivable balances on sale of electricity is based on tariff rate approved by electricity regulator and inter-corporate deposits/ loans are given to corporates. The credit risk is very low as the sale of electricity is based on the terms of the PPA which has been approved by the regulator. The Inter-corporate deposits/ loan are given to corporates which have good credit ratings. There is no change in the risk status of such corporates.

For deposits with banks and financial institutions, only highly rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at Group level. The Company's policy to manage this risk is to invest in debt securities that have a good credit rating.

(b) **Liquidity risk**

(i) Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

In respect of its existing operations, the Group funds its activities primarily through long-term loans secured against each power plant. In addition, each of the operating plants has working capital loans available to it which are renewable annually, together with certain intra-group loans. The Group objective in relation to its existing operating business is to maintain sufficient funding to allow the plants to operate at an optimal level.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows with customers and by 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

(ii) **Maturities of financial liabilities**

The amounts disclosed in the below are the contractual undiscounted cash flows. Balances due within 12 months equal to their carrying balances as the impact of discounting is not significant.

₹ in lakhs

March 31, 2018	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Non-Derivative				
Interest bearing borrowing*	984,426	1,730,526	1,943,575	**4,658,527**
Trade payables	36,071	-	-	**36,071**
Creditors for supplies and services	8,689	-	-	**8,689**
Creditors for capital expenditure	247,223	-	-	**247,223**
Retention money payable	108,408	169	-	**108,577**
Others	17,334	-	-	**17,334**
Total Non-Derivative	**1,402,151**	**1,730,695**	**1,943,575**	**5,076,421**
Derivative liability				
Forward exchange contract use for hedging				
Outflow	698	43,160	55,341	**99,199**
Inflow	(602)	(35,192)	(45,546)	**(81,340)**
Total Derivative Liabilities	**96**	**7,968**	**9,795**	**17,859**

₹ in lakhs

March 31, 2017	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Non-Derivative				
Interest bearing borrowing*	9,15,164	19,93,311	20,97,223	50,05,698
Trade payables	37,985	-	-	37,985
Creditors for supplies and services	8,177	-	-	8,177
Creditors for capital expenditure	2,55,264	-	-	2,55,264
Retention money payable	1,13,155	375	-	1,13,530
Others	21,389	-	-	21,389
Total Non-Derivative	13,51,134	19,93,686	20,97,223	54,42,043
Derivative liability				
Forward exchange contract use for hedging				
Outflow	1,66,917		98,501	2,65,418
Inflow	(1,53,047)		(86,888)	(2,39,935)
Total Derivative Liabilities	13,870	-	11,613	25,483

* Includes contractual interest payments based on the interest rate prevailing at the reporting date.

(c) **Market risk**

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: a) Foreign currency risk and b) Interest rate risk.

(i) **Foreign currency risk**

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group holds monetary assets in the form of fixed deposit and advances in US Dollar. Further it has long-term monetary liabilities which are in US dollar other than its functional currency.

While the Group has direct exposure to foreign exchange rate changes on the price of non-Indian Rupee-denominated securities and borrowings, it may also be indirectly affected by the impact of foreign exchange rate changes on the earnings of companies in which the Group invests. For that reason, the below sensitivity analysis may not necessarily indicate the total effect on the Group's net assets attributable to holders of equity shares of future movements in foreign exchange rates.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

- **Foreign currency risk exposure**

The Groups exposure to foreign currency risk (all in USD) at the end of the reporting period expressed in Rupees, are as follows.

₹ in lakhs

Particulars	March 31,2018	March 31,2017
Financial liabilities		
Borrowing	**1,039,077**	1,307,706
Other	**290,388**	296,769
Gross foreign currency exposure	**1,329,465**	1,604,475
Covered by hedging instruments		
Forward contracts	**70,973**	225,718
Call spread	**185,102**	223,576
Cross currency swap	**7,470**	8,078
Total Covered by hedging instruments	**263,545**	457,372
Net foreign currency exposure	**1,065,920**	1,147,103

- **Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

₹ in lakhs

Particulars	Impact on profit before tax/ CWIP/ PPE**		Impact on equity	
	March 31,2018	March 31,2017	March 31,2018	March 31,2017
USD sensitivity				
FX rate - increase by 6% on closing rate on reporting date *	**(56,895)**	(65,648)	**(7,619)**	(9,161)
FX rate - decrease by 6% on closing rate on reporting date*	**55,837**	64,328	**7,619**	9,161

* Holding all other variables constant

**The above impact has been assessed taking into consideration the accounting policy adopted by the Group for the accounting for foreign exchange differences. (Refer note 2.1(p) above).

(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group's cash flow interest rate risk.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

- **Interest rate risk exposure**

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in lakhs

Particulars	March 31, 2018	March 31, 2017
Variable rate borrowings	**1,664,911**	2,507,274

- **Interest Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates for the next one year.

₹ in lakhs

Particulars	Impact on profit before tax/ CWIP	
	March 31, 2018	March 31, 2017
Interest sensitivity		
Interest cost – increase by 5% on existing Interest cost*	**(7,785)**	(8,800)
Interest cost – decrease by 5% on existing Interest cost*	**7,785**	8,800

* Holding all other variables constant

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

23) Capital Management

(a) **Risk Management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of total equity on a periodic basis. Equity comprises all components of equity including fair value impact and debt includes long-term and short-term loans .The following table summarizes the capital of the Group:

₹ in lakhs

Particulars	**March 31, 2018**	March 31, 2017
Equity (excluding other reserves)	**2,140,592**	2,037,126
Debt	**3,169,656**	3,292,532
Total	**5,310,248**	5,329,658

(b) The Group is generally regular in payment of its debt service obligation and the Group has not received any communication from lenders for non-compliance of any debt covenant.

24) Segment reporting

Presently, the Group is engaged in only one segment viz 'Generation of Power' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Group's operations are predominantly confined in India.

Information about major customers

Revenue for the year ended March 31, 2018 and March 31, 2017 were from customers located in India. Customers include private distribution entities. Revenue to specific customers exceeding 10% of total revenue for the years ended March 31, 2018 and March 31, 2017 were as follows: (Refer note 2.1 (q) above)

₹ in lakhs

Customer Name	**For the Year ended**			
	March, 31, 2018		March, 31, 2017	
	Revenue	**Percent**	Revenue	Percent
Uttar Pradesh Power Corporation Limited	**337,773**	**35%**	360,241	35%
MP Power Management Company Limited	**183,052**	**19%**	191,319	19%
Reliance Infrastructure Limited	**189,133**	**19%**	201,333	20%
Total	**709,958**	**73%**	752,893	74%

25) Government grants

(a) SPL is eligible for exemption of certain duties and taxes levied by Government of India, which has been recognised in the books as government grant. (Refer note 2.1 (bb) for further details).

(b) RPSCL is liable to pay entry tax on inter-state purchase of certain goods under "Uttar Pradesh Tax on Entry of Goods in Local Area Act, 2007". As per Uttar Pradesh Power Policy 2003 read with Notification 1770 dated July 05, 2004 issued by the Government of Uttar Pradesh, RPSCL is eligible for grant of a moratorium period of nine years from the date of commencement of operation from payment of entry tax on each phase of the project. Accordingly, considering the said policy, RPSCL is filing the returns and would make the payments to the regulatory authorities on completion of moratorium period.

(c) RPSCL is liable to pay value added tax on purchase of goods under "Uttar Pradesh Value Added Tax Act, 2008". As per Uttar Pradesh Power Policy 2003 read with Notification 1772 dated July 05, 2004 issued by Government of Uttar Pradesh, RPSCL is eligible for grant of a moratorium period of nine years from the date of commencement of operation, for payment of Value added tax. Accordingly, considering the said policy, RPSCL is filing the returns and would make the payments to the regulatory authorities on completion of moratorium period.

RPSCL has been awarded the Government grant in the form of deferred payment benefits for Entry tax and Value added tax. The above two benefits have been accounted for as government grant in the books. (Refer note 2.1 (bb) for further details).

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

Given below are details of the movement of government grant

₹ in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	**205,721**	209,291
Grants during the year	**441**	2,266
Released to profit and loss	**(5,907)**	(5,836)
Closing balance	**200,255**	205,721

26) Provision for Mine closure expenses (in case of SPL)

₹ in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Balance as at beginning of the year	**934**	724
Additions	**144**	114
Amount used/reversed	**-**	-
Unwinding of discount	**124**	96
Balance as at the end of the year	**1,202**	934

Provision for mine closure obligation represents estimates made towards the expected expenditure for restoring the mining area and other obligatory expenses as per the approved mine closure plan. The timing of the outflow with regard to the said matter would be in a phased manner based on the progress of excavation of coal and consequential restoration cost.

27) Revenue Recognition

In accordance with the terms of PPA and Maharashtra Electricity Regulatory Commission (MERC)'s Multi-Year Tariff (MYT) regulations, VIPL had filed a petition with MERC for fuel surcharge adjustment (FSA) towards increase in cost of coal over the cost approved in provisional tariff order for the year FY 2014-15 and FY 2015-16. MERC, in its order dated June 20, 2016, disallowed VIPL's claim of FSA for ₹ 43,470 lakhs for the FY 2014-15 and ₹ 30,491 lakhs for the FY 2015-16 and directed VIPL to repay the amount to R Infra in six monthly installments from July 2016. In the said order, MERC followed the same basis for the purpose of determining allowable cost of coal for the Multi-Year Tariff period of FY 2016-17 to FY 2019-20.

Against the said order of MERC, VIPL has filed an appeal with APTEL. In its order dated November 03, 2016, APTEL directed MERC to rework the pass through fuel costs to be allowed to be recovered by VIPL, as part of its tariff. Subsequently, VIPL has filed a revised petition on December 08, 2016 with MERC as directed in APTEL's order. On January 03, 2017, MERC filed an appeal against the APTEL order in Hon'ble Supreme Court of India. Pending disposal of the appeal, VIPL has charged the pass through costs as per the terms of Power Purchase Agreement/ advice received and no impact of the disallowance earlier directed by MERC of ₹ 43,470 lakhs for the FY 2014-15, ₹ 30,491 lakhs for the FY 2015-16 and ₹ 17,300 lakhs for the FY 2016-17 and ₹ 23,914 lakhs for FY 2017-18 or of the APTEL order has been considered in the financial statements.

28) RPSCL has filed a multiyear tariff petition for the period April 01, 2014 to March 31, 2019. Pending approval of the said tariff, RPSCL has billed UPPCL based on the provisional tariff order issued by UPERC. Considering no uncertainties involved, RPSCL has also billed revenue towards truing up of fixed charges year on year aggregating ₹ 57,961 lakhs (March 31, 2017: ₹ 55,980 lakhs) based on the petitions filed with UPERC, which are pending for approval.

29) RPSCL, has received notice of demand from Shahajanpur division of Forest Department, for levy of transit fees under Indian Forest Act, 1927 on transport of coal. The levy of transit fee has been challenged by the RPSCL along with other affected parties before various judicial bodies. Presently, the matter is pending before the Hon'ble Supreme Court of India. As per an Interim order pronounced by Hon'ble Supreme Court, the State of Uttar Pradesh shall be free to recover transit fee for Forest Produce removed within the State of Uttar Pradesh. As RPSCL coal is sourced from states other than the State of Uttar Pradesh, RPSCL is not subjected to such levy. Further, in the eventuality of any liability accruing in this matter and this being part of cost of fuel, is recoverable from the procurer as per the terms of the PPA.

30) In the case of SMPL, the area in which the plant is under construction includes land admeasuring 61 acres, owned by R Infra which is under its possession through Memorandum of Understanding. SMPL is in the process of entering into a lease agreement with R Infra for the same. Further, pending execution of lease agreement, it has obtained an affirmation from R Infra that the assets on the land are its property.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

31) In the case of SMPL, the project has received provisional mega power status certificate from the Ministry of Power/ Government of India which, inter-alia, entails the project to avail the exemptions/ benefits of Mega Power Projects. However, Customs authorities and Customs, Excise and Service Tax Appellate Tribunal have not considered the exemption and SMPL has filed an appeal before the Hon'ble Supreme Court of India claiming the benefits of Mega Power Project.

As on date of signing of contract there was no Mega Power Project/ fiscal benefit available for the Project, hence, the EPC contract entered into with R Infra, is inclusive of all taxes and duties. If such custom duty benefit is granted, under the aforesaid scheme the same would be passed on to Owner/ SMPL.

32) The Parent Company, through its subsidiary Maharashtra Energy Generation Limited ("MEGL"), had signed Memorandum of Understanding with Government of Maharashtra (GoM) to set up 4,000 MW power project at Shahapur, Raigad District. MEGL expected that the Shahapur project will require 2,500 acres of land for the Power Project. However, the land acquisition procedures could not be completed within the stipulated period and hence MEGL informed the GoM, vide letter dated September 06, 2011, of its decision not to pursue the project. Based on the Honorable High Court Order dated February 07, 2013, MEGL has received ₹ 3,716 lakhs in the financial year ended March 31, 2013, out of the total advance of ₹ 4,360 lakhs paid to the GoM for acquisition of land. The balance amount of ₹ 644 lakhs receivable from the GoM is in the process of recovery. Shetkari Sangharsh Samitee has filed Special Leave Petition in the Honorable Supreme Court of India against the Company, requesting for the stay on the Bombay High Court Order, directing refund of MEGL deposits by the GoM.

Further MEGL had given an advance of ₹ 596 lakhs to the Land Owners towards direct purchase of land and has issued legal notice for the refund of the amount paid to them. As there are no operations in MEGL as of now, the financial statement have not been prepared on going concern basis accordingly, assets and liabilities have been stated at their net realisable value or cost, whichever is less.

Considering the above facts, the Group has classified assets related to project under head 'Non-current assets classified as held for sale'.

33) During the year ended March 31, 2017, SMPL has filed a scheme of Reduction of Share Capital (Securities Premium Reserve) under section 52 of the Companies Act, 2013 and section 100 to 103 of the Companies Act, 1956 which was sanctioned by the Hon'ble High court of Bombay on its order dated December 02, 2016 and filed with Registrar of Companies on January 18, 2017. Pursuant to the said scheme, the securities premium reserve was utilised to recoup the financial effect of considering fair value of certain assets of capital work-in-progress as deemed cost on transition to Ind-AS to the extent of ₹ 270,000 lakhs by offsetting reduction in retained earnings.

34) Corporate social responsibility (CSR)

The Group is required to spend ₹ 2,274 lakhs (March 31, 2017: ₹ 2,246 lakhs) towards CSR based on the profitability of respective subsidiaries and Parent Company. Against the said amount, the Group has spent ₹ 2,297 lakhs (March 31, 2017: ₹ 2,152 lakhs), towards promotion of education, healthcare and sanitation during the year in the respective entities.

35) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of amount payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

36) Ind AS Transition Facilitation Group (ITFG) of Ind AS implementation Committee of the Institute of the Chartered Accountants of India has issued clarification on July 31, 2017 regarding method of estimating depreciation for preparing standalone financial statements of the subsidiary and for consolidated financial statements. The Company has obtained opinions from reputed legal and accounting firms stating that clarification issued by ITFG will not be applicable to the company, as the company has been following the method since inception of SPVs/ in Consolidated Financial Statements, including under Ind AS regime till end of previous financial year. Based on such opinions, the Company has continued to provide depreciation in its consolidated financial statements which is different as compared to that considered by some subsidiaries based on the decisions of the respective Managements and Boards. The Company is contemplating seeking further clarification on the views expressed by ITFG. The matter has been referred to by the auditors in their audit report as an emphasis of matter.

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

37) Offsetting of financial assets and financial liabilities

The following table presents the derivative financial instruments that are offset as at March 31, 2018 and March 31, 2017 where as per the terms of the agreement the net position owing/ receivable to a single counter party in the same currency has been offset and presented at net amount in the balance sheet.

₹ in lakhs

Particulars	Gross amounts	Gross amount set-off in balance sheet	Net balance presented in balance sheet
As at March 31, 2018			
Financial liabilities			
Derivative liabilities	**13,240**	**(864)**	**12,376**
Total	**13,240**	**(864)**	**12,376**
Financial assets			
Derivative assets	**11,170**	**(862)**	**10,308**
Total	**11,170**	**(862)**	**10,308**

Particulars	Gross amounts	Gross amount set-off in balance sheet	Net balance presented in balance sheet
As at March 31, 2017			
Financial liabilities			
Derivative liabilities	22,308	(8,674)	13,634
Total	22,308	(8,674)	13,634
Financial assets			
Derivative assets	10,801	(8,674)	2,127
Total	10,801	(8,674)	2,127

38) Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Statement of cash flows

₹ in lakhs

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Long term borrowings		
Opening balance		
- Non current	**2,602,271**	2,848,831
- Current	**299,067**	215,471
Availed during the year	**282,961**	337,105
Impact of non cash item		
- Impact of Effective Rate of Interest (EIR)	**9,282**	6,370
- Equity component of compulsorily convertible debenture		-
Repaid during the year	**(432,619)**	(477,642)
Foreign exchange adjustment	**(985)**	(28,797)
Closing balance	**2,759,977**	2,901,338
- Non current	**2,392,655**	2,602,271
- Current	**367,322**	299,067
Short term borrowings		
Opening balance	**364,464**	289,658
Availed during the year	**17,750**	74,806
Repaid during the year	**-**	-
Closing balance	**382,214**	364,464
Interest expenses		
Interest accrued - opening balance	**16,190**	18,077
Interest charge as per statement of profit & loss	**292,597**	284,308
Interest included in CWIP	**11,492**	8,425
Changes in fair value		
- Unwinding and EIR adjustment	**(9,406)**	(6,370)
- Fair value adjustment	**9,439**	(15,048)
Interest paid to lenders	**299,180**	273,202
Interest accrued - closing balance	**21,132**	16,190

Notes to the Abridged Consolidated Financial Statements as of and for the year ended March 31, 2018

39) Additional Information, as required under Schedule III to the Act, of enterprises consolidated as Subsidiary. (Refer note 39 of Annual Accounts)

₹ in lakhs

Sr. No.	Name of Company	Net assets i.e. total assets minus total liabilities				Share in profit or loss (PAT)				Share in other comprehensive Income				Share in total comprehensive Income			
		March 31, 2018		March 31, 2017		**March 31, 2018**		March 31, 2017		**March 31, 2018**		March 31, 2017		**March 31, 2018**		March 31, 2017	
		As % of consolidated net assets	₹ in lakhs	As % of consolidated net assets	₹ in lakhs	**As % of consolidated profit or loss**	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	**As % of consolidated profit or loss**	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	**As % of consolidated profit or loss**	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs
	Parent Company :																
1	Reliance Power Limited	**40.03%**	**17,76,409**	0.00%	-	**0.19%**	**225**	5.41%	6,426	**99.53%**	**98,574**	-31.42%	1,062	**45.20%**	**98,799**	6.25%	7,488
	Indian Subsidiaries :																
2	RPSCL	**11.98%**	**5,31,720**	0.00%	-	**56.37%**	**67,771**	55.13%	65,460	**0.06%**	**60**	0.00%	-	**31.03%**	**67,832**	54.65%	65,460
3	DSPPL	**1.32%**	**58,369**	0.00%	-	**2.82%**	**3,389**	3.46%	4,114	**0.00%**	**(1)**	0.00%	-	**1.55%**	**3,388**	3.43%	4,114
4	VIPL	**4.29%**	**1,90,214**	0.00%	-	**19.43%**	**23,364**	18.11%	21,503	**-0.07%**	**(74)**	0.00%	-	**10.66%**	**23,290**	17.95%	21,503
5	SPL	**35.76%**	**15,86,928**	0.00%	-	**41.22%**	**49,555**	31.85%	37,814	**-0.19%**	**(191)**	0.00%	-	**22.58%**	**49,364**	31.57%	37,814
6	JIPL	**0.00%**	**15**	0.00%	-	**0.00%**	**-**	0.00%	(2)	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(2)
7	CAPL	**0.00%**	**149**	0.00%	-	**-0.25%**	**(302)**	-0.44%	(521)	**0.00%**	**-**	0.00%	-	**-0.14%**	**(302)**	-0.44%	(521)
8	CPPL	**0.02%**	**687**	0.00%	-	**-0.11%**	**(129)**	-0.18%	(209)	**0.00%**	**-**	0.00%	-	**-0.06%**	**(129)**	-0.17%	(209)
9	RCGL	**0.16%**	**6,897**	0.00%	-	**-0.49%**	**(593)**	-0.22%	(261)	**0.00%**	**-**	0.00%	-	**-0.27%**	**(593)**	-0.22%	(261)
10	MPL	**0.00%**	**-2**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)
11	RSRPPL	**0.00%**	**-3**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)
12	SMPL	**-0.03**	**(1,27,044)**	0.00%	-	**-8.50%**	**(10,223)**	-9.93%	(11,791)	**-0.02%**	**(16)**	0.09%	(3)	**-4.68%**	**(10,240)**	-9.85%	(11,794)
13	RSTEPL	**3.01%**	**1,33,751**	0.00%	-	**-0.35%**	**(424)**	-0.97%	(1,157)	**0.00%**	**-**	0.00%	-	**-0.19%**	**(424)**	-0.97%	(1,157)
14	RWPPL	**0.00%**	**1**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)
15	RCRL	**0.29%**	**12,776**	22.84%	13,891	**-0.93%**	**(1,113)**	-1.65%	(1,953)	**0.00%**	**-**	0.00%	-	**-0.51%**	**(1,113)**	-1.63%	(1,953)
16	RNRL	**-0.05%**	**(2,117)**	0.00%	-	**-3.08%**	**(3,701)**	-0.13%	(151)	**0.00%**	**-**	0.00%	-	**-1.69%**	**(3,701)**	-0.13%	(151)
17	RGTPPL	**0.00%**	**(51)**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)
18	MEGL	**0.03%**	**1,454**	0.00%	-	**0.01%**	**8**	0.01%	6	**0.00%**	**-**	0.00%	-	**0.00%**	**8**	0.01%	6
19	SHPPL	**0.02%**	**753**	0.00%	-	**-0.12%**	**(140)**	-0.16%	(193)	**0.00%**	**0**	0.00%	-	**-0.06%**	**(140)**	-0.16%	(193)
20	THPPL	**0.08%**	**3,417**	0.00%	-	**-0.18%**	**(222)**	-0.22%	(263)	**0.00%**	**-**	0.00%	-	**-0.10%**	**(222)**	-0.22%	(263)
21	KPPL	**0.24%**	**10,730**	0.00%	-	**-0.39%**	**(472)**	-0.05%	(54)	**0.00%**	**-**	0.00%	-	**-0.22%**	**(472)**	-0.05%	(54)
22	USHPPL	**0.01%**	**483**	0.00%	-	**0.00%**	**(1)**	-0.02%	(25)	**0.00%**	**-**	0.00%	-	**0.00%**	**(1)**	-0.02%	(25)
23	AHPPL	**0.00%**	**(36)**	0.00%	-	**0.00%**	**2**	0.00%	(1)	**0.00%**	**-**	0.00%	-	**0.00%**	**2**	0.00%	(1)
24	EHPPL	**0.00%**	**(17)**	0.00%	-	**0.00%**	**1**	0.00%	(1)	**0.00%**	**-**	0.00%	-	**0.00%**	**1**	0.00%	(1)
25	MHPPL	**0.00%**	**2**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)
26	PHPPL	**0.13%**	**5,950**	0.00%	-	**-0.04%**	**(51)**	0.00%	(1)	**0.00%**	**-**	0.00%	-	**-0.02%**	**(51)**	0.00%	(1)
27	TPPL	**0.04%**	**1,855**	0.00%	-	**-0.01%**	**(16)**	0.00%	(2)	**0.00%**	**-**	0.00%	-	**-0.01%**	**(16)**	0.00%	(2)
28	SPPL	**0.02%**	**866**	0.00%	-	**-0.01%**	**(8)**	0.00%	(1)	**0.00%**	**-**	0.00%	-	**0.00%**	**(8)**	0.00%	(1)
29	LHPPL	**0.05%**	**2,060**	0.00%	-	**-0.02%**	**(18)**	0.00%	(1)	**0.00%**	**-**	0.00%	-	**-0.01%**	**(18)**	0.00%	(1)
30	SKHPPL	**0.06%**	**2,579**	0.00%	-	**-0.02%**	**(22)**	0.00%	(1)	**0.00%**	**-**	0.00%	-	**-0.01%**	**(22)**	0.00%	(1)
31	CAPIL	**0.00%**	**167**	0.00%	-	**-0.21%**	**(255)**	-0.22%	(266)	**0.00%**	**-**	0.00%	-	**-0.12%**	**(255)**	-0.22%	(266)
32	RPrima	**0.00%**	**4**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**(0)**	0.00%	(0)
33	ATPL	**0.01%**	**356**	0.00%	-	**-0.07%**	**(84)**	0.00%	(1)	**0.00%**	**-**	0.00%	-	**-0.04%**	**(84)**	0.00%	(1)
34	AMPL	**0.00%**	**(73)**	0.00%	-	**-0.04%**	**(43)**	0.00%	(1)	**0.00%**	**-**	0.00%	-	**-0.02%**	**(43)**	0.00%	(1)

Notes to the Abridged Consolidated Financial Statements as of and for the year ended March 31, 2018

39) Additional Information, as required under Schedule III to the Act, of enterprises consolidated as Subsidiary. (Refer note 39 of Annual Accounts)

₹ in lakhs

Sr. No.	Name of Company	Net assets i.e. total assets minus total liabilities				Share in profit or loss (PAT)				Share in other comprehensive Income				Share in total comprehensive Income			
		March 31, 2018		March 31, 2017		**March 31, 2018**		March 31, 2017		**March 31, 2018**		March 31, 2017		**March 31, 2018**		March 31, 2017	
		As % of consolidated net assets	₹ in lakhs	As % of consolidated net assets	₹ in lakhs	**As % of consolidated profit or loss**	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	**As % of consolidated profit or loss**	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	**As % of consolidated profit or loss**	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs
35	RGPPL	**0.01%**	**665**	0.00%	-	**-0.01%**	**(9)**	-0.02%	(26)	**0.00%**	**-**	0.00%	-	**0.00%**	**(9)**	-0.02%	(26)
36	RPL Sunshine	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-
37	RPL Surya	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)
38	RPL Solaris	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)
39	RPL Sunlight	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)
40	RPL Solar	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)
41	RPL Star	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	(0)
	Associates																
42	RSUNPPL	**0.00%**	**(3)**	0.00%	-	**0.00%**	**(0)**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**(0)**	0.00%	-
43	RPHOTONPL	**0.00%**	**(3)**	0.00%	-	**0.00%**	**(0)**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**(0)**	0.00%	-
44	RSUNTPL	**0.00%**	**(3)**	0.00%	-	**0.00%**	**(0)**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**(0)**	0.00%	-
	Foreign Subsidiaries																
45	RNRL-Singapore	**4.24%**	**1,88,183**	-0.01%	(6)	**-4.85%**	**(5,829)**	0.84%	1,002	**0.69%**	**683**	131.33%	(4,438)	**-2.67%**	**(5,829)**	0.84%	1,002
46	PTS	**0.00%**	**95**	0.17%	104	**-0.01%**	**(10)**	0.00%	(1)	**0.00%**	**-**	0.00%	-	**0.00%**	**(10)**	0.00%	(1)
47	PTH	**0.24%**	**10,572**	16.84%	10,244	**0.02%**	**20**	-0.02%	(20)	**0.00%**	**-**	0.00%	-	**0.01%**	**20**	-0.02%	(20)
48	PTA	**0.10%**	**4,605**	7.03%	4,277	**-0.01%**	**(13)**	-0.01%	(11)	**0.00%**	**-**	0.00%	-	**-0.01%**	**(13)**	-0.01%	(11)
49	SBE	**0.24%**	**10,470**	17.81%	10,836	**-0.56%**	**(674)**	0.63%	749	**0.00%**	**-**	0.00%	-	**-0.31%**	**(674)**	0.63%	749
50	BBE	**0.11%**	**4,794**	8.06%	4,904	**-0.35%**	**(417)**	0.40%	476	**0.00%**	**-**	0.00%	-	**-0.19%**	**(417)**	0.40%	476
51	RFZC	**0.02%**	**1,092**	0.07%	40	**-0.16%**	**(187)**	-0.01%	(10)	**0.00%**	**-**	0.00%	-	**-0.09%**	**(187)**	-0.01%	(10)
52	RBLPL/ RBLTL	**0.01%**	**375**	0.00%	-	**0.02%**	**22**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.01%**	**22**	0.00%	-
53	RPN	**0.40%**	**17,639**	27.19%	16,537	**0.68%**	**823**	-1.60%	(1,896)	**0.00%**	**-**	0.00%	-	**0.38%**	**823**	-1.58%	(1,896)
	Sub Total	**100.00%**	**44,37,730**	100.00%	60,827	**100.00%**	**1,20,222**	100.00%	1,18,728	**100.00%**	**99,035**	100.00%	(3,379)	**100.00%**	**2,18,574**	100.00%	1,19,786
	Inter Company elimination and Consolidation adjustments		**(21,89,556)**		(23,78,005)		**(16,740)**		(8,312)		**(98,373)**		(956)		**(1,14,430)**		(13,705)
	Grand Total		**22,48,174**		(23,17,178)		**1,03,481**		1,10,416		**663**		(4,335)		**1,04,144**		1,06,081

@ Amount is below the rounding off norm adopted by the Group.

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

Place : Mumbai
Date : April 19, 2018

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

Vishal D. Shah
Partner
Membership No: 119303

Place : Mumbai
Date : April 19, 2018

For and on behalf of the Board of Directors
Sateesh Seth
K. Ravikumar
D. J. Kakalia
Rashna Khan
} Director

N. Venugopala Rao Whole-time Director, CEO & CFO
Murli Manohar Purohit Company Secretary

Place : Mumbai
Date : April 19, 2018

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 financial statement of subsidiaries/ associates companies/ joint ventures

PART "A" - Summary of Financial Information of Subsidiary Companies

Details of Subsidiary

₹ in lakhs

Sr. No.	Name of Subsidiaries	Date from which they became subsidiaries company	Share Capital	Reserve and Surplus	Total Assets (Non-current + Current) except Investments	Total Liability (Non-Current (+ Current	Investments	* Turnover	Profit/ (Loss) before Taxation	Provision for Taxation Debited/ Credited to Statement of Profit and Loss	Profit/ (Loss) after Taxation	Proposed Dividend	Extent of shareholding (% (in
1	Sasan Power Limited	07.08.2007	4,36,315	11,30,613	35,61,694	20,22,757	27,992	4,77,612	43,255	6,300	49,555	-	100
2	Rosa Power Supply Company Limited	01.11.2006	42,482	4,89,238	10,63,592	5,79,719	47,848	3,38,225	86,131	(18,360)	67,771	-	100
3	Vidarbha Industries Power Limited	30.08.2007	1,492	1,88,723	5,45,393	3,59,628	4,450	1,65,592	29,854	(6,490)	23,364	-	100
4	Dhursar Solar Power Private Limited	08.09.2010	180	33,240	72,583	43,677	4,511	11,582	1,512	(571)	941	-	100
5	Rajasthan Sun Technique Energy Private Limited	29.06.2010	314	64,850	2,78,377	2,13,206	-	651	(464)	-	(464)	-	100
6	Jharkhand Integrated Power Limited	07.08.2009	15	0	14,715	14,700	-	-	-	-	-	-	100
7	Coastal Andhra Power Limited	29.01.2008	60,307	(60,158)	25,973	25,824	-	28	(301)	(1)	(302)	-	100
8	Chitrangi Power Private Limited	10.09.2007	11	676	1,11,806	1,11,119	-	45	(129)	-	(129)	-	100
9	Reliance CleanGen Limited	05.06.2010	3,695	3,202	2,32,575	2,36,348	10,670	5,101	(593)	-	(593)	-	100
10	Moher Power Limited	08.06.2010	5	(7)	0	2	-	-	(0)	-	(0)	-	100
11	Reliance Solar Resources Power Private Limited	10.11.2010	1	(4)	0	4	-	-	(0)	-	(0)	-	100
12	Samalkot Power Limited	29.07.2010	4,062	(1,31,106)	3,97,576	5,24,713	93	586	(10,215)	(9)	(10,223)	-	100
13	Reliance Wind Power Private Limited	11.11.2010	1	(0)	3	2	-	-	(0)	-	(0)	-	100
14	Reliance Coal Resources Private Limited	14.03.2008	260	12,668	55,332	42,404	-	2,439	(1,177)	(197)	(1,374)	-	100
15	Reliance Natural Resources Limited	12.11.2010	5	(2,122)	28,233	30,350	-	19	(3,701)	-	(3,701)	-	100
16	Reliance Geothermal Power Private Limited	17.01.2015	1	(52)	3	54	-	-	(0)	-	(0)	-	75
17	Maharashtra Energy Generation Limited	28.08.2007	10	1,444	1,455	1	-	13	12	(4)	8	-	100
18	Siyom Hydro Power Private Limited	10.09.2007	46	707	917	165	-	-	(140)	-	(140)	-	100
19	Tato Hydro Power Private Limited	10.09.2007	21	3,396	3,685	268	-	-	(222)	-	(222)	-	100
20	Kalai Power Private Limited	26.09.2007	39	10,690	35,892	25,163	-	-	(472)	-	(472)	-	100
21	Urthing Sobla Hydro Power Private Limited	14.09.2007	3	480	557	74	-	-	(1)	-	(1)	-	89
22	Amulin Hydro Power Private Limited	07.07.2009	39	(75)	4	40	-	2	2	-	2	-	100
23	Emini Hydro Power Private Limited	07.07.2009	37	(53)	4	21	-	1	1	-	1	-	100
24	Mihundon Hydro Power Private Limited	07.07.2009	25	(23)	4	2	-	-	(0)	-	(0)	-	100
25	Purthi Hydro Power Private Limited	19.05.2011	35	5,916	5,950	0	-	-	(51)	-	(51)	-	100
26	Teling Hydro Power Private Limited	19.05.2011	12	1,843	1,880	25	-	-	(16)	-	(16)	-	100
27	Shangling Hydro Power Private Limited	19.05.2011	6	860	880	14	-	-	(8)	-	(8)	-	100
28	Lara Sumta Hydro Power Private Limited	19.05.2011	13	2,047	2,060	0	-	-	(18)	-	(18)	-	100
29	Sumte Kothang Hydro Power Private Limited	19.05.2011	16	2,563	2,579	0	-	-	(22)	-	(22)	-	100
30	Coastal Andhra Power Infrastructure Limited	23.04.2008	16	151	927	761	-	-	(255)	-	(255)	-	100
31	Reliance Prima Limited	30.06.2010	5	(1)	5	1	-	-	(0)	-	(0)	-	100
32	Atos Trading Private Limited	30.06.2010	1	354	359	3	-	-	(84)	-	(84)	-	100
33	Atos Mercantile Private Limited	30.06.2010	1	(74)	0	73	-	-	(43)	-	(43)	-	100
34	Reliance Green Power Private Limited	11.08.2012	5	660	1,032	368	-	-	(9)	-	(9)	-	100
35	Reliance Natural Resources (Singapore) Pte Limited $	15.10.2010	1,78,848	9,433	1,89,574	1,410	118	2,627	(5,829)	-	(5,829)	-	100
36	PT Sumukha Coal Services $	15.10.2010	118	(24)	91	46	50	(4)	(10)	-	(10)	-	99.6
37	Reliance Power Netherlands BV $	09.07.2010	17,123	517	39,265	37,296	15,670	2,875	1,020	197	823	-	100
38	PT Avaneesh Coal Resources $	02.08.2010	2,603	(591)	2,572	163	2,196	(1)	(13)	-	(13)	-	100
39	PT Heramba Coal Resources $	02.08.2010	5,900	54	4,631	4	5,944	26	20	-	20	-	100

₹ in lakhs

Sr. No.	Name of Subsidiaries	Date from which they became subsidiaries company	Share Capital	Reserve and Surplus	Total Assets (Non-current + Current) except Investments	Total Liability (Non-Current (+ Current	Investments	* Turnover	Profit/ (Loss) before Taxation	Provision for Taxation Debited/ Credited to Statement of Profit and Loss	Profit/ (Loss) after Taxation	Proposed Dividend	Extent of shareholding (% (in
40	PT Brayan Bintang Tiga Energi #	04.10.2010	2,200	490	4,962	168	-	(397)	(417)	-	(417)	-	100
41	PT Sriwijiya Bintang Tiga Energi #	04.10.2010	5,956	(78)	10,943	474	-	(653)	(674)	-	(674)	-	100
42	Reliance Power Holding FZC, Dubai ##	15.05.2016	1,288	(197)	3,763	11,584	462	44	(187)	-	(187)	-	100
43	Reliance Bangladesh LNG & Power Limited **	21.09.2016	322	22	774	430	-	22	22	-	22	-	100
44	Reliance Bangladesh LNG Terminals Limited **	17.04.2017	31	-	1,843	1,812	-	-	-	-	-	-	100

PART "B" - Summary of Financial Information of Associates Companies

Sr. No.	Name of Associates	RPL Sun Power Provate Limited	RPL Photon Private Limited	RPL Sun Technique Private Limited
1	Latest audited Balance Sheet Date	31.03.2018	31.03.2018	31.03.2018
2	Date on which the associate or Joint Venture was associated or acquired	16.06.2016	16.06.2016	16.06.2016
3	Shares of Associates or Joint Ventures held by the company on the year end			
	No.	5000	5000	5000
	Amount of Investment in Associates or Joint Venture	50000	50000	50000
	Extent of Holding (in percentage)	50%	50%	50%
4	Description of how there is significant influence	There is significant influence due to shareholding in the Associates Company	There is significant influence due to shareholding in the Associates Company	There is significant influence due to shareholding in the Associates Company
5	Reason why the associate/ joint venture is not consolidated	N.A	N.A	N.A
6	Net worth attributeable to shareholding as per latest audited Balance Sheet	@	@	@
7	Profit or Loss for the year			
i	Considered in consolidation @	@	@	@
ii	Considered in consolidation @	@	@	@

* Represents other income also
$ Reporting currency in USD
\# Reporting currency in IDR
** Reporting currency in BDT
\#\# Reporting currency in AED
Exchange rate as on March 31, 2017 : 1 IDR = ₹ 0.0047, 1 USD = ₹ 65.0441, 1 AED = ₹ 17.6736, 1 BDT = ₹ 0.7843
@ amount is below the rounding off norm adopted by the Group

N. Venugopala Rao Whole-time Director, CEO & CFO

Murli Manohar Purohit Company Secretary

Place : Mumbai
Date : April 19, 2018

Notes

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Notes

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PLEASE SIGN AND SEND THIS TO KARVY COMPUTERSHARE PRIVATE LIMITED

FORM FOR UPDATION OF RECORDS

Reliance Power Limited
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710

Dear Sir(s),

Sub.: Updation of Permanent Account Number (PAN) and bank account details

This has reference to circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 issued by the Securities and Exchange Board of India **(SEBI)**, regarding mandatory updation of Permanent Account Number (PAN) and bank account details.

I/ we furnish the following information for your reference and record:

Folio Number

A. Bank account details

Mobile no. of the sole/ first holder

E-mail ID.

Name of bank

Branch name

Branch address with PIN code

Account Number (as appearing in the cheque leaf)

Account type **Saving** **Current**

Please place a tick mark (✓) in the appropriate box

9 Digit Code No. of Bank/ Branch as appearing on MICR cheque issued by the bank

(9 Digit Code Number appearing on the MICR Bank of the Cheque supplied by the bank)

Please attach original cancelled cheque leaf with names of shareholders/ bank passbook showing names of shareholders, duly attested by an authorised bank official.

11 Digit Indian Financial System Code (IFSC)

B. Permanent Account Number (PAN) details

(Sole/ First Holder)	**(Second Holder)**	**(Third Holder)**

I/ We confirm that whatever stated hereinabove is true and correct and that the documents being furnished by me/ us are valid and in force and may be used by Karvy Computershare Private Limited to update records of all companies as mentioned in this letter and for all communication and disbursement of any dividend in future.

(Sole/ First Holder) **Signature**	**(Second Holder)** **Signature**	**(Third Holder)** **Signature**

Encl. : as above

Date :

Place :

Reliance Power Limited

CIN: L40101MH1995PLC084687
Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
Tel. no. : +91 22 3303 1000, Fax no.: +91 22 3303 3662
Website: www.reliancepower.co.in, E-mail id: reliancepower.investors@relianceada.com

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 **24th ANNUAL GENERAL MEETING** of the Members of **Reliance Power Limited** held on Tuesday, September 18, 2018 at 12.00 noon or soon after the conclusion of the Annual General Meeting of Reliance Infrastructure Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020

Member's/ Proxy's Signature

TEAR HERE

PROXY FORM

Reliance Power Limited

CIN: L40101MH1995PLC084687
Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
Tel no.: +91 22 3303 1000, Fax no.: +91 22 3303 3662
Website: www.reliancepower.co.in, E-mail id: reliancepower.investors@relianceada.com

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 **24th Annual General Meeting** of the Company, to be held on Tuesday, September 18, 2018 at 12.00 noon or soon after the conclusion of the annual general meeting of Reliance Infrastructure Limited convened on the same day, whichever is later, at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020 and at any adjournment thereof in respect of such resolution are is 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, 2018 and the reports of the Board of Directors and Auditors thereon; and b. the audited consolidated financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Auditors thereon.		
2.	To appoint a Director in place of Shri Sateesh 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 holding of office by M/s. Pathak H.D. & Associates, as the Statutory Auditors for the remaining term		
4.	To confirm holding of office by M/s. B S R & Co. LLP, as the Statutory Auditors for the remaining term		
5.	To consider and approve payment of remuneration to M/s. V.J.Talati & Co., Cost Auditors for the financial year ended March 31, 2019		
6.	To consider appointment of Shri K Raja Gopal as the Whole-time Director		
7.	To approve Private Placement of Non-Convertible Debentures and/or other Debt Securities		

Signed this ..... day of ..... 2018.

Signature of Shareholder(s) : _____

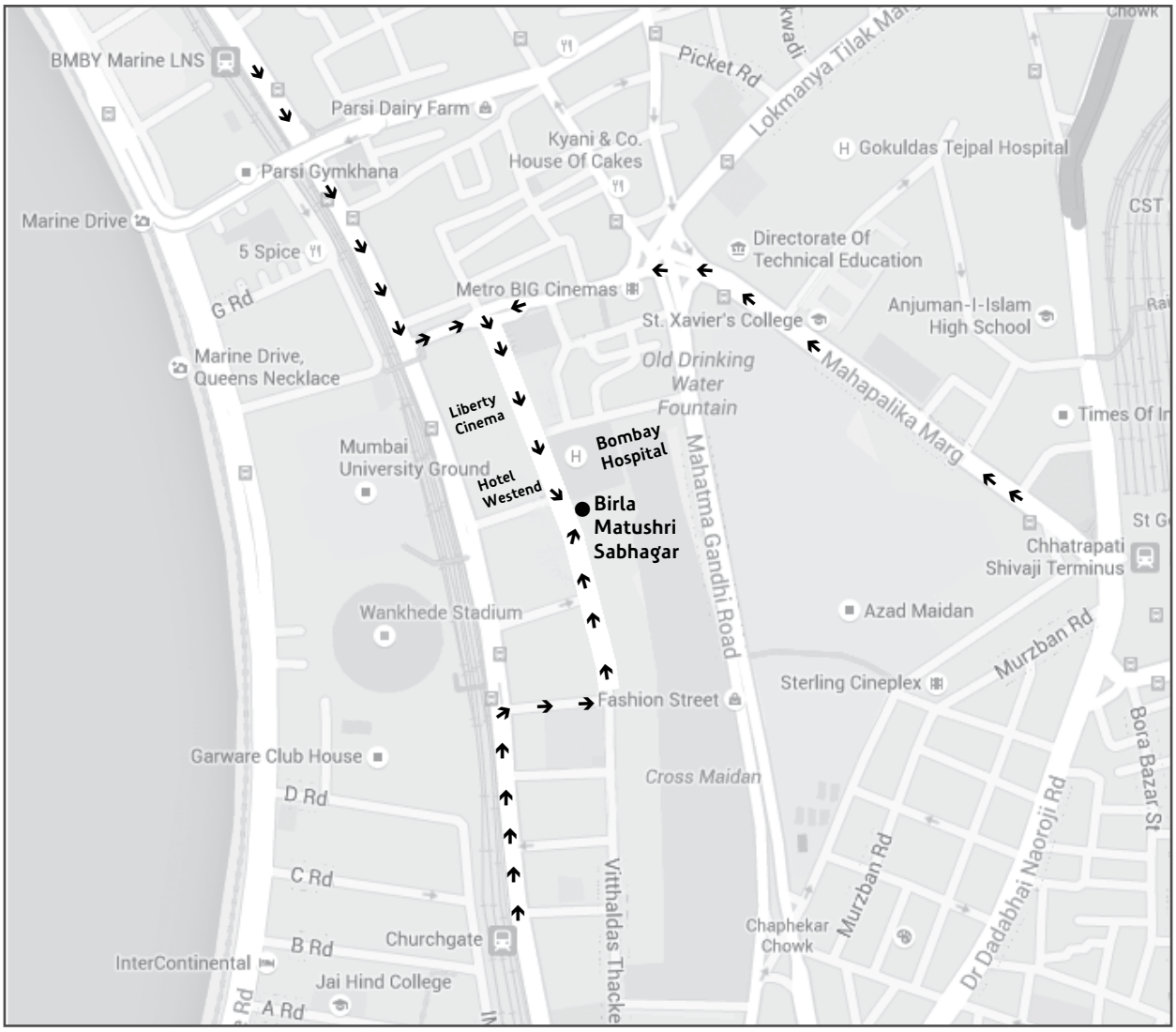
Signature of Proxy holder(s) : _____

Affix Revenue Stamp

Note:
This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map to the AGM Venue

Venue : Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020



Landmark : Next to Bombay Hospital

Distance from Churchgate Station : 1 km

Distance from Chhatrapati Shivaji Terminus : 1.2 km

Distance from Marine Lines Station : 0.8 km

If undelivered please return to :

Karvy Computershare Private Limited
(Unit: Reliance Power 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 : rpower@karvy.com, Website: www.karvy.com

www.sapprints.com