

# RELIANCE

**Reliance Power Limited**  
CIN: L40101MH1995PLC084687

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

Tel: +91 22 4303 1000  
Fax: +91 22 4303 3662  
www.reliancepower.co.in

May 30, 2020

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai 400 001  
**BSE Scrip Code : 532939**

**National Stock Exchange of India Ltd**  
Exchange Plaza, C-1, Block G  
Bandra-Kurla Complex, Bandra (East)  
Mumbai 400 051  
**NSE Symbol : RPOWER**

Dear Sir(s),

**Sub: Notice of 26<sup>th</sup> Annual General Meeting and Annual Report 2019-20**

The Annual Report for the financial year 2019-20, including the Notice convening 26<sup>th</sup> Annual General Meeting of the members of the Company scheduled to be held on Tuesday, June 23, 2020 at 01:30 p.m (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) is enclosed.

The Company will provide to its members the facility to cast their vote(s) on all resolutions set out in the Notice by electronic means ('e-voting'). The detailed process to join meeting through VC / OAVM and e-voting, is set out in Notice.

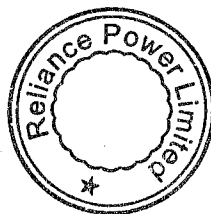
Thanking you.

Yours faithfully,

For Reliance Power Limited



**Murli Manohar Purohit**  
**Vice President - Company Secretary &**  
**Compliance Officer**



Encl. : As above.

**RELIANCE**

Power

**Annual Report  
2019-20**



**Padma Vibhushan**  
**Shri Dhirubhai H. Ambani**  
(28<sup>th</sup> December, 1932 - 6<sup>th</sup> July, 2002)  
Reliance Group - Founder and Visionary

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<b>Key Managerial Personnel</b>		
Shri Sandeep Khosla - Chief Financial Officer		
Shri Murlī Manohar Purohit - Company Secretary & Compliance Officer		
<b>Auditors</b>		
M/s. Pathak H. D. & Associates LLP		
<b>Registered Office</b>		
Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001 CIN: L40101MH1995PLC084687 Tel : +91 22 4303 1000, Fax: +91 22 4303 3662 E-mail: reliancepower.investors@relianceada.com Website: www.reliancepower.co.in		
<b>Registrar and Transfer Agent</b>		
KFin Technologies 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.kfintech.com		
<b>Investor Helpdesk</b>		
Toll free no. (India) : 1800 4250 999		
Tel. no. : +91 40 6716 1500		
Fax no. : +91 40 6716 1791		
E-mail : rpower@kfintech.com		
<b>26<sup>th</sup> Annual General Meeting on Tuesday, June 23, 2020 at 1.30 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM)</b>		

# Reliance Power Limited

## Notice

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of the Members of **Reliance Power Limited** will be held on Tuesday, June 23, 2020 at 01:30 P.M (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:

### Ordinary Business:

- To consider and adopt:
  - the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon, and
  - the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon.
- 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.

### Special Business:

- Payment of remuneration to Cost Auditors for the financial year ending March 31, 2021**

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, 2021, 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."

By Order of the Board of Directors  
Murli Manohar Purohit  
Company Secretary & Compliance Officer

Registered Office:

Reliance Centre, Ground Floor,  
19, Walchand Hirachand Marg,  
Ballard Estate, Mumbai - 400001  
CIN: L40101MH1995PLC084687  
Website: www.reliancepower.co.in

May 08, 2020

### Notes:

- Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect of the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.
- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- The AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
- Corporate Members are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization, etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting to the M/s. KFin Technologies Private Limited (Kfintech) the Registrar and Transfer Agents, by email through its registered email address to praveendmr@kfintech.com.
- In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.reliancepower.co.in](http://www.reliancepower.co.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of Kfintech at [www.kfintech.com](http://www.kfintech.com).
- Members whose email address are not registered can register the same in the following manner:
  - Members holding share(s) in physical mode can register their e-mail ID on the Company's website at <https://www.reliancepower.co.in/web/reliance-power/shareholder-registration> by providing the requisite details of their holdings and documents for registering their e-mail address; and
  - Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective Depository Participants ("DPs") for receiving all communications from the Company electronically.

**Notice**

7. The Company has engaged the services of M/s. KFin Technologies Private Limited, Registrar and Transfer Agent as the authorised agency (KFintech) for conducting of the e-AGM and providing e-voting facility.
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
10. Relevant documents referred to in the accompanying Notice calling the AGM are available on the website of the Company for inspection by the Members.
11. Members are advised to refer to the section titled 'Investor Information' provided in this Annual Report.
12. As mandated by SEBI, effective from April 1, 2019, that securities of listed companies shall be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise share(s) held by them in physical form.
13. Re-appointment of Director:

At the ensuing AGM, Shri Sateesh Seth, Director of the Company shall retire by rotation under the provisions of the Act and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the re-appointment.

The details pertaining to Shri Sateesh Seth are furnished hereunder:

Shri Sateesh Seth, 64 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 Infrastructure Limited, Reliance Defence Limited, Reliance Defence and Aerospace Private Limited, Reliance Defence Systems Private Limited, Reliance Defence Technologies Private Limited and Reliance Airport Developers Limited.

As on March 31, 2020, Shri Sateesh Seth holds 29 shares of the Company. He does not hold any relationship with other Directors and Key Managerial Personnel of the Company.

14. Members are requested to fill in and submit the Feedback Form provided in the 'Investor Relations' section on the Company's website [www.reliancepower.co.in](http://www.reliancepower.co.in) to aid the Company in its constant endeavor to enhance the standards of service to investors.
15. Members whose shares / application money due for refund, or interest thereon, has been transferred to the Investor Education and Protection Fund (IEPF), may claim the same by submitting an online application in Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in), along with fee specified therein.

**16. Instructions for attending the AGM and e-voting are as follows:**

**A. Instructions for attending the AGM:**

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM at <https://ris.kfintech.com/vc/login2vc.aspx> by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.
2. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and Members who may like to express their views or ask questions during the AGM may register themselves at <https://ris.kfintech.com/agmvcspeakerregistration>. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM. Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.
3. Facility of joining the AGM through VC / OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters, and Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
4. Members who need technical assistance before or during the AGM, can contact KFintech at <https://ris.kfintech.com/agmq/aqmqa/login.aspx>.

**B. Instructions for e-voting**

1. In compliance with the provisions of Section 108 of the Act read with Rules made there under and Regulation 44 of the Listing Regulations, the Company is offering e-voting facility to all Members of the Company. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date i.e. June 16, 2020 only shall be entitled to avail the facility of remote e-voting/e-voting at the AGM. KFintech will be facilitating remote e-voting to enable the Members to cast their votes electronically. The Members can cast their vote online from

## Notice

10.00 A.M. (IST) on Friday, June 19, 2020 to 5.00 P.M. (IST) on Monday, June 22, 2020. At the end of Remote e-voting period, the facility shall forthwith be blocked.

2. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
3. The Members present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
4. The procedure and instructions for e-voting are as follows:
  - a. Open your web browser during the remote e-voting period and navigate to "https://evoting.karvy.com".
  - b. Enter the login credentials (i.e., user-id and password) mentioned in the communication. Your Folio No. / DP ID No. / Client ID No. will be your User- ID.  

User – ID : For Members holding shares in Demat form  
For NSDL : 8 Character DP ID followed by 8 Digits Client ID  
For CDSL : 16 digits beneficiary ID  
User – ID : For Members holding shares in Physical Form:-  
Event Number followed by Folio No. registered with the Company  
Password : Your unique password is sent via e-mail forwarded through the electronic notice  
Captcha : Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons
  - c. After entering these details appropriately, click on "LOGIN".
  - d. Members holding shares in Demat / Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #,\$, etc.). Kindly note that this password can be used by the Demat holders for votings in any other Company on which they are

eligible to vote, provided that the other company opts for e-voting through Kfintech e-Voting platform. System will prompt you to change your password and update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- e. You need to login again with the new credentials.
  - f. On successful login, system will prompt you to select the 'Event' i.e. 'Company Name'.
  - g. If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and have cast your vote earlier for any company, then your existing login ID and password are to be used.
  - h. On the voting page, you will see Resolution Description and against the same the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares (which represents the number of votes) under 'FOR / AGAINST / ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding. If you do not wish to vote, please select 'ABSTAIN'.
  - i. After selecting the Resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - j. Once you 'CONFIRM' your vote on the Resolution whether partially or otherwise, you will not be allowed to modify your vote.
5. Corporate Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board or governing body Resolution / Authorisation together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to 'evoting@karvy.com' (Details are given in point 4 above). The file / scanned image of the Board Resolution / authority letter should be in the format viz. 'Corporate Name Event no.'.
  6. The voting rights of the Members shall be in proportion to the number of shares held by them in the equity share capital of the Company as on the cut-off date being Tuesday, June 16, 2020.

**Notice**

In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the AGM.

7. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://evoting.karvy.com/> to reset the password.
8. The Board of Directors have appointed Shri Anil Lohia, Partner or in his absence Shri Chandrahas Dayal, Partner, 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 AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM. 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](http://www.reliancepower.co.in) and also on the website of Kfintech at <https://evoting.karvy.com/>.

9. In case of any query pertaining to e-voting, please visit Help and FAQs section available at Kfintech's website [https://evoting.karvy.com](https://evoting.karvy.com/) or contact toll free no. 1800 4250 999.

**Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated May 8, 2020**

**Item No. 3 - Payment of remuneration to the Cost Auditors for the financial year ending March 31, 2021**

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, 2021, at a remuneration of ₹ 15,000/- 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. 3 of the Notice.

Board accordingly recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval of the Members.

By Order of the Board of Directors  
Murli Manohar Purohit  
Company Secretary & Compliance Officer

Registered Office:  
Reliance Centre, Ground Floor,  
19, Walchand Hirachand Marg,  
Ballard Estate,  
Mumbai - 400001  
CIN: L40101MH1995PLC084687  
Website: [www.reliancepower.co.in](http://www.reliancepower.co.in)

May 08, 2020



# Reliance Power Limited

## Directors' Report

Dear Shareowners,

Your Directors present the 26<sup>th</sup> Annual Report and the audited accounts for the financial year ended March 31, 2020.

### Financial Results

The performance of the Company (Consolidated and Standalone) for the financial year ended March 31, 2020, is summarised below:

₹ in lakhs

Particulars	Financial Year ended March 31, 2020		Financial Year ended March 31, 2019	
	(Consolidated)	(Standalone)	(Consolidated)	(Standalone)
Total Income	<b>8,20,241</b>	<b>33,942</b>	8,53,426	34,496
Profit / (Loss) Before Tax	<b>(4,24,782)</b>	<b>(38,884)</b>	(2,93,404)	(61,418)
Less: Provision for Taxation (Net)	<b>2,366</b>	-	1,778	(1,252)
Profit / (Loss) After Tax	<b>(4,27,148)</b>	<b>(38,884)</b>	(2,95,182)	(60,166)

### Dividend

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

### Business Operations

During the year 2019-20 all the operating plants of the Company which are functioning through its subsidiary companies were available for generation above 90 % across the year and performed exceedingly well on efficiency parameters.

The Company's Sasan Ultra Mega Power Plant (UMPP) (Capacity 3,960 MW) generated 33,341 Million Units (MUs) and was ranked No. 1 for the second successive year, across all thermal power plants in the country with a Plant Load Factor (PLF) of 95.85% against an all India average of 56%.

The Sasan UMPP is the World's largest integrated power plant with the Moher and Moher Amlohri Extension captive coal mines meeting the fuel requirements of the plant. During the year Sasan Coal Mine handled 87.1 Million CuM including the Overburden at 74.6 Million CuM, making it the biggest mine in the country in terms of the overall volume handled. Sasan mine received 13 prestigious awards across various categories including the one received for the best mining and maintenance practices.

The Rosa Thermal Power plant (1,200 MW) generated 6,041 MUs during the current year, delivering the consistent Year on Year performance. The Rosa power plant received prestigious accolades and awards from prestigious Institutions for excellence in environment, safety, CSR quality and best Operation & Maintenance Practices including the prestigious International safety award from British Safety Council for the year 2020.

The Butibori Thermal plant (600 MW) remained out of operation during the year and company is working on a resolution plan to make the plant operational as soon as possible.

The Solar PV (40 MW) Plant generated 59 MUs during the year. The Solar CSP (100 MW) plant generated 81 MUs and achieved several operating milestones including achievement of peak load of 122.5 MW during the year.

The Company's Wind farm at Vashpet in Sangli District of Maharashtra achieved highest ever annual generation of 87 MUs during the year.

### Proposed 718 MW (net) Gas-based Project in Bangladesh

Reliance Bangladesh LNG and Power Limited (RBLPL), the subsidiary of the Company concluded the long-term power purchase agreement (PPA) and other project agreements for 718 MW (net) Power plant at Meghnaghat near Dhaka in Bangladesh. Reliance also inducted a strategic partner JERA Power International (Netherlands) – a subsidiary of JERA Co. Inc. (Japan) to invest 49% equity in the project. Samalkot Power Ltd. has signed an Equipment Supply Contract on March 11, 2020 to sell Equipments of one module for the said Gas-based project in Bangladesh.

### Impact of COVID-19 Pandemic

COVID-19 Pandemic has caused unprecedented economic disruption globally and in India. The Company is sensitive about the impact of the Pandemic, not only on the human life but on businesses and industrial activity across the globe, which will be realised only over next few months. The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government and local bodies to ensure safety of workforce across all its plants and offices. The Company has made initial assessment of the likely adverse impact on economic environment in general and operational and financial risks on account of COVID-19. Vide notification dated March 24, 2020 issued by Ministry of Home Affairs a nation-wide lockdown was announced to contain COVID-19 outbreak and the same has been progressively extended later. However, Power generation, transmission & distribution units, being essential services, are allowed to continue operation during the period of lockdown. So far, the Company has been able to sustain its power plant operations and honour commitments under the various Power Purchase Agreements. There has been a sharp decline in the electricity demand, by 20 to 25%, primarily from industrial and commercial consumer segments, arising from lockdown measures announced by the Government. The Power Ministry has clarified on April 6, 2020 that despite lower power offtake due to sharp reduction in demand, Discoms will have

**Directors' Report**

to comply with the obligation to pay fixed capacity charges as per PPA. Further, the Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal installments falling due to Indian banks and financial institutions till May 31, 2020. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, evolving impact on Discoms in terms of demand for electricity; consumption mix; resultant average tariff realisation; bill collections from consumers; and support from respective State Governments and banks & financial institutions, including those focused on power sector financing.

**Management Discussion and Analysis**

Management Discussion and Analysis Report for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), is presented in a separate section forming part of this Annual Report.

**Non-Convertible Debentures (NCDs)**

The Company has not carried out any fresh issue of NCDs in the current financial year. The Company has Listed, Secured, NCDs aggregating to ₹ 79,500 lakhs outstanding as on March 31, 2020 and as on that date there was default in the payment of interest to the extent of ₹ 8,479 lakhs.

**Resources and Liquidity**

The Company has incurred losses during the year resulting in delay/default in repayment to its lenders. The Company has been in discussion with its lenders for resolution. The Company is confident of meeting its obligations by generating sufficient and timely cash flows through time bound monetisation of its assets, as also realize amount from regulatory / arbitration claims. Notwithstanding the dependence on these material uncertain events, the Company is confident that such cash flows would enable it to service its debt and discharge its liabilities in the normal course of its business.

**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 relevant Rules made thereunder.

**Particulars of Loans, Guarantees or Investments**

Pursuant to the provisions of Section 186 of the Act, the details of Investments made are provided in the standalone financial statements under Note 3.3(a). The Company has complied with provisions of Section 186 of the Act, to the extent applicable with respect to Loans, Guarantees or Investments during the year.

**Subsidiary and Associate Companies**

As on March 31, 2020, the Company had 38 subsidiaries under its fold. During the year, Six Companies i.e. Amulin Hydro Power Private Limited, Emini Hydro Power Private Limited, Mihundon Hydro Power Private Limited, Sumte Kothang Hydro Power Private Limited, Lara Sumta Hydro Power Private Limited and Purthi Hydro Power Private Limited, ceased to be the subsidiaries of the Company in view of their amalgamation with Reliance Cleangem Limited.

The Company had the following Associate Companies as on March 31, 2020:

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 covered in the Management Discussion and Analysis Report forming part of this Annual Report. The financial results of the subsidiary companies have been consolidated with those of the parent company. The Company's policy for determining material subsidiaries, as approved by the Board, may be accessed on the Company's website at the link [https://www.reliancepower.co.in/documents/2181716/2364859/Policy\\_for\\_Determining\\_Material\\_Subsiary-new.pdf](https://www.reliancepower.co.in/documents/2181716/2364859/Policy_for_Determining_Material_Subsiary-new.pdf).

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

The audited financial statements of the Company drawn up both on standalone and consolidated basis, for the financial year ended March 31, 2020, are in accordance with the requirements of the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS Rules").

**Consolidated Financial Statements**

The Audited Consolidated Financial Statements for the financial year ended March 31, 2020, have been prepared, in accordance with the Ind AS Rules and relevant provisions of the Act, from the duly approved Financial Statements of subsidiaries and Associates by their respective Board of directors.

**Directors**

During the year under review 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 programme for familiarisation of Independent Directors with the Company, nature of the industry in which the Company operates and related matters are uploaded on the website of the Company at the link: <https://www.reliancepower.co.in/web/reliance-power/corporate-governance>.

In terms of the provision of the Act, Shri Sateesh Seth (DIN: 00004631) Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing AGM. A brief resume of Shri Sateesh Seth, along with requisite details, as stipulated under regulation 36(3) of the Listing Regulations is given in the section on Corporate Governance Report forming part of this Annual Report.

**Key Managerial Personnel (KMP).**

Shri Shrenik Vaishnav, has resigned as the Chief Financial Officer (CFO) of the Company with effect from March 31, 2020 from the close of business hours.

Shri Sandeep Khosla has been appointed as the CFO with effect from April 1, 2020.

**Evaluation of Directors, Board and Committees**

The Nomination and Remuneration Committee (NRC) of the Board of the Company has devised a policy for

# Reliance Power Limited

## Directors' Report

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 and the directors as well as Committees of the Board. The Board's performance was evaluated based on inputs received from all the Directors, Board's composition and structure, effectiveness of the Board, performance of the Committees, processes and information provided to the Board, etc.

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

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

The NRC of the Board has devised a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The Committee has formulated the criteria for determining the qualifications, positive attributes and independence of Directors, which has been put up on the Company's website <http://www.reliancepower.co.in> and the same is also 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, 2020, 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, 2020 and of the loss of the Company for the year ended on that date;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies 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 statements for the financial year ended March 31, 2020 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.

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 [https://www.reliancepower.co.in/documents/2181716/2364859/Policy\\_for\\_Related\\_Party\\_Transaction-new.pdf](https://www.reliancepower.co.in/documents/2181716/2364859/Policy_for_Related_Party_Transaction-new.pdf).

Your Directors draw attention of the members to Note no. 11 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**

The Company held four board meetings during the year, the details of meetings and their respective attending Directors are given in the Corporate Governance Report.

### **Audit Committee**

Audit Committee of the Board consists of Independent Directors namely Shri K Ravikumar (Chairman), Shri D.J. Kakalia and Smt. Rashna Khan. 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 LLP, Chartered Accountants was 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. The Company has received letter from M/s. Pathak H.D. & Associates LLP, Chartered Accountants that they are not disqualified from continuing as the Auditors of the Company.

The Auditors in their report of Consolidated Financial Statements have given a qualified opinion, in response to which the Company stated that it has been legally advised that the clarification issued and observation *inter-alia* made regarding method of estimating depreciation adopted for preparing standalone financial statements of the subsidiaries and for preparing consolidated financial statements by Ind AS Transition Facilitation Group (ITFG) of Ind AS Implementation Committee of the Institute of the Chartered Accountants of India (the ICAI) will not be applicable to it, as the Company has been following different methods of depreciation in subsidiaries and in Consolidated Financial Statements since inception and as required by Ind AS 101 read with Ind AS 16 has continued the methods of providing depreciation even under Ind AS regime. The Parent Company accordingly continued to provide depreciation in its Consolidated Financial Statements by straight line method, which is different as compared to the written down value method considered appropriate by two of its subsidiaries.

**Directors' Report**

The other 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, 2021 subject to the remuneration being ratified by the shareholders at the ensuing AGM of the Company. The Provisions of Section 148(1) of the Act are applicable to the Company and accordingly the Company has maintained cost accounts and records in respect of the applicable products for the year ended March 31, 2020.

**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 & Secretarial Compliance Report**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Ajay Kumar & Co., the Company Secretaries in Practice, to undertake the Secretarial Audit of the Company.

There is no qualification, reservation or adverse remark made by the Secretarial Auditor in the Secretarial Audit Report except for delay in filing of the financial results for the quarter and financial year ended March 31, 2019, within specified date due to unavailability of some directors because of indisposition / other unavoidable reasons.

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

**Annual Return**

As required under Section 134(3)(a) of the Act, the Annual Returns for the financial years 2018-19 and 2019-20 is uploaded on the Company's website and can be accessed at <http://www.reliancepower.co.in>.

**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, also form part of this Annual Report.

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

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

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

**Corporate Governance**

The Company has adopted '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 Practicing Company Secretaries M/s. Ajay Kumar & Co., 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

**Whistle Blower (Vigil Mechanism)**

In accordance with Section 177 of the Act and the Listing Regulations, the Company has formulated a Vigil Mechanism to address the genuine concerns, if any, of the Directors and employees, the policy has been overseen by Audit Committee. 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 <http://www.reliancepower.co.in>.

**Risk Management**

The Company continues to have a robust Business Risk Management framework to identify, evaluate business risks and opportunities. The Risk Management Committee comprises of Directors and senior managerial personnel.

This framework aims at transparency to minimize the adverse impact, if any, on the business objectives and enhances the Company's competitive advantage. The business risk framework defines the risk management approach including documentation and reporting at various levels across the enterprise. The framework has different risk models which help in identifying risk, trends, exposure and potential impact analysis at each business segment as well as Company level. The risks are assessed for each project and mitigation measures are initiated both at the project as well as the corporate level. More details on Risk Management indicating development and implementation of Risk Management policy including identification of elements of risk and their mitigation are covered in Management Discussion and Analysis section, which forms part of this Report.

The details of the Risk Management Committee and its terms of reference etc. are set out in the Corporate Governance Report forming part of this Report.

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

The Company is committed to protect and maintain the dignity of women employees and it has in place a policy for the prevention and redressal of such complaints to ensure the protection against sexual harassment of women at workplace. During the year under review, no such complaint was received. The Company has also constituted an Internal

## Directors' Report

Compliance Committee under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

### Corporate Social Responsibility

The Company has constituted Corporate Social Responsibility (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 [https://www.reliancepower.co.in/documents/2181716/2359750/CSR\\_Policy.pdf/8bdf02cb-4f44-5ff6-aab9-f70cce3f92b7](https://www.reliancepower.co.in/documents/2181716/2359750/CSR_Policy.pdf/8bdf02cb-4f44-5ff6-aab9-f70cce3f92b7).

As on March 31, 2020, the CSR Committee of the Board consist of Smt. Rashna Khan as Chairperson, Shri K Ravikumar, Shri D. J. Kakalia and Shri K Raja Gopal, Directors as members.

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

### 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 of the Company and its operations.

### Internal Financial Controls and their adequacy

The Company has in place adequate internal financial controls with reference to financial statement across the organisation. The same is subject to review periodically by the internal audit cell for its effectiveness. During the financial year, such

controls were tested and no reportable material weaknesses in the design or operations were observed. The Statutory Auditors of the Company also test the effectiveness of Internal Financial Controls in accordance with the requisite standards prescribed by ICAI. Their expressed opinion forms part of the Independent Auditor's report.

### 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 would like to 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 Company achieving a number of milestones during the year.

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

**Anil Dhirubhai Ambani  
Chairman**

Mumbai  
May 09, 2020

**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 (NRC) 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 synchronised 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'), the NRC 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 Act.
- 4.3 'Senior Management' refers to the personnel of the Company who are members of its core management team excluding the Board of Directors and comprises of all the members of the Management, one level below the Executive Director, 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 amount 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 1<sup>st</sup> April to 31<sup>st</sup> 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 retivals and taxes.
- 6.2 Retivals are 12% of basic pay for Provident Fund and 4.81% of basic pay towards Gratuity.
- 6.3 All payments are made with TDS implemented.

**7. Annual Compensation Review**

The compensation review year will be from 1<sup>st</sup> July to 30<sup>th</sup> June. 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 cadres 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 Bonus, Special Monetary Programs, Long-term Incentives, 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 reason 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.

FORM No. MR- 3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2020

[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  
Reliance Centre, Ground Floor,  
19, Walchand Hirachand Marg,  
Ballard Estate, Mumbai 400001

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 authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020 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 year ended on 31<sup>st</sup> March, 2020 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, 2018;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (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

**Note:** During the year, the Company is fully compliant with the mandatory requirements of the Listing Regulations, except for approval of financial results for the quarter and financial year ended March 31, 2019, within prescribed due date, for which the Company has paid the fine in terms of circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018.

**Directors' Report**

- (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. During the year there was no change in composition of the Board of Directors.
- (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:

- (i) The Company has passed Special resolution under Section 42 and 71 of Companies Act, 2013 at the Annual General Meeting held on 30.09.2019 authorising Board of Directors for Private Placement of Non-Convertible Debentures and other debt securities subject to such overall borrowing limits of the Company as may be approved by the Members from time to time.
- (ii) The Company has shifted its registered office from H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710 to Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400001 i.e. within the local limits and within the jurisdiction of same Registrar of Companies w.e.f. 30.08.2019 by passing resolution by circulation.
- (iii) Mr. Shrenik Vaishnav has resigned as Chief Financial Officer of the Company w.e.f. 31.03.2020 from close of business hours.

**Signature Sd/-  
(Ajay Kumar)  
Ajay Kumar & Co.  
FCS No. 3399  
C.P. No. 2944**

**UDIN: F003399B000191147**

Date : April 30, 2020  
Place: Mumbai



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

#### 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.

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

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

Reliance Centre Santacruz is an IGBC certified Green Building under "IGBC GOLD" Rating category for existing buildings (with 74 points) - #EB 19 0033.

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

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

The Company has a Wind Farm with 45 MW capacity, located at Vashpet in District Sangli, Maharashtra. Since the project uses the renewable wind energy towards generation of electricity, utilisation 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 required to be 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 outgo

Total Foreign Exchange earnings : ₹ 14,906 lakhs

Total Foreign Exchange outgo : ₹ 1 lakhs

**Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2019-20****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 the group level.

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.

Committed to transform and nurture the ecosphere through its flagship programme in the healthcare segment, the Company has been focusing on setting up oncology centres for cancer treatment in Maharashtra. Our CSR policy is placed on our website at the link: [https://www.reliancepower.co.in/documents/2181716/2359750/CSR\\_Policy.pdf/8bdf02cb-4f44-5ff6-aab9-f70cce3f92b7](https://www.reliancepower.co.in/documents/2181716/2359750/CSR_Policy.pdf/8bdf02cb-4f44-5ff6-aab9-f70cce3f92b7).

**2. Composition of the CSR Committee**

Smt. Rashna Khan, Chairperson	Independent Director
Shri K. Ravikumar	Independent Director
Shri D. J. Kakalia	Independent Director
Shri K. Raja Gopal	Whole-time Director

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

₹ (17,922) lakhs

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

Not Applicable

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

- Total amount spent for the financial year : NA
- Amount unspent, if any : NA
- Manner in which the amount spent during the financial year is detailed below:

(₹ in crore)

1.	2.	3.	4.	5.	6.	7.	8.
SN	CSR Projects or activities identified	Sector in which the project is covered	Project or program (1) Local area of 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	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
Not Applicable							

**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 reason for not spending the amount in its Board report.**

There are no average net profits for the Company during the previous three financial years, hence, no funds were set aside and spent by the Company towards CSR during the year under review.

**7. A Responsibility Statement of the CSR Committee that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and policy of the company.**

The implementation and monitoring of CSR Policy is in compliance with the CSR objectives and policy of the Company.

**K. Raja Gopal**  
Whole-time Director

**Rashna Khan**  
Chairperson

May 08, 2020

### Forward looking statements

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include cost of fuel, determination of tariff and such other charges and levies by the regulatory authority, changes in Government regulations, tax laws, economic developments 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/(loss) 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.

### Indian Power Sector

The Indian power sector in 2019-20 has been characterised by a less than targeted addition to installed generation capacity; decline in pace of growth in power generation; low capacity utilisation; subdued electricity demand; narrowing of energy deficits; increase in power purchase from power exchanges; Aggregate Technical and Commercial losses (AT & C Losses) and Cost and Tariff rate gap (ACS - ARR) above target; increase in outstanding dues of DISCOMs and bankruptcy of large generation assets.

Government has been taking several initiatives to address the challenges faced by the power sector like steps towards implementation of recommendations of the High Level Empowered Committee to address issues of Stressed Thermal Power Projects, removal of end-use restrictions for participating in coal mine auctions and opening up the coal sector fully for commercial mining by domestic and global companies; opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism (PSM) under Power Purchase Agreements (PPAs) by DISCOMs; treating letter of comfort (undertaking) issued by state-run firms such as PFC, REC and IREDA at par with bank guarantees to reduce

procedural delays for bidding in clean energy projects; and removal of tariff cap on solar and wind power auctions.

However, the emerging economic disruption caused by the COVID-19 pandemic has added to the challenges facing the power sector. There has been a sharp decline in the electricity demand, by 20 to 25%, primarily from industrial and commercial consumer segments, arising from lockdown announced by the Government to contain the outbreak of COVID-19. To provide relief to consumers, various State Governments / Discoms have extended due date of bill payments. As a consequence, revenue loss and average lower realisation by DISCOMs has led to Generating and Transmission companies struggling to collect their receivables from DISCOMs to sustain their levels of operations. Recognising the challenges faced by DISCOMs, Ministry of Power (MoP) has initiated several measures like reduction of late payment surcharge (LPS) and reduction of 50% in the Letter of Credit mechanism required to be maintained by the DISCOMs when scheduling power.

To address the liquidity challenges emerging from the lockdown and consequent economic impact, Reserve Bank of India (RBI) allowed banks to grant moratorium period for all principal and interest payments and permitted to defer recovery of interest applied on working capital facilities during the three month period of 1st March, 2020 to 31st May 2020. In order to provide relief to generating companies and increase liquidity in the system, Coal India Limited allowed the facility of usance letter of credit for payment of coal.

### Demand and supply outlook

On the demand side India's per capita power consumption is at ~1181 kWh/ year (as on March, 2019), which is about one-third of the world's average ~3400 kWh/ year consumption. Growing population along with increasing electrification and per-capita usage, and expansion in economic activities are expected to drive growth in power consumption.

However, in FY 2019-20, peak power demand growth moderated to 3.8 percent and demand growth in energy terms was 1.2 percent. The economy hit a multi-quarter low and going forward, the electricity demand is expected to contract owing to global recession, largely driven by slippages in commercial and industrial demand. With the industrial and commercial sector together accounting for nearly 50% of the country's electricity consumption, a decline in their consumption would no doubt weigh down on overall demand of generation accordingly.

Although there has been an increase in installed power generation capacity in 2019-20 from the year ago, it falls well short of the set target, mainly due to the lower capacity addition by the conventional power sources, which dominate the country's power mix (77% of installed generation capacity).

There has been a progressive shift towards renewable sources (wind, solar, bio and small hydro). In the last 5 years, the share of renewable energy in the installed capacity has increased from ~12% (32 GW in March 2015) to ~23% (87 GW in March 2020).

Low demand scenario impacted performance of coal-based thermal power generation, the source of two-thirds of energy supply, which saw a decline of 12.5 percent YoY. PLF of coal-

## Management Discussion and Analysis

based thermal plants was at 56 percent for FY 2019-20. In the near-term, the challenge is to mitigate the adverse impact of COVID-19.

### Key risks and concerns

Power sector is a highly capital intensive business with long gestation periods before commencement of revenue streams, especially for projects using conventional technology. Coal-based power projects have average development and construction period of 7 to 8 years and an even longer operating period (over 25 years). Since most of the projects have such a long time frame, there are certain inherent risks in both, 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. Weak financial condition of electricity distribution Companies

The financial health of electricity DISCOMs is an area of key 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, the Government has implemented a set of comprehensive measures under UDAY (Ujwal DISCOM Assurance Yojana) to help utilities achieve operational and financial turnaround. Effective implementation of the UDAY scheme will yield favourable results in terms of lower AT&C losses, reduced gap between ACS and ARR (Cost and Tariff rate) and improved operational efficiency of DISCOMs. Additionally, efforts from Energy Efficiency Services (EESL) to replace 250 million conventional meters with smart meters can improve billing efficiency, leading to higher revenue realisation by DISCOMs. The turnaround of DISCOMs will help generating companies in mitigating counter party risks both in terms of payment security and increased demand for power.

#### 2. Power Demand and Plant Load Factor (PLF) of Thermal Power Plants

Power demand in India has grown at a CAGR of more than 4.4 percent 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 the Central Electricity Authority (the CEA) estimates that the PLF of coal based stations is likely to be around 56.5 percent by FY 2021-22, taking into considerations likely demand growth of 6.34 percent (CAGR) and 175 GW capacity from renewable energy sources. However, the thermal based power plants would continue to remain the mainstay for meeting the base load requirements considering the intermittent nature of supply from renewable sources.

#### 3. Gas - Continuing supply deficit

Viability of existing as well as newly developed gas-based power plants, aggregating to nearly 24 GW capacity, is adversely impacted due to lack of adequate domestic gas supply in the country. This industry-wide issue, which has led to practically entire gas-based capacity in the country getting stranded, continues to await a long-term resolution.

#### 4. Implementation of New Environment (Protection) Norms

With notification of the Environment (Protection) Amendment Rules, 2015, all coal-based 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. In order to facilitate the smooth implementation of the same, the Ministry of Power (MOP) vide its letter dated May 30, 2018 has issued directions to the CERC and other State regulators to consider the revised emission standards as Change in Law (CIL) and accordingly devise an appropriate regulatory mechanism to address the impact on tariff. In the present sector context, banks and financial institutions are not forthcoming to finance the additional capital expenditure arising from implementation of new environment norms. Certainty in cost recovery on account of additional capital and operational cost under concluded long-term and medium-term PPAs will hold key to timely completion of additional capital expenditure.

Sasan Ultra Mega Power Project, developed by Sasan Power Ltd., is the most competitive thermal power supplier for all its procurers; has a long-term Power Purchase Agreement (PPA) in place and a strong payment security mechanism mitigating risks relating to demand and weak financial condition of distribution companies. Further, it has a captive coal mine, which provides complete fuel security. During FY 2019-20, Sasan achieved Plant Load Factor (PLF) of 95.85%, which is the highest in the country, for the second successive year. Rosa Power Project, developed by Rosa Power Supply Company Ltd., operates under a cost-plus business model wherein tariffs are determined by the State Regulator under Section 62 of Electricity Act. Rosa Power too has a long-term PPA in place and has a three-tier payment security mechanism mitigating demand & payment related risks. Rosa has always achieved higher fuel supply materialisation and has recorded consistently high plant availability, with FY 2019-20 witnessing a plant availability of 98%. Sasan Power and Rosa Power have been working in right earnest on regulatory, procurement and financing tracks towards implementation of projects to comply with new environmental norms. Your Company's renewable portfolio is fully contracted thus mitigating demand risks.

As brought out above, your Company's operating portfolio is significantly insulated from sector specific risks.

## Management Discussion and Analysis

### 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 function which oversees the implementation and adherence to various systems and processes. The internal audit function reviews and ensures the sustained effectiveness of Internal Financial Controls designed by the Company. The internal audit team is supported by the 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 of the Board and the improvements in systems and processes are carried out where necessary.

### Risk Management Framework

The Company 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 said Committee has been continued having regard to its usefulness although it is not a mandatory requirement pursuant to 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 portfolio of power projects and coal mines. Of the power projects in its portfolio, the projects aggregating to ~ 5945 MW are operational while the other power projects are under various stages of development.

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

The 3,960 MW Sasan Ultra Mega Power Project (the Sasan UMPP), the world's largest integrated power plant cum coal mine continued to deliver strong operating performance among the peers, with a generation of ~33341 million units at the highest ever PLF of ~95.85%, which is the highest PLF in the country, a distinction achieved for the second successive year in its operational history of five years of full operations. Coal production from its captive coal mines was 18.7 Million Metric Tons during the year, which is the highest among the private sector players in India. Including the overburden handled at 74.7 Million CuM, total volume handled at Sasan Coal Mine during the year is 87.2 Million CuM, making it the largest coal mine in the Country in terms of the volume handled. The power generated from the Sasan UMPP is sold to 14 Discoms across 7 States under a 25 year long-term PPA.

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

Rosa power plant completed another year with excellent operational and financial performance. In its 8th year

of full operations, the plant generated 6041 MUs of electricity. The entire electricity generated from the project is sold to the State of Uttar Pradesh under a cost-plus regulated PPA.

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

The 600 MW Butibori power plant in Nagpur, Maharashtra was not operational during the year due to protracted delays in issuance of regulatory orders and lack of fuel supply for one of the units.

#### iv. **Vashpet, 45 MW wind farm in Maharashtra**

The Company has set up a 45 MW Wind Farm in Sangli District of Maharashtra. During FY 2019-20, the project generated 70.44 MUs of electricity.

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

Dhursar Solar Power Private Limited (DSPPL) 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 FY 2019-20, the project generated 58.63 MUs 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. During FY 2019-20, project generated 74.51 MUs of electricity.

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

Coastal Andhra Power Limited (CAPL), a wholly owned subsidiary of the Company is responsible for development of the Krishnapatnam UMPP. The Project has been facing viability challenges consequent upon changes in the regulations in Indonesia from where coal was intended to be imported for the Project. As the issue could not be resolved through mutual discussions with Procurers and Procurers issued notice of PPA termination & demanded liquidated damages, the Company sought to initiate arbitration and approached Hon'ble Delhi High Court. Following the order by Division Bench of Hon'ble Delhi High Court, the Procurers encashed the bank guarantees available with them and recovered ₹ 300 Crore as the liquidated damages. In accordance with the direction of the Hon'ble Delhi High Court, CAPL has filed a petition in CERC. Pursuant to provisions of Share Purchase Agreement for acquisition of CAPL, the Company has approached Power Finance Corporation, the nodal agency which facilitated international competitive bidding for Krishnapatnam UMPP, for buyback of CAPL.

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

Chitrangi Power Private Limited (CPPL), a wholly owned subsidiary of the Company, had taken up development of a 3960 MW coal-based power project in Madhya Pradesh. In view of the current power sector scenario, especially the demand-supply outlook, implementation of this project has been kept in abeyance.

## Management Discussion and Analysis

### ix. Samalkot Power Project (SMPL)

The Parent Company, had entered into a Memorandum of Understanding (MOU) with the Government of Bangladesh (GoB) for developing a gas-based project of a 3000 MW capacity in a phased manner. Pursuant to the above, Reliance Bangladesh LNG and Power Limited (RBLPL), subsidiary of the Parent Company has taken steps to conclude a long-term 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 (Phase-1). The project agreements (comprising Power Purchase Agreement, Land Lease Agreement, Gas Supply Agreement and Implementation Agreement) were signed on 1st September 2019.

Parent Company also concluded agreements with JERA Power International (Netherlands) – a subsidiary of JERA Co. Inc. (Japan) to invest 49% equity in RBLPL on 2nd September 2019. JERA owns/ has domestic investments in 26 power projects with 67 GW of generating capacity in Japan and nearly 10 GW of generating capacity overseas (including projects under development).

SMPL has signed an Equipment Supply Contract on 11th March 2020 to sell one module for development of the Phase-1 project in Bangladesh.

### x. Hydroelectric Power Projects

The Company is developing various hydroelectric power projects, aggregating to 3438 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 development milestones. However, given the current power sector scenario, expected tariffs of hydro projects and consequent reluctance of Discoms to enter into long-term PPAs for hydro power, the development efforts on these projects have been kept in abeyance.

### Coal Mines

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

During the year 2015-16, the Government of India cancelled the allocation of Chhatrasal Coal Block to SPL and restricted annual coal production from Moher and Moher Amlohri Extension coal mine to 16 Million Metric Tonnes. The Company has challenged the above directions of the MoC in Hon'ble High Court of Delhi by way of a Writ Petition, which is pending. Based on representations of SPL and

recommendations made by the Inter Ministerial Committee (IMC), the Ministry of Coal (MoC) has been relaxing the restriction on annual basis and has allowed to produce 18.7 Million Metric Tonnes of coal during FY 2019-20, which ensured complete fuel security for Sasan UMPP.

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. Other three blocks have since been relinquished.

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

The Company attaches utmost importance to the operational safety standards at all its installations. Necessary proactive and preventive measures are regularly undertaken to ensure that the standards are followed for the safety of employees and equipment. Both external and internal safety audits, as well as mock drills are conducted time to time to gauge emergency and crisis management preparedness.

Corporate Social Responsibility has always been an integral part of Reliance Group's vision. The Company firmly believes in the commitment to all its stakeholders. Special emphasis is laid on empowering local communities around all the business units. The Company undertakes social interventions in the field of Healthcare, 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. Our CSR programmes have received numerous awards and accolades over the years from renowned organisations like FICCI, World CSR Congress, Bombay Chambers of Commerce & Industry (BCCI), India CSR and The CSR Journal.

### 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 1533 highly trained and experienced professionals pan India. We take immense pride in the technical and functional excellence of our employees. 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.

# Reliance Power Limited

## Management Discussion and Analysis

### Discussion on Financial Condition and Financial Performance

An extract of the Consolidated Balance Sheet is placed below:

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>Assets</b>		
Property, Plant and Equipment	<b>38,52,600</b>	35,85,180
Capital-work-in-progress	<b>3,61,479</b>	4,27,638
Goodwill on consolidation	<b>1,411</b>	1,411
Other intangible assets	<b>3,349</b>	3,704
Non-current tax assets	<b>5,979</b>	5,290
Non-current financial assets	<b>4,74,646</b>	10,05,074
Other Non Current Assets	<b>1,49,385</b>	1,70,459
Inventory	<b>1,01,418</b>	1,01,172
Current financial Assets	<b>3,78,241</b>	4,77,257
Other Current Assets	<b>5,730</b>	17,499
Assets classified as held for sale	<b>52</b>	13,156
<b>Total</b>	<b>53,34,290</b>	58,07,840
<b>Equity and Liabilities</b>		
Equity	<b>11,86,887</b>	17,37,747
Non- controlling interests	<b>1,35,279</b>	-
Non-current Borrowings	<b>19,86,056</b>	18,09,097
Current Borrowings	<b>4,35,333</b>	8,93,895
Other non-current financial liabilities	<b>14,628</b>	16,194
Other Non Current Liabilities and others	<b>4,16,079</b>	4,23,957
Current Liabilities	<b>11,60,028</b>	9,26,950
<b>Total</b>	<b>53,34,290</b>	58,07,840

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

Particulars	₹ in lakhs	
	2019-20	2018-19
<b>Income</b>		
Revenue from operations	<b>7,56,227</b>	8,20,131
Other Income	<b>64,014</b>	33,295
<b>Total</b>	<b>8,20,241</b>	8,53,426
<b>Expenditure</b>		
Cost of Fuel consumed	<b>2,89,660</b>	2,85,013
Employee Benefit Expenses	<b>20,933</b>	18,650
General, Administration & Other Expenses	<b>1,43,371</b>	1,19,532
Depreciation / Amortisation	<b>83,630</b>	83,825
Finance Cost	<b>305,397</b>	3,20,648
<b>Total</b>	<b>8,42,991</b>	8,27,668
Profit before exceptional Items	<b>(22,750)</b>	25,758
Exceptional Items	<b>(4,00,421)</b>	(3,15,317)
Profit/(Loss) before Tax from continuing operations	<b>(4,23,171)</b>	(2,89,559)
Profit/(Loss) before Tax from discontinuing operations	<b>(1,611)</b>	(3,844)
Profit/(Loss) before Tax	<b>(4,24,782)</b>	(2,93,403)
Taxes (Continuing operations)	<b>2,366</b>	1,775
Taxes (Discontinuing operations)	-	3
Total Taxes	<b>2,366</b>	1,778
Profit/(Loss) after Taxes	<b>(4,27,148)</b>	(2,95,182)
EPS (₹) (basic and diluted)	<b>(14.532)</b>	(10.523)

### Financial Ratios

Particulars	2019-20	2018-19
(i) Debtors Turnover (Days)	114.10	121.86
(ii) Interest Coverage Ratio (without exceptional items)	1.07	1.07
(iii) Current Ratio	0.30	0.33
(iv) Net Debt Equity Ratio*	2.40	1.72
(v) Operating Profit Margin (%)**	40.03	47.91

Explanation:

\*Net Debt to Equity Ratio - Increased due to one-time impairment of Property Plant and Equipment and Other assets as an exceptional item.

\*\*Operating Profit Margin - Lower due to non-operational Butibori plant and provision against accrued revenue in view of the regulatory order in one of the subsidiary

**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	Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001
4	Website	www.reliancepower.co.in
5	Email	reliancepower.investors@relianceada.com
6	Financial Year Reported	2019-20
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, captive coal mining for power plant and development of CBM blocks.
9	Number of locations where business is undertaken	
	i. International locations	1
	ii. National locations	6
10	Markets served by the company	Throughout India through its subsidiaries

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

1	Paid-up Capital	2,805.13
2	Total Income	8,202.41 (Consolidated)
3	Total Profit / (Loss) after taxes	(4,271.48) (Consolidated)
4	Total Spending on CSR as % profit after tax	Nil
5	List of activities in which CSR expenses incurred:	-

**Section C: Other Details**

1	Details on subsidiary companies	38 Subsidiary Companies (Both direct and step-down) including overseas subsidiaries as on March 31, 2020
2	Participation of subsidiary companies in the 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. 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	Participation of other entities (suppliers, contractors etc) 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.

**Section D: BR Information**

**1. Details of Director / Directors responsible for BR**

1	a. Details of director responsible for implementation of BR policies – Director Identification Number – DIN	BR functions are monitored by the Corporate Social Responsibility Committee of the Board of Directors. The details of the Committee are 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 parent company is under the Chairmanship of Smt. Rashna Khan. Details of Smt. Rashna Khan are as follows: DIN                   06928148 Name                Smt. Rashna Khan Designation       Independent Director Telephone          022-4303 1000 Email ID           reliancepower.investors@relianceada.com



# Reliance Power Limited

## Business Responsibility Report

### 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 marginalised.  
 P5 Businesses should respect and promote human rights.  
 P6 Businesses 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? If yes, specify?	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 – <a href="http://www.reliancepower.co.in">www.reliancepower.co.in</a>								
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 as also by its subsidiaries are reviewed and evaluated by the CSR Committees set up, both by the parent company and by 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 compiled 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](http://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 SPV's.

## Business Responsibility Report

**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 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, 2020, the company has received both directly as also through the Regulatory agencies such as SEBI, the Stock Exchanges, a total of 42 complaints, of which related to non-receipt of Annual Report, non-receipt of interim dividend for the year 2015-16, non-receipt of IPO refund, non-receipt of fractional amount, Documents submitted RTA which was rejected due to deficiency documents etc. All the complaints have been satisfactorily resolved and no complaints were pending / outstanding as on March 31, 2020.

**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 the 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 of 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 efficiency of each capacity building programme.

**2. For each such product, provide the following details in respect of resource use (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)? 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 utilisation 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 is recycled and reused for other secondary requirements.

## Business Responsibility Report

**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 active 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.**

SN	Product /Waste Recycling	% age of re-use / recycling	Details
1	Hazardous waste	100%	Through authorised 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 Businesses should promote the well being of all employees.**

**1. Please indicate the Total number of employees.**

The company has 8,233 employees which include permanent employees and those on contractual basis at March 31, 2020. 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 6,702 employees hired on contractual basis.

**3. Please indicate the Number of permanent women employees.**

Total number of permanent women employees in the company are 38 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 recognised by management?**

No

**6. What percentage of your permanent employees is members of this recognised employee association?**

N.A.

**7. Please indicate 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 marginalised.**

**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 & marginalised stakeholders? Yes.**

Yes.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised 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 of laggard children in order to mainstream them over a period of one year. Also, create learning environment in earmarked government primary, middle and high schools. Honor

**Business Responsibility Report**

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 671 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 Cooperative 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 and we promote it through 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, categorised 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 optimised 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 help 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 (RPSCL), a subsidiary of Reliance Power has an installed capacity of 120 KW of Solar Power generation within the plant on roof tops.

## Business Responsibility Report

**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), apart from being a member of Chambers of Commerce and Industry. We have, through APP and APPPA, 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 x 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 organisation we do not engage in any form of lobbying.

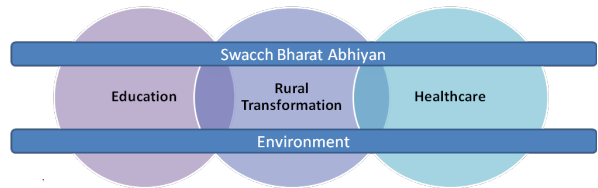
**Principle 8 Businesses should support inclusive growth and equitable development**

**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 motivate our employees, but also influences our stakeholders especially partners and suppliers, to embrace responsible business practices in their respective spheres of action.

As part of the CSR mandate, we focus on three key Thematic areas – Education, Healthcare and Rural Transformation (which includes development of infrastructure, skill development, promotion of sustainable livelihood, improving the socio-economic status of women and the youth) with two cross-cutting themes of Environment and Swachh Bharat Abhiyan (Sanitation) which complement all our social endeavors. (Refer PIC 1 below).

Reliance Power lays special emphasis on bringing about a tangible change in the lives of people living in rural and underserved areas around its power projects.



**PIC 1: Thematic Areas under CSR**

For past several years, Reliance Power has been undertaking various initiatives to support inclusive growth and equitable development for social and economically disadvantaged communities through several CSR programs with active participation from passionate employee volunteers. For the year 2019-20, in order to have more sustainable programmes with measurable impacts, the Company continued to scale-up and leverage the existing efforts. Below are key initiatives undertaken by the company during the year 2019-20:

**i. Education:**

Reliance Power has identified 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.

The Company focuses on creating a learning environment for imparting holistic education to children from as early as kindergarten level. These projects are Hamari Paathshala (remedial schooling), Model Aanganwadi implemented at various project sites across the hinterland of our vast country.

**Few examples-**

At Rosa Power, 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 Paathshala Programme. Students are also being trained for government scholarships in addition to Digital literacy programs being conducted.

At Sasan Power, under the School Excellence Programme, efforts revolve around holistic development of students through art and culture, elocution, drama, physical training and sports, and preparation for competitive exams like Olympiad, Spell Bee etc. Electrification and infrastructural support to schools has also been an important element of the project. Vidyadaan, an employee volunteering initiative has significantly impacted the learning outcomes of students appearing for board exams, who in the recent CBSE exams have again met 100% passing milestone.

Dhirubhai Ambani Solar Park, situated at the very edge of our country's barren region in pokhran, is supporting students from surrounding five villages in the form of infrastructure development, remedial schooling and digital literacy.

The above efforts in the field of education has benefitted more than 94,000 children from the underprivileged communities surrounding our plant sites.

## Business Responsibility Report

**ii. Healthcare:**

We at Reliance Power focus on promoting primary, preventive and curative healthcare. The Company implements CSR programs with special focus on health of elderly, women, adolescent and young ones like supporting Pediatric Heart surgeries for underprivileged children. Initiatives with support from accredited non-profit organisations promoting healthcare initiatives such as Aarogyam, Project Indradhanush, Swasthya Chetna and awareness cum health checkup camps are being conducted across all our sites.

Reliance Power also initiated concerted projects to meet the mandate set out by Hon. Prime Minister on woman health under Pradhan Mantri Surakshit Matritva Abhiyan, Pradhan Mantri Jeevan Jyoti Bima Yojana.

**Few examples-**

At Rosa Power site, programme 'Swastha Chetna' spreads general health awareness on curative and promotive healthcare in collaboration with the state government and local agencies. We organise and support vaccination and eye checkup camps through mobile health units, physio therapy centres, promotion of maternal and child health through institutional delivery of babies and nutrition awareness.

Sasan Power promotes maternal and child health through Institutional delivery for babies under Surakshit Matritva Abhiyan Project in collaboration with Govt departments. Child nutrition and mother & child health improvement is ensured through group of activities like supplementary nutrition of chickpeas & Jaggery, supply of healthy baby kits and other awareness campaigns. Institutional delivery and modern menstrual hygiene practices among rural women have seen significant acceptance.

We have impacted around 2.25 lakhs people through our health care programmes, wherein approximately 90,000 adolescent girls and women have benefited from the Sanitation and Menstrual hygiene camps.

**iii. Rural Transformation:**

'Touching lives, transforming lives', is the vision Reliance Power has constantly been working on to promote scientific agriculture, horticulture, animal husbandry, tree plantation, women empowerment, sanitation and water management.

Since locations of the projects are in economically and socially underdeveloped areas, it is a constant endeavor to include the local community as a critical stakeholder in the inclusive measures initiated by the Company.

We encourage creation of socio physical infrastructure for the benefit of local community, including that of construction / renovation of community halls, construction of roads, cremation sheds etc. across all Reliance Power subsidiaries using the concept of YogDaan.

**Few examples:**

Transforming rural lives through sustainable socio-economic capacity building programmes, is one of the key mandates at Rosa Power Supply Co. Ltd. Our focus has been to create 'Model Villages / Aadarsh Grams' with emphasis on collective development in consultation

with the local/ state government and civil society for improving the standard of living of families as a unit, enriching the social capital and building the community spirit. Our endeavors run across supporting Human Development, Community Outreach, Agriculture, Animal Husbandry, Social and Financial Inclusion, Economic Empowerment, Job Creation, Skill Enhancement, and Social Security within the community with a key focus on women, differently abled and senior citizens and the farming communities.

Sasan Power was involved in creating and supporting of more than 20 Cooperative societies for vulnerable and marginalised individuals to skill them as vendors and award them service contracts. These measures have directly helped more than 350 families to ignite the engine of economic progress around the Sasan site.

Livelihood interventions focusing on farm and non-farm areas including promoting agriculture, improving livestock, skill development for women and youth as well as infrastructure development, both through direct intervention and participation from accredited agencies have supplemented earning capabilities of about 6200 families across locations where Reliance Power subsidiaries operate.

**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. more than 50 SHGs have been formed, empowering more than 600 SHG women members to become financially self reliant.

More than 1,65,000 farmers and women benefitted through our CSR endeavors this year.

**v. Sanitation:**

Swachh Bharat Abhiyan (SBA) has become a popular mass movement ever since its initiation by Hon. Prime Minister. Our Chairman, Shri Anil Dhirubhai Ambani has taken it upon himself and has translated it into an opportunity by integrating the tenets of SBA in the company's 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. This 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.

Given the outbreak of COVID-19 pandemic before the end of financial year 2019-20, Reliance Power reached out to all earmarked 48 villages in the FY 2019-20 itself and spread awareness on COVID-19, provided sanitizers, installed sanitizer machines at public offices and created a mass volunteering movement for stitching and distributing hand-stitched government endorsed masks.

### vi. Environment:

We as a company are very conscious about the importance of clean and green environment. It is an integral part of all our business operations as well as social interventions undertaken through CSR programmes. 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 technologies to make all our products and services environment-friendly. The philosophy behind this is to create a sustainable business model of circular economy by following the principle of 5 Rs- Reduce, Reuse, Repair, Refurbish and Recycle for the sustainability of the environment and its resources.

Continuing to support its Go Green Initiative, Sasan Power and Rosa Power are supporting 64 solar mini grids and 80 solar street lights in the nearby villages benefitting 6100 families. More than 62,000 plants have been planted across sites.

To conclude, Reliance Power and its subsidiaries, through its sustainability endeavors are making constant efforts to bring about a change and provide better quality of life to underprivileged communities 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 organisation?

Our CSR projects are mostly designed as long-term collaborative projects keeping in mind priorities mentioned in Schedule VII of the CSR Act, 2013 and the Sustainable Development Goals. They are implemented through delivery mechanisms comprising of employees, local bodies, non-governmental organisations, 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 organisations 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 conduct Impact Assessment studies time to time – both internally as well as externally to understand the impact of our programmes. We have during the FY 2019-20, undertaken an external Impact Assessment for our endeavors for Rosa Power. SoulAce Private Limited conducted an external Impact Assessment Report for our CSR programmes at (Singrauli, Madhya Pradesh). We plan to award more assignments to external agencies to conduct independent impact assessments at our other sites.

### 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 ₹ 5.09

Crore as direct contribution to community development projects under the thematic heads of Education, Healthcare, Rural transformation, Swachh Bharat Abhiyan and Environment. These projects are directly intended for improving the quality of life of community with well designed strategies of replicability, scalability and sustainability.

### 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. The CSR Team conducts 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 creating meaningful partnerships through series of engagements and transparency in our processes across board. This is undertaken by initiating meaningful grassroots level 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 (Discoms) and captive 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 Policies and Practices**

The Company has formulated a number of policies and introduced several Governance practices to comply with the applicable statutory and regulatory requirements, with most of them introduced long before they were made mandatory.

**A. Values and Commitments**

We have set out and adopted a policy document on 'Values and Commitments' of Reliance 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 Chairman's supervisory role from Executive Management**

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

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

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

**F. Policy on prevention of Sexual Harassment**

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

**G. Whistle Blower Policy (Vigil Mechanism)**

Our Whistle Blower Policy (Vigil Mechanism) encourages disclosure in good faith of any wrongful conduct on a matter of general concern and protects

the whistle blower from any adverse personal action. The Vigil Mechanism has been overseen by the Audit Committee. It has affirmed that no personnel has been denied access to the Audit Committee.

**H. Environment and Corporate Social Responsibility (CSR)**

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, scope and function of the Board and its Committees, etc.

**c. Board Committees**

Pursuant to the provisions of the Companies Act, 2013 ('the Act') and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board had constituted Audit Committee, Nomination and Remuneration Committee (NRC), Stakeholders Relationship Committee, Corporate Social Responsibility Committee (CSR) 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, and 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, their independence 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 or whenever there is any change in the circumstances which may affect her / his status as an Independent Director, 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 Act and the Listing Regulations, as amended from time to time.

**f. Familiarisation of Board Members**

The Board members are periodically given formal orientation and familiarised with respect to the Company's vision, strategic direction and core values including ethics, corporate governance practices, financial matters and business operations.

The Directors are facilitated to get 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, business strategy and risks involved. The Board members are also provided with the necessary documents, reports and internal policies to enable them to familiarize themselves with the Company's procedures and practices. Periodic updates for members are also given out on relevant statutory changes and on important issues impacting the Company's business environment.

The details of the programmes for familiarisation of Independent Directors have been put up on the website of the Company at the link [https://www.reliancepower.co.in/documents/2181716/2359750/RPower\\_Familiarisation\\_Programme.pdf](https://www.reliancepower.co.in/documents/2181716/2359750/RPower_Familiarisation_Programme.pdf).

**g. 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 they may deem fit.

**h. Subsidiaries**

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

**K. Role of the Company Secretary in Governance Process**

The Company Secretary plays a key 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 and to ensure compliance with the applicable statutory requirements and Secretarial Standards to provide guidance to directors and to facilitate convening of meetings. He interfaces between the Management and the Regulatory Authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

**L. Independent Statutory Auditors**

The Company's Financial Statements are audited by an independent audit firm M/s.Pathak H.D. & Associates 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**

During the year, the Company is fully compliant with the mandatory requirements of the Listing Regulations, except for approval of financial results for the quarter and financial year ended March 31, 2019, within prescribed due date, for which the Company has paid the fine in terms of circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018.

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

Corporate Governance Report

**I. Board of Directors**

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

As on March 31, 2020, the Board comprised of six Directors.

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

SN	Names of Directors	DIN	Category
1.	Shri Anil Dhirubhai Ambani	00004878	Chairman, Promoter, Non- Executive and Non-Independent Director
2.	Shri Sateesh Seth	00004631	Non-Executive and Non-Independent Director
3.	Shri K. Ravikumar	00119753	Independent Director
4.	Shri D. J. Kakalia	00029159	Independent Director
5.	Smt Rashna Khan	06928148	Independent Director
6.	Shri K. Raja Gopal	00019958	Whole-time Director

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

**2. Conduct of Board Proceedings**

The day-to-day business is conducted by the executives and the business heads of the Company under the 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 key 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.
- j. Review the policy on materiality of related party transactions and threshold units and update accordingly.

**3. Board Meetings**

The Board held four meetings during the financial year 2019-20 on the following dates:

May 29, 2019, August 12, 2019, November 14, 2019 and February 14, 2020.

The maximum time gap between any two meetings during the year under review was 93 days and the minimum gap was 74 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. 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 report pertaining to the laws applicable to the Company based on the reports generated from Legatrix is placed before the Board at its meetings. Pursuant to the requirements of the Listing Regulations, the Board periodically reviews the legal compliances mechanism.

### 5. Attendance of directors

Attendance of the directors at the Board meetings held during the financial year 2019-20 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, 2020, were as under:

Name of Director	Number of Board Meetings attended out of 4 meetings held	Attendance at the last AGM held on September 30, 2019	No. of directorships (including RPower)	Committee(s) Membership/ Chairmanship (including RPower)	
				Membership	Chairmanship
Shri Anil Dhirubhai Ambani	4	Present	11	-	-
Shri Sateesh Seth	4	Present	7	0*	-
Shri K Ravikumar	4	Present	3	4	2
Shri D. J. Kakalia	4	Present	5	6	2
Smt. Rashna Khan	4	Present	6	4	1
Shri K Raja Gopal	4	Present	1	1	-

\* Ceased to be Member of 3 committees w.e.f. June 07, 2019 and October 09, 2019.

#### Notes:

- None of the directors hold directorships in more than 20 companies of which directorships in public companies does not exceed 10 in line with the provisions of Section 165 of the Act.
- No director holds directorships in more than 7 listed entities.
- No director holds Membership of more than 10 Committees of Board nor is a Chairman of more than 5 committees across Board of all listed entities.
- No Independent Director of the Company holds the position of Independent Director in more than 7 listed companies as required under the Listing Regulations.
- None of the Director has been appointed as Alternate Director for Independent Director.
- 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.
- The Committee memberships and chairmanships above exclude memberships and chairmanships in private companies, foreign companies and in Section 8 companies.
- 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 on June 07, 2019.

### 6. Details of Directors

The abbreviated resume of all directors is furnished hereunder:

**Shri Anil D. Ambani**, 61 years, B.Sc. Hons. and MBA from the Wharton School of the University of Pennsylvania, is the Chairman of our Company.

As on March 31, 2020, Shri Anil D. Ambani holds 4,65,792 shares of the Company including 1,000 shares jointly with Reliance Project Ventures and Management Private Limited.

**Shri Sateesh Seth**, 64 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 Infrastructure Limited, Reliance Defence and Aerospace Private Limited, Reliance Defence Technologies Private Limited, Reliance Defence Systems Private Limited, Reliance Defence Limited and Reliance Airport Developers Limited.

Shri Sateesh Seth holds 29 shares in the Company as on March 31, 2020.

**Shri D. J. Kakalia**, 71 years, is a Commerce and Law Graduate from the University of Mumbai. He is an Advocate & Solicitor of Bombay High Court & Solicitor, Supreme Court of India. He also qualified as a Solicitor of the Supreme Court of England & Wales and Hong Kong. Commenced practice as a Commercial Lawyer and built an extensive transaction practice and court practice, having background in corporate commercial matters, setting up of Joint Ventures, Mergers and Acquisitions, ADR's and GDR's as well as real estate transactions and disputes and litigations and arbitrations related to these sectors and areas of practice.

Specialisation in the power sector litigation and projects, acting for large power Companies such as Reliance Infrastructure Ltd. and has advised consortiums for the bids with respect to the 4,000 MW Ultra Mega Power Projects that have been proposed by the Power 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 in the power sector.

Corporate Governance Report

Has extensive experience in power projects and has acted for power companies for setting up of Ultra Mega Power Projects.

He is a Director on the board of Companies of repute and member of various Committee of those Companies.

Former Lecturer in law at K.C. Law College (University of Mumbai) and was also appointed as an examiner in the subject of drafting, pleading and conveyancing for final year law by the University of Mumbai.

He is in charge of updating and editing the legal updates in the Mulla & Mulla and Craigie Blunt & Caroe team that annually contributes to the Internationally acclaimed Martindale Hubbell Law Digest. Also he is on the panel of Arbitrators of the Hon'ble Bombay High Court.

He is a Director of Companies of repute including Aditya Birla Finance Limited, Reliance Broadcast Network Limited, Reliance Business Broadcast News Holdings 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 D. J. Kakalia did not hold any shares in the Company as of March 31, 2020.

**Smt. Rashna Khan**, 56 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, National Company Law Tribunal, Income Tax Tribunal, Arbitration, Customs, Excise and Service Tax Appellate Tribunal, opinion and documentation work.

She is on the Board of Sasan Power Limited (SPL), Vidarbha Industries Power Limited (VIPL), Reliance Home

Finance Limited, Reliance Commercial Finance Limited and Rosa Power Supply Company 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 (SRC), Nomination and Remuneration Committee (NRC) and Risk Management Committee (RMC) and Chairperson of CSR Committee of the Company.

She is also a member of Audit Committee and NRC of SPL and Chairperson on Audit Committee, NRC and CSR Committee of VIPL. She is a member of the Audit Committee, NRC and RMC of Reliance Home Finance Limited and also a member of the Audit Committee, SRC, NRC, RMC, CSR and Chairperson of IT Strategy Committee of Reliance Commercial Finance 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.

As on March 31, 2020 Smt. Rashna Khan holds 375 share in the Company including 90 shares jointly with her father.

**Shri K. Ravikumar**, 70 years, was the former Chairman and Managing Director (CMD) of Bharat Heavy Electricals Limited (BHEL), which ranks among the leading Companies of the world engaged in the field of power plant equipment. As CMD, he was responsible for maximizing market-share and establishing BHEL as a total solution provider in the power sector. The company was ranked 9<sup>th</sup> in terms of market capitalisation 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

# Reliance Power Limited

## Corporate Governance Report

with selective external co-operation. He had focused on meeting the customer expectation and has strengthened BHEL's image as a total solution provider.

He possesses M.Tech Degree from the Indian Institute of Technology, Chennai, besides Post-Graduate Diploma in Business Administration. He was conferred Alumni Awards from the Indian Institute of Technology, Chennai and the National Institute of Technology, Trichy and was the Ex-Chairman of BOG National Institute of Technology.

Mizoram. He has published a number of research papers in the field of power and electronics. He is also a Director on the Board of Spel Semiconductor Limited and Reliance Infrastructure Limited.

He is the Chairman of Audit Committee and Nomination and Remuneration Committee (NRC) and member of Stakeholder Relationship Committee (SRC), CSR Committee and Risk Management Committee (RMC) of the Company. He is also member of Audit Committee,

RMC, NRC and CSR Committee and Chairman of SRC of Reliance Infrastructure Limited.

As on March 31, 2020, Shri K Ravikumar did not hold any shares of the Company.

**Shri K Raja Gopal**, 62 years, ME, MBA having over thirty-six 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.

He is a member of Stakeholders Relationship Committee, CSR Committee and Risk Management Committee of the Board.

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

As on March 31, 2020, Shri K. Raja Gopal did not hold any shares of the Company.

### Core Skills / Expertise / Competencies available with the Board

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

The core skills / expertise / competencies required in the Board in the context of the Company's Businesses and sectors functioning effectively as identified by the Board of Directors of the Company are tabulated below:

Core skills / competencies / expertise	Name of Directors					
	Shri Anil D Ambani	Shri S Seth	Shri K Ravikumar	Shri D J Kakalia	Smt Rashna Khan	Shri K Raja Gopal
Leadership / Operational experience	●	●	●	●	●	●
Strategic Planning	●	●	●	●	●	●
Sector / Industry Knowledge & Experience, Research & Development and Innovation	●	●	●	●	●	●
Technology	●	●	●	●	●	●
Financial, Regulatory / Legal & Risk Management	●	●	●	●	●	●
Corporate Governance	●	●	●	●	●	●

### Directorships in other listed entities:

The details of directorships held by the directors of the Company as on March 31, 2020 is as follows:

Name of Director	Name of Listed entities	Category
Shri Anil D. Ambani	Reliance Infrastructure Limited	Promoter, Non-Executive, Non Independent Director
	Reliance Capital Limited	Promoter, Non-Executive, Non Independent Director
Shri Sateesh Seth	Reliance Infrastructure Limited	Non-Executive, Non Independent Director
Shri K. Ravikumar	SPEL Semiconductor Limited	Non-Executive, Independent Director
	Reliance Infrastructure Limited	Non-Executive, Independent Director
Shri D J Kakalia	-	-
Smt Rashna Khan	Reliance Home Finance Limited	Non-Executive, Independent Director
Shri K. Raja Gopal	-	-

Corporate Governance Report

**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 Audit Committee of the Board constituted in terms of Section 177 of the Act and Listing Regulations. The Committee presently comprises of three independent non-executive director of the Company viz. Shri K Ravikumar as Chairman, Shri D.J.Kakalia and Smt Rashna Khan as Members. All the members of the Committee are financially literate.

The Audit Committee, *inter-alia*, advises the management on the areas where systems, processes, measures for controlling and monitoring revenue assurance, internal audit and risk management can be improved.

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 utilised for purposes other than those stated in the offer documents / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in these matters;

7. Review and monitor the auditors' independence and performance and effectiveness of audit process;
8. Approval and Review on quarterly basis, Related Party Transactions (RPTs) entered into by the Company pursuant to 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. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall also verify that the systems for internal control are adequate and are operating effectively; and
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee is also authorised to:

- a. Investigate any activity within 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;

## Corporate Governance Report

- d. Obtain outside legal and professional advice;
- e. Secure attendance of outsiders with relevant expertise, if it considers necessary;
- f. Call for comments from the auditors about internal control systems and scope of audit, including the observations of the auditors;
- g. Review financial statements before submission to the Board; and
- h. Discuss any related issues with the internal and statutory auditors and the Management of the Company.

The Audit Committee 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 utilised 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 2019-20

The Audit Committee held its meetings on May 29, 2019, August 09, 2019, August 12, 2019, November 14, 2019 and February 14, 2020. The maximum gap between any two meetings was 93 days and the minimum gap was 3 days.

Members	Meetings held during the FY	Meetings Attended
Shri K Ravikumar	5	4
Shri D. J. Kakalia	5	5
Shri Sateesh Seth*	1	1
Smt. Rashna Khan	5	5

\*Ceased to be a member w.e.f June 07, 2019

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

The Audit Committee considered all the points in terms of its reference at periodic intervals.

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

During the year, the Committee discussed with the Statutory Auditor of the Company, the overall scope and plans for the independent audit.

The Management has represented to the Committee that the Company's financial statements were prepared in accordance with the prevailing 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 conducted with the Management and the Auditors, the Audit Committee believes that the Company's Financial Statement are fairly 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. While conducting such reviews, the Committee found no material discrepancy or weakness in the internal control systems of the Company. The Committee also reviewed the financial policies of the Company and has expressed its satisfaction with the same. The Committee, after review expressed its satisfaction on 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. The Cost Audit Report was placed and discussed and the Audit Committee Meeting.

### III. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) of the Board constituted in terms of Section 178 of the Act and Listing Regulations.

The Committee comprises of three directors, viz. Shri K Ravikumar as Chairman, Shri D. J. Kakalia 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 in Senior Management in accordance with the criteria laid down, and to recommend to the Board of Directors their appointment and removal.
- e. 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.
- f. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Policy on Appointment and Remuneration for Directors, Key Managerial Personnel and Senior Management Employees has been provided as an Annexure to the Directors' Report.

Shri K. Ravikumar, Chairman of the Committee was present at the AGM of the Company held on September 30, 2019.

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**Attendance at the meetings of the NRC held during financial year 2019-20**

The Committee held its meeting on June 07, 2019 and February 13, 2020.

Members	Meeting held during the FY	Meetings Attended
Shri K Ravikumar	2	2
Shri D. J. Kakalia	2	2
Shri Sateesh Seth*	1	1
Smt. Rashna Khan	2	2

\*Ceased to be a member w.e.f June 07, 2019.

All the directors being non-executive as on March 31, 2020, 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 2019-20:**

(₹ in lakhs)

Name	Position	Sitting Fees
Shri Anil D Ambani	Chairman	2.00
Shri Sateesh Seth	Director	3.60
Shri K. Ravikumar	Director	8.40
Shri D. J. Kakalia	Director	8.40
Smt Rashna Khan	Director	8.40
<b>Total</b>		<b>30.80</b>

**Notes:**

- There were no other pecuniary relationships or transactions of non-executive directors vis-à-vis the Company.
- 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.
- The Company did not pay any amount to the non-executive directors by way of salary, perquisites commission, pension and bonuses.
- The Company has so far not issued any stock options to its directors.

During the year, in terms of the approval granted by the shareholders, Shri K. Raja Gopal, Whole-time Director & Chief Executive Officer was paid remuneration as follows:

SN	Particulars	(₹ in lakhs)
1	Remuneration	298
2	Performance Link Incentives	NIL
3	Perquisites*	-
4	Benefits, bonuses, stock options, pension, etc	NIL
	<b>Total</b>	<b>298</b>

\* Company owned car.

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.

The above remuneration is as per the Policy on appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Employees.

**IV. Stakeholders Relationship Committee**

The Stakeholders Relationship Committee ('SRC') of the Board constituted in terms of Section 178 of the Act and Listing Regulations.

The Committee was re-constituted by the Board of Directors of the Company on June 07, 2019.

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

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Committee comprises of Shri D. J. Kakalia as Chairman, Shri K. Ravikumar, Smt Rashna Khan and Shri K. Raja Gopal as members as on March 31, 2020. However Shri Sateesh Seth ceased to be member with effect from June 07, 2019.

Shri D. J. Kakalia, Chairman of the Committee was present at the AGM of the Company held on September 30, 2019.

**Attendance of members at the meeting of the Stakeholders Relationship Committee held during financial year 2019-20:**

During the year, the Committee held its meetings on June 07, 2019, August 12, 2019, November 14, 2019 and February 13, 2020. The maximum gap between any two meetings was 93 days and the minimum gap was 65 days.

Name	Meeting held during the FY	Meetings Attended
Shri D.J. Kakalia	4	4
Shri Sateesh Seth*	1	1
Shri K Ravikumar	4	4
Smt Rashna Khan	4	4
Shri K Raja Gopal	4	3

\*Ceased to be Member with effect from June 07, 2019.

The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee.



## Corporate Governance Report

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

In terms of Section 135 of the Act, the Company has a Corporate Social Responsibility (CSR) Committee. The composition and terms of reference of CSR Committee are in compliance with the applicable provisions of the Act.

The Committee was reconstituted by the Board of Directors of the Company on June 07, 2019.

The Committee comprises of Smt Rashna Khan, Chairperson, Shri D. J. Kakalia, Shri K. Ravikumar, and Shri K. Raja Gopal as members as on March 31, 2020. However Shri Sateesh Seth ceased to be member with effect from June 07, 2019.

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

The CSR policy is also monitored by the Committee from time to time.

The Committee held a meeting during the year on August 12, 2019.

The meetings were attended by the Members as below:

Members	Number of Meetings	
	Held during the tenure	Attended
Smt Rashna Khan	1	1
Shri D. J. Kakalia	1	1
Shri K Ravikumar	1	1
Shri K Raja Gopal	1	0

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

### VI. Risk Management Committee

The Risk Management Committee (RMC) comprises of the following Members as on March 31, 2020:

1. Shri D. J. Kakalia, Chairman
2. Shri K Ravikumar, Director
3. Smt Rashna Khan, Director
4. Shri K. Raja Gopal, Whole-time Director, CEO
5. Shri Shrikant D. Kulkarni, President, Chief Business Officer
6. Shri Shrenik Vaishnav, Chief Financial Officer\*
7. Shri Sandeep Khosla, Chief Financial Officer\*\*

\*Ceased as members of the Committee with effect from March 31, 2020 from the close of business hours.

\*\*Appointed as members of the Committee with effect from May 8, 2020.

The Company Secretary acts as the Secretary to the Risk Management 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.

The Committee is authorised to discharge its responsibilities as follows:

1. Oversee and approve the risk management, internal compliance and control policies and procedures of the Company.
2. Oversee the design and implementation of the risk management and internal control systems (including reporting and internal audit systems), in conjunction with existing business processes and systems, to manage the Company's material business risks.
3. Review and monitor the risk management plan, Cyber Security and related risks.
4. Set reporting guidelines for management.
5. Establish policies for the monitoring and evaluation of risk management systems to assess the effectiveness of those systems in minimizing risks that may impact adversely on the business objectives of the Company.
6. Oversight of internal systems to evaluate compliance with corporate policies.
7. Provide guidance to the Board on making the Company's risk management policies.
8. Subsidiary companies monitoring framework.

During the year, the Risk Management Committee held its meetings on June 07, 2019, August 12, 2019, November 14, 2019 and February 13, 2020.

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

### VII. Compliance Officer

Shri Murl Manohar Purohit, Company Secretary is the Compliance Officer for complying with the requirements of various provisions of the Laws, Rules and Regulations applicable to the Company including SEBI Regulations and the Uniform Listing Agreements executed with the Stock Exchanges.

### VIII. General Body Meetings

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

Financial Year	Date and Time	Whether passed or not (through electronic voting and physical Ballot)	Special Resolution(s)
2018-19	September 30, 2019 - 12:30 P.M.	Yes a.	Private Placement of Non-Convertible Debentures and/or other Debt Securities
2017-18	September 18, 2018 - 12 Noon	Yes a. b.	Appointment of Shri K Raja Gopal as the Whole-time Director Private Placement of Non-Convertible Debentures

Corporate Governance Report

Financial Year	Date and Time	Whether passed or not	Special Resolution(s) (through electronic voting and physical Ballot)
2016-17	September 26, 2017 – 2.00 P.M.	Yes	<p>a. Re-appointment of Shri D. J. Kakalia as an Independent Director</p> <p>b. Re-appointment of Smt. Rashna Khan as an Independent Director</p> <p>c. Appointment of Shri N. Venugopala Rao as the Whole-time Director</p> <p>d. Private Placement of Non-Convertible Debentures</p> <p>e. Adoption of new Articles of Association of the Company</p> <p>f. Borrowing limits of the Company</p>

The Annual General Meetings for 2016-17 & 17-18 were held at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020 and for the year 2018-19 it was held at Rama & Sundri Watumull Auditorium, Vidyasagar, Principal K. M. Kundnani Chowk, 124, Dinshaw Wachha Road, Churchgate, Mumbai 400 020.

During the year there was no Extra-ordinary General Meeting held by the Company.

**IX. Postal Ballot**

The Company has not conducted any business through Postal Ballot during the financial year 2019-20.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a Special Resolution through Postal Ballot.

**X. Details of Utilisation**

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

**XI. Means of Communication**

**a. Quarterly Results:**

Quarterly Results, in ordinary course, 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](http://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 are displayed on the Company's website.

The Act read with the Rules made thereunder and the Listing Regulations facilitate the service of documents to members through electronic means. In compliance with the various relaxations provided by SEBI and MCA due to COVID-19 Pandemic, the Company have e-mailed the soft copies of the Annual Report to all those members whose e-mail IDs were available with its Registrar and Transfer Agent or Depositories and urged other members to register their e-mail IDs to receive the said communication.

**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@kfintech.com

### **h. Designated e-mail id:**

The Company has also designated the e-mail id: [reliancepower.investors@relianceada.com](mailto:reliancepower.investors@relianceada.com) exclusively for investor servicing.

### **i. SEBI Complaints Redress System (SCORES):**

The investors' complaints are also being processed through the centralised web based complaint redressal system. The salient features of SCORES are availability of centralised 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. In its efforts to improve ease of doing business, SEBI has launched a mobile app "SEBI SCORES", making it easier for investors to lodge their grievances with SEBI, as they can now access SCORES at their convenience of a smart phone.

## **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) 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 Company 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. Quarterly 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 at the link: [https://www.reliancepower.co.in/documents/2181716/2364859/Policy\\_for\\_Determining\\_Material\\_Subsiary-new.pdf](https://www.reliancepower.co.in/documents/2181716/2364859/Policy_for_Determining_Material_Subsiary-new.pdf).

One of the Independent Directors is nominated to the Board of the subsidiaries as and when a subsidiary becomes an 'unlisted Material Subsidiary' within the meaning of the above expression in accordance with Regulation 24 read with Regulation 16 of the Listing Regulations. 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, Rosa Power Supply Company 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.

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

## **XIV. Disclosures**

a. There has been no non-compliance by the Company on any matter related to capital markets during the last three financial years except for the delay in publication of financial results for the year ended March 31, 2019 due to the situations beyond the control of the Company.

### **b. Related Party Transactions**

During the financial year 2019-20, 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 Financial Statements. The policy on dealing with Related Party Transactions including clear threshold limits duly approved by the Board is placed on the Company's website at web link: [https://www.reliancepower.co.in/documents/2181716/2364859/Policy\\_for\\_Determining\\_Material\\_Subsiary-new.pdf](https://www.reliancepower.co.in/documents/2181716/2364859/Policy_for_Determining_Material_Subsiary-new.pdf).

### **c. Accounting Treatment**

In the preparation of financial statements for the year 2019-20, the Company has followed the Accounting Standards as prescribed under section 133 of the Act, 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](http://www.reliancepower.co.in). The Board members and 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 2019-20.'

K. Raja Gopal

Whole-time Director

Corporate Governance Report

**e. CEO and CFO Certification**

Shri K.Raja Gopal, Whole-time Director & Chief Executive Officer and Shri Sandeep Khosla, Chief Financial Officer of the Company, has provided certification on financial reporting and internal controls to the Board as required under Regulation 17(8) of the Listing Regulations.

**f. Review of Directors' Responsibility Statement**

The Board in its report has confirmed that the annual accounts for the year ended March 31, 2020 have been prepared as per applicable Accounting Standards and Policies and that sufficient care has been taken for maintaining adequate accounting records.

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

Pursuant to the provisions of schedule V of the Listing Regulations the Company has obtained a certificate from M/s. Ajay Kumar & Co., Practising Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any other statutory authority.

**h. Confirmation by the Board of Directors' for acceptance of Committees recommendations**

The Board of Directors confirmed that during the financial year, it has accepted all recommendations of any committees which is mandatorily required.

**XV. Policy on Insider Trading**

The Company has a 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 SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. The Board has appointed Company Secretary as 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 trade, 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.

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

**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, 2020, as under:

SR No.	Particulars	No. of Shareholders	No. of Shares
1.	Aggregate number of shareholders and the outstanding shares lying in suspense account as on April 1, 2019	5,667	1,48,013
2.	Number of shareholders who approached issuer for transfer of shares from Suspense Account during the financial year 2019-20	0	0
3.	Number of shareholders to whom Shares were transferred from Suspense Account during the financial year 2019-20	0	0
4.	Aggregate number of shareholders and the outstanding shares lying in suspense account as on March 31, 2020	5,667	1,48,013

# Reliance Power Limited

## Corporate Governance Report

### 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
1.	Aggregate number of shareholders and the outstanding shares lying in suspense account as on April 1, 2019	87,970	9,60,281
2.	Number of shareholders who approached issuer for transfer of shares from Suspense Account during the financial year 2019-20.	48	1,628
3.	Number of shareholders to whom shares were transferred from Suspense Account during the financial year 2019-20.	48	1,628
4.	Aggregate number of shareholders and the outstanding shares lying in Suspense Account as on March 31, 2020	87,922	9,58,653

The voting rights on the shares outstanding in the Unclaimed Suspense Accounts as on March 31, 2020 shall remain frozen till the rightful owner of such shares claims the shares.

Wherever the shareholders have claimed the shares, after proper verification, 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. Fees to Statutory Auditors

The details of fees paid to Statutory Auditors by the Company and its subsidiaries during the year ended March 31, 2020 are as follows:

(₹ in lakhs)

SN	Particulars	M/s. Pathak H. D. & Associates LLP and their network entities
1.	Audit Fees	198
2.	Certification Charges	19
3.	Other Matters	1
<b>Total</b>		<b>218</b>

### XVIII. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As reported by the Internal Complain Committee the details of Complaints are as under.

SN	Particulars	Details
1.	Number of complaints filed during the financial year	Nil
2.	Number of complaints disposed of during the financial year	Nil
3.	Number of Complaints pending as on end of the financial year	Nil

### XIX. 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 standalone financial statements of the Company for the year 2019-20.

#### 3. Separate posts of Chairman and CEO

The Company maintains separately the posts of Chairman and CEO.

#### 4. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee of the Company.

### XX. 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.

#### Certificate on Corporate Governance

The Certificate from Company Secretary in Practice on compliance of Regulation 34(3) of the Listing Regulations relating to Corporate Governance is published in this Annual Report.

#### 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 continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the globally recognised practices of governance, so as to meet the expectations of all our stakeholders.

Corporate Governance Report

Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations

Sr. No.	Particulars	Regulations	Compliance Status	Compliance Observed
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>● Composition &amp; Meetings</li> <li>● Quorum of Board Meetings</li> <li>● Review of compliance reports &amp; compliance certificate</li> <li>● Plans for orderly succession for appointments</li> <li>● Code of Conduct</li> <li>● Fees / compensation to Non-Executive Directors</li> <li>● Minimum information to be placed before the Board</li> <li>● Risk assessment and management</li> <li>● Performance evaluation</li> </ul>
2.	Maximum No. of Directorships	17A	Yes	<ul style="list-style-type: none"> <li>● Directorships in listed entity</li> </ul>
3.	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>● Composition &amp; Meetings</li> <li>● Quorum of Committee</li> <li>● Power of the Committee</li> <li>● Role of the Committee and review of information by the Committee</li> </ul>
4.	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>● Composition</li> <li>● Quorum of Committee</li> <li>● Meetings of the Committee</li> <li>● Role of the Committee</li> </ul>
5.	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>● Composition</li> <li>● Quorum of Committee</li> <li>● Role of the Committee</li> </ul>
6.	Risk Management Committee	21	Yes	<ul style="list-style-type: none"> <li>● Composition</li> <li>● Meetings of the Committee</li> <li>● Role of the Committee</li> </ul>
7.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>● Review of Vigil Mechanism for Directors and employees</li> <li>● Direct access to Chairperson of Audit Committee</li> </ul>
8.	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>● Policy of Materiality of Related Party Transactions and dealing with Related Party Transactions</li> <li>● Approval including omnibus approval of Audit Committee</li> <li>● Review of Related Party Transactions</li> <li>● No material Related Party Transactions</li> <li>● Disclosure of Related Party Transactions on consolidated basis</li> </ul>
9.	Subsidiaries of the Company	24	Yes	<ul style="list-style-type: none"> <li>● Appointment of Company's Independent Director on the Board of material subsidiary</li> <li>● Review of financial statements of subsidiary by the Audit Committee</li> <li>● Minutes of the Board of Directors of the subsidiaries are placed at the meeting of the Board of Directors</li> <li>● Significant transactions and arrangements of subsidiary are placed at the meeting of the Board of Directors</li> </ul>
10.	Secretarial Compliance Report	24A	Yes	<ul style="list-style-type: none"> <li>● Secretarial Compliance Report</li> <li>● Secretarial Audit Report</li> </ul>
11.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>● No alternate Directors for independent directors</li> <li>● Maximum Directorship and tenure</li> <li>● Meetings of Independent Directors</li> <li>● Cessations and Appointment of Independent Directors</li> <li>● Familiarisation of Independent Directors</li> <li>● Declaration by Independent Directors</li> <li>● Director's &amp; Officer's Insurance</li> </ul>

# Reliance Power Limited

## Corporate Governance Report

12.	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes	<ul style="list-style-type: none"><li>Memberships / Chairmanships in Committees</li><li>Affirmation on compliance of Code of Conduct by Directors and Senior Management</li><li>Disclosure of shareholding by Non-Executive Directors</li><li>Disclosures by Senior Management about potential conflicts of interest</li><li>No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Persons, Director and Promoter</li></ul>
13.	Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"><li>Compliance with discretionary requirements</li><li>Filing of quarterly compliance report on Corporate Governance</li></ul>
14.	Website	46(2) (b) to (i)	Yes	<ul style="list-style-type: none"><li>Terms and conditions for appointment of Independent Directors</li><li>Composition of various Committees of the Board of Directors</li><li>Code of Conduct of Board of Directors and Senior Management Personnel</li><li>Details of establishment of Vigil Mechanism / Whistle-blower policy</li><li>criteria of making payments to non-executive directors, if the same has not been disclosed in annual report;</li><li>Policy on dealing with Related Party Transactions</li><li>Policy for determining material subsidiaries</li><li>Details of familiarisation programmes imparted to Independent Directors</li><li>All Credit Rating obtained and revision, if any</li></ul>

## Certificate On Corporate Governance

### **[Pursuant to Regulation 34(3) read with Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
The Members  
Reliance Power Limited  
Reliance Centre, Ground Floor, 19,  
Walchand Hirachand Marg,  
Ballard Estate, Mumbai 400001

I have examined the compliance of conditions of Corporate Governance by Reliance Power Limited ('the Company') for the year ended March 31, 2020, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations, 2015") as referred to in Regulation 15(2) of the SEBI Listing Regulations, 2015 for the period from April 01, 2019 to March 31, 2020.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management and my examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

I further 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.

This Certificate is issued solely for the purposes of complying with the aforesaid Regulations and should not be used by any other person or for any other purpose.

Ajay Kumar  
(Ajay Kumar & Co.)  
Practising Company Secretaries  
FCS No.:3399 COP No.: 2944

UDIN: F003399B000221474

Place: Mumbai

Date: 09.05.2020

**Certificate of Non-Disqualification of Directors**

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

**To,**  
**The Members**  
**Reliance Power Limited**  
 Reliance Centre, Ground Floor,  
 19, Walchand Hirachand Marg,  
 Ballard Estate,  
 Mumbai 400001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Reliance Power Limited having CIN L40101MH1995PLC084687 and having registered office at Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2020 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Cessation
1.	Mr. Anil D Ambani	00004878	30/09/2007	-
2.	Mr. Sateesh Seth	00004631	18/07/2014	-
3.	Mr. Ravikumar Krishnasamy	00119753	26/09/2017	-
4.	Mr. Darius Jehangir Kakalia	00029159	13/09/2013	-
5.	Ms. Rashna Hoshang Khan	06928148	27/09/2014	-
6.	Mr. Raja Gopal Krotthapalli	00019958	01/07/2018	-

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

Place: Mumbai  
 Date: 09.05.2020

For, Ajay Kumar & Co.  
 Sd/-  
 (Ajay Kumar)  
 Proprietor  
 Membership No.: 3399  
 CP No.: 2944  
 UDIN: F003399B000221507



## Investor Information

### Important Points

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

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

**Members are advised to dematerialise shares in the Company to facilitate transfer of shares.**

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

- 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 account 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.

### Members holding shares in physical mode:

- a. are required to submit their Permanent Account Number (PAN) and bank account details to the Company / KFintech, if not registered with the Company as mandated by SEBI.
- b. are advised to register the nomination in respect of their shareholding in the Company.  
Nomination Form (SH-13) is put on the Company's website and can be accessed at link <https://www.reliancepower.co.in/web/reliance-power/shareholder-services>.
- c. are requested to register / update their e-mail address with the Company / KFintech for receiving all communications from the Company electronically.

### 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.

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

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

Non-Resident Indian members are requested to inform KFintech, the Company's Registrar and Transfer Agent immediately on the change in the residential status on return to India for permanent settlement.

### 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.

**Link for updating PAN / Bank Details is provided on the website of the Company.**

### 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 Company's Registrar and Transfer Agent (RTA), 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 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.

## Investor Information

### 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 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 unless otherwise opted for regular demat account with (a) No Annual Maintenance charges if the value of holding is up to ₹ 50,000 and (b) Annual Maintenance charges not exceeding ₹ 100 for value of holding from ₹ 50,001 to ₹ 2,00,000. (Refer Circular No. CIR/MRD/DP/22/2012 dated 27<sup>th</sup> August, 2012 and Circular No. CIR/MRD/DP/20/2015 dated December 11, 2015).

### Annual General Meeting

The 26<sup>th</sup> Annual General Meeting (AGM) will be held on Tuesday, June 23, 2020 at 1.30 p.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

### E-voting

The Members can cast their vote online through remote e-voting from 10:00 A.M. on June 19, 2020 to 5:00 P.M. on June 22, 2020. Further, the e-voting facility shall also be made available to the shareholders present at the meeting through Video Conferencing and have not cast their vote on resolution through remote e-voting.

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 Members shall refer to the detailed procedure on remote e-voting are given in the Notice and the e-voting instruction slip.

### 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](http://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](mailto:reliancepower.investors@relianceada.com) for investors.

### Registrar and Transfer Agent (RTA)

KFin Technologies Private Limited  
Unit: Reliance Power Limited  
Selenium Building, Tower – B, Plot No. 31 & 32  
Financial District, Nanakramguda  
Hyderabad Telangana 500 032  
Toll free no. (India): 1800 4250 999  
Tel no : +91 40 6716 1500, Fax no. : +91 40 6716 1791  
E-mail: [rpower@kfintech.com](mailto:rpower@kfintech.com)  
Website : [www.kfintech.com](http://www.kfintech.com)

Karvy Fintech Private Limited (KFPL), the Registrar and Transfer Agent of the Company has changed its name to KFin Technologies Private Limited with effect from December 5, 2019.

### Dividend announcements

The Board of Directors of the Company do not recommend any dividend for the financial year 2019-20.

### Share Transfer System

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

- The relaxation shall only be available for transfers executed after January 01, 2016.
- The relaxation shall only be available to non-commercial transactions, i.e. transfer by way of gift among immediate relatives.

# Reliance Power Limited

## Investor Information

- c. The non-resident shall provide copy of an alternate valid document to ascertain identity as well as the non-resident status.

### 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.

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	29,883,091

#### 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, KFin Technologies Private Limited, for payment of their unclaimed amounts due.

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.

**Investor Information**

**Shareholding Pattern**

Category of shareholders	As on March 31, 2020		As on March 31, 2019	
	Number of shares	%	Number of shares	%
A Shareholding of Promoter and Promoter Group				
i Indian	54,09,64,533	19.29	1,57,86,36,797	56.28
ii Foreign	0		0	0.00
<b>Total shareholding of Promoter and Promoter Group</b>	<b>54,09,64,533</b>	<b>19.29</b>	<b>1,57,86,36,797</b>	<b>56.28</b>
B <b>Public shareholding</b>				
i Institutions	34,34,53,004	12.24	39,07,77,672	13.93
ii Non-institutions	1,92,01,53,915	68.45	83,51,48,319	29.77
<b>Total Public shareholding</b>	<b>2,26,36,06,919</b>	<b>80.69</b>	<b>1,22,59,25,991</b>	<b>43.70</b>
C Shares held by Custodian against which depository receipts have been issued	5,55,014	0.02	5,63,678	0.02
<b>Grand Total (A)+(B)+(C)+(D)</b>	<b>2,80,51,26,466</b>	<b>100.00</b>	<b>2,80,51,26,466</b>	<b>100.00</b>

**Distribution of Shareholding**

Number of shares	Number of shareholders as on March 31, 2020		Total Shares as on March 31, 2020		Number of shareholders as on March 31, 2019		Total Shares as on March 31, 2019	
	Number	%	Number	%	Number	%	Number	%
Up to 500	29,08,142	93.91	14,95,34,274	5.33	29,76,776	95.88	15,06,48,800	5.37
501 -5000	1,52,334	4.92	24,06,20,320	8.58	1,13,680	3.66	15,86,61,849	5.66
5001 -100000	34,430	1.11	62,16,24,599	22.16	13,605	0.44	21,48,12,341	7.66
Above 100000	1,975	0.06	1,79,33,47,273	63.93	689	0.02	2,28,10,03,476	81.32
	<b>30,96,881</b>	<b>100.00</b>	<b>2,80,51,26,466</b>	<b>100.00</b>	<b>31,04,750</b>	<b>100.00</b>	<b>2,80,51,26,466</b>	<b>100.00</b>

**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 SEBI.

**Status of Dematerialisation of Shares**

As on March 31, 2020, 99.75 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	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Securities and Exchange Board of India	28	57	28	57	NIL	NIL
Stock Exchanges	11	16	11	16	NIL	NIL
NSDL/CDSL	2	10	2	10	NIL	NIL
Other (ROC)	0	0	0	0	NIL	NIL
Direct from investors	1	11	1	11	NIL	NIL
<b>Total</b>	<b>42</b>	<b>94</b>	<b>42</b>	<b>94</b>	<b>NIL</b>	<b>NIL</b>

# Reliance Power Limited

## Investor Information

### Analysis of Grievances

Particulars	2019-20		2018-19	
	Number	%	Number	%
Non receipt of Refund Orders / Credit of shares	0	0.00	0	0.00
Non receipt of Share Certificate	0	0.00	0	0.00
Non receipt of Refund Orders	0	0.00	3	3.19
Non Credit of Shares / Others	0	0.00	0	0.00
Non Credit of bonus Shares / Others	0	0.00	0	0.00
Non receipt of fractional warrants	1	2.38	0	0.00
Non receipt of Annual Report	7	16.67	14	14.89
Non receipt of dividend warrant	7	16.67	25	26.60
Others	27	64.28	52	55.32
<b>Total</b>	<b>42</b>	<b>100.00</b>	<b>94</b>	<b>100.00</b>

There was no complaint, pending as on March 31, 2020.

#### Notes:

- The shareholder base was 30,96,881 as of March 31, 2020 and 31,04,750 as of March 31, 2019.
- 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 0.0014 percent of the total number of members as of March 31, 2020.

#### 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	Nominal value
		(in '000)	No. of shares (in '000)	of shares (₹ 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

#### Credit Rating

Rating Agency	Type of Instrument	Rating as on April 1, 2019	Rating as on March 31, 2020
ICRA Limited	A. Non-Convertible Debentures (NCD) Programme	Long Term : BB(Negative) ISSUER NOT COOPERATING	Long Term : D ISSUER NOT COOPERATING <sup>1</sup>
	B. Commercial Paper / Short-term debt Programme / Non Convertible Debentures (with maturity of less than one year)	Short Term : A4 ISSUER NOT COOPERATING	Rating mandate withdrawn
	C. Line of Credit		
	i. Long Term Non fund based (BG and LC)	i. Long Term : BB(Negative) ISSUER NOT COOPERATING	i. Long Term : D ISSUER NOT COOPERATING <sup>2</sup>
	ii. Short Term Non fund based(BG and LC)	ii. Short Term : A4 ISSUER NOT COOPERATING	ii. Short Term : D ISSUER NOT COOPERATING <sup>3</sup>
	iii. Long Term Loans	iii. Long Term : BB(Negative) ISSUER NOT COOPERATING	iii. Long Term : D ISSUER NOT COOPERATING <sup>4</sup>
	iv. Long Term Fund based	iv. Long Term : BB(Negative) ISSUER NOT COOPERATING	iv. Long Term : D ISSUER NOT COOPERATING <sup>5</sup>

**Investor Information**

**Details of Revision**

<sup>1</sup> From BB (Negative) ISSUER NOT COOPERATING to D ISSUER NOT COOPERATING on July 16, 2019.

<sup>2</sup> From BB (Negative) ISSUER NOT COOPERATING to D ISSUER NOT COOPERATING on July 16, 2019

<sup>3</sup> From A4 ISSUER NOT COOPERATING to D ISSUER NOT COOPERATING on July 16, 2019

<sup>4</sup> From BB (Negative) ISSUER NOT COOPERATING to D ISSUER NOT COOPERATING on July 16, 2019

<sup>5</sup> From BB (Negative) ISSUER NOT COOPERATING to D ISSUER NOT COOPERATING on July 16, 2019

**Stock Price and Volume**

Financial Year 2019-20	BSE			NSE		
	High	Low	Volume No. of shares	High	Low	Volume No. of shares
April-19	11.42	5.84	12,65,67,920	11.45	5.80	95,28,48,939
May-19	8.52	4.94	26,65,13,551	8.55	5.05	1,92,44,19,994
June-19	7.82	3.95	23,05,42,161	7.85	3.95	1,57,42,74,753
July-19	4.55	2.95	9,15,91,893	4.55	2.95	37,29,35,074
August-19	3.90	2.70	7,32,64,381	3.90	2.70	26,59,98,876
September-19	3.72	2.14	8,08,75,853	3.75	2.15	34,91,70,981
October-19	4.00	1.82	12,06,29,556	3.90	1.80	53,69,28,259
November-19	5.08	3.27	9,76,37,188	5.00	3.25	36,10,83,028
December-19	3.68	3.02	6,54,29,160	3.70	3.05	24,51,60,878
January-20	3.69	1.63	34,22,10,362	3.70	1.75	51,36,60,158
February-20	1.97	1.46	16,59,96,313	1.95	1.60	26,68,80,324
March-20	1.73	1.00	15,64,11,987	1.75	1.00	20,88,24,294

(Source: This information is compiled from the data available on the websites of BSE and NSE)

**Stock Exchange Listings**

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

**Listing on Stock Exchanges**

**Equity Shares**

BSE Limited	National Stock Exchange of India Limited
Phiroz Jeejeebhoy Towers Dalal Street, Mumbai 400 001 website : <a href="http://www.bseindia.com">www.bseindia.com</a>	Exchange Plaza, Plot No, C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 website : <a href="http://www.nseindia.com">www.nseindia.com</a>

**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](http://www.bourse.lu)

**Depository for GDR holders**

Depository	Custodian
Deutsche Bank Trust Company Americas, 60 Wall Street New York 10005	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.

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

Outstanding GDRs as on March 31, 2020 represent 5,55,014 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.

# Reliance Power Limited

## Investor Information

### Debt Securities

Following Debt Securities are listed on the Wholesale Debt Market (WDM) segment of BSE:

Debentures	ISIN	Date of Allotment	Date of Maturity	Total Size (₹ in Crore)
Series I (2018) – Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs)	INE614G07063 <sup>#5</sup>	28-03-2018	28-03-2025	545
Series III (2017) – 13.71% Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs)	INE614G07071*	10-07-2017	25-05-2020	250

# The Company has repurchased and cancelled NCDs for an amount of ₹ 205 Crore out of total issued and allotted amount of ₹ 750 Crore on August 23, 2018.

§ Further, the Company has amended certain terms for which the Debenture Holders and Debenture Trustee have provided their consent on October 31, 2018 and Final approval from BSE was received on November 26, 2018.

\* The Company has issued Non Convertible Debentures Series III (2017) (ISIN: INE614G08079) on July 10, 2017.

Debenture Holders and the Debenture Trustee vide their consent on June 27, 2018 agreed to extend maturity of these NCDs for a further period of 300 days from June 29, 2018 to April 25, 2019 along with change in rate of interest from 10.20% to 10.75% p.a. payable Semi annually. BSE In principal approval was received on July 02, 2018.

Further Debenture Holders and the Debenture Trustee vide their consent on April 24, 2019 have agreed to extend maturity of the said NCDs for a further period of 396 days from April 25, 2019 to May 25, 2020 along with change in certain terms and rate of interest from 10.75% to 13.71% p.a. payable Semi annually. BSE In principal Approval was received on April 25, 2019.

### 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 fee for the year 2020-21 shall be paid in due course by the Company to the stock exchanges.

As per the National Stock Exchange of India Limited (NSE) Circular Ref. No.09/2020 dated April 30, 2020, NSE has extended the due date of payment for the Annual Listing Fees for F.Y. 2020-21.

### Payment of depository fees

Annual custody/ issuer fee for the year 2020-21 shall be paid in due course by the Company to NSDL and CDSL.

### 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, 2020:

Period	RPower(%)	Sensex (%)	Nifty (%)
FY 2019-20	-88.99	-23.80	-26.03
2 years	-96.54	-10.62	-14.99
3 years	-97.40	-0.51	-6.28

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 2020-21

Unaudited results for the First Quarter: ending June 30, 2020	On or before August 14, 2020
Unaudited results for the Second Quarter and half year ending September 30, 2020	On or before November 14, 2020
Unaudited results for the Third Quarter: ending December 31, 2020	On or before February 14, 2021
Audited results for the Financial Year: 2020-21	On or before May 30, 2021

### 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](http://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](http://www.cdslindia.com).

## 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](http://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 KFin Technologies Private Limited at the below mentioned address for speedy response.

### KFin Technologies Private Limited

Unit: Reliance Power Limited  
Selenium Building, Tower – B  
Plot No. 31 & 32  
Financial District, Nanakramguda  
Hyderabad  
Telangana PIN 500 032  
E-mail: [rpower@kfintech.com](mailto:rpower@kfintech.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  
Reliance Centre, Ground Floor,  
19, Walchand Hirachand Marg,  
Ballard Estate, Mumbai 400 001  
Tel. No. : +91 22 4303 1000  
Fax No. : +91 22 4303 3662  
E-mail: [reliancepower.investors@relianceada.com](mailto:reliancepower.investors@relianceada.com)

## Plant Locations

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.



# Reliance Power Limited

## Independent Auditors' Report

### To the Members of Reliance Power Limited Report on the Audit of the Standalone Financial Statements Opinion

We have audited the standalone financial statements of Reliance Power Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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, 2020, and loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
<b>Investments – evaluation of fair value of investments</b> The Company has investments in subsidiaries and associates. These investments are recognised at fair value through other comprehensive income. Determination of fair value is subject to a significant level of judgement. Therefore, there is a risk that the value of investments may be misstated. Refer to note 3.3 (a) – "Investments" of the standalone financial statements.	Besides obtaining an understanding of management's processes and controls with regard to testing the impairment of investment in unquoted equity and preference instruments in subsidiaries, our procedures included the following: <ul style="list-style-type: none"> <li>• Perused fair valuation reports of significant investments obtained from an independent external valuation expert engaged by the Company.</li> <li>• Evaluated the appropriateness of the Company's assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates;</li> <li>• Assessed the appropriateness of the forecast cash flows within the budgeted period based on our understanding of the business;</li> <li>• Considered historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved;</li> <li>• Performed a sensitivity analysis in relation to key assumptions; and</li> <li>• Evaluated the appropriateness of the related disclosures in Note 3.3 (a) of the standalone financial statements.</li> </ul>

financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 23 of the standalone financial statements, wherein the Company has incurred loss during the current year as well as in the previous year, excess of current liabilities over current assets and loans that have fallen due for repayments and the loans which have been fallen due of subsidiary companies for which the Company is guarantor indicate that material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. However, for the reasons more fully described in the aforesaid note, the accounts of the Company have been prepared as a Going Concern. Our opinion is not modified in respect of this matter.

#### Emphasis of Matter

We draw attention to Note 26 of the standalone financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

**Independent Auditors' Report**

**Loans and advances and Other Receivables – evaluation of adequacy of provision for loans and advances given**

The Company have granted loans and advances to subsidiaries and other companies and also have receivables from various parties. These loans and receivables are tested for impairment annually. If impairment exists, the recoverable amounts of the loans and receivables are estimated in order to determine the extent of the impairment loss, if any. Determination of whether there exists any impairment in the value of loans is subject to a significant level of judgment. There is therefore a risk that the value of loans may be misstated. Refer to note no. 3.3(b) and 3.5(d) – of the standalone financial statements.

Our procedures included the following:

- Obtained independent confirmation of balances outstanding from recipients and traced the amounts confirmed to the books of account;
- Verified whether the requisite approvals were obtained for the loan given and ensured other compliances as required by the applicable regulation.
- Perused the audited financial statements of those entities to evaluate whether its net assets, being an approximation of its minimum recoverable amount, were in excess of the amounts due for assessing the repayment capability of the concerned entity;
- Verified the adequacy of the provision made by management, where applicable
- Evaluated the adequacy of the related disclosures in note no. 3.3(b) and 3.5(d) of the standalone financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, / (loss) changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

## Independent Auditors' Report

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS

specified under section 133 of the Act, read with relevant rules made thereunder.

- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act.
- f) The going concern matter described in Material Uncertainty Related to Going Concern Section above, in our opinion, may have an adverse effect on the functioning of the Company.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a) The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its standalone financial statements - Refer Note 4 to the standalone financial statements;
- b) 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.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

### For Pathak H. D. & Associates LLP

Chartered Accountants  
Firm's Registration No:107783W/W100593

### Vishal D. Shah

Partner  
Membership No:119303  
UDIN: 20119303AAAACU5315

Place: Mumbai  
Date: May 08, 2020

**Annexure A to Independent Auditors' Report**

**Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report in the Independent Auditors' Report of even date to the Members of Reliance Power Limited on the standalone financial statements as of and for the year ended March 31, 2020**

- 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 01, 2012.
- ii. The Company does not hold any inventory. Accordingly, 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.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax and entry tax as at March 31, 2020 which has not been deposited on account of dispute is as under:
- 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. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of sale of electricity 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 income tax, though there has been a slight delay in a few cases and is regular in depositing undisputed statutory dues, including provident fund, goods and services tax, 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, 2020 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, employee state insurance, sales tax, cess, duty of customs and duty of excise. Refer Note 4 of standalone financial statements.

Name of Statute	Nature of Dues	Amount (₹ in lakhs)	Period to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	474	A.Y. 2011-12	Commissioner of Income Tax (Appeals) [CIT(A)], Mumbai
Income Tax Act, 1961	Income Tax	19	A.Y. 2012-13	Commissioner of Income Tax (Appeals) [CIT(A)], Mumbai
Income Tax Act, 1961	Income Tax	2,921	A.Y. 2014-15	Commissioner of Income Tax (Appeals) [CIT(A)], Mumbai
Income Tax Act, 1961	Income Tax	1,935	A.Y. 2015-16	Commissioner of Income Tax (Appeals) [CIT(A)], Mumbai
Income Tax Act, 1961	Income Tax	2,380	A.Y. 2016-17	Commissioner of Income Tax (Appeals) [CIT(A)], Mumbai
Income Tax Act, 1961	Income Tax	3,241	A.Y. 2017-18	Commissioner of Income Tax (Appeals) [CIT(A)], Mumbai
<b>Subtotal (a)</b>		<b>10,970</b>		
Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002	Entry Tax	114	F.Y. 2010-11	Deputy Commissioner of Income Tax, Bilaspur
<b>Subtotal (b)</b>		<b>114</b>		
<b>Total (a+b)</b>		<b>11,084</b>		

# Reliance Power Limited

## Annexure A to Independent Auditors' Report

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks and in payment of dues to the debenture holders except for the following instances of default in repayment of principal amounts and interest:

Sr.	Name of Lender	Borrowings		Interest	
		Amount (₹ in lakhs)	Period (Maximum days)	Amount (₹ in lakhs)	Period (Maximum days)
<b>I</b>	<b>Loan from Banks</b>				
1	Axis Bank	3,708	92	481	123
2	Yes Bank	50,325	426	10,206	426
3	Axis Bank - Gift City	23	1	-	-
4	IDBI Bank	-	-	54	1
5	ICICI Bank	17,213	440	4,211	426
<b>II</b>	<b>Non Convertible Debentures</b>				
6	Yes Bank	-	-	6,761	186
		<b>71,269</b>		<b>21,713</b>	

The Company did not have any loans or borrowings from Government during the year.

- ix. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- 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, in our opinion, transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act. 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 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 with 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. (Refer note 7 of the standalone financial statements).

### For Pathak H. D. & Associates LLP

Chartered Accountants

Firm's Registration No:107783W/W100593

### Vishal D. Shah

Partner

Membership No:119303

UDIN: 20119303AAAACU5315

Place: Mumbai

Date: May 08, 2020

**Annexure B to Independent Auditors' Report****Annexure B to the Independent Auditor's Report on the standalone financial statements of Reliance Power Limited for year ended March 31, 2020****Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013****(Referred to in Paragraph 1(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

We have audited the internal financial controls with reference to standalone financial statements of Reliance Power Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal 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 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**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 financial statements, whether due to fraud or error.

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 with reference to standalone financial statements.

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

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, and to the best of our information and explanation given to us, the Company has, in all material respects, maintained adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India

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

Chartered Accountants

Firm's Registration No:107783W/W100593

**Vishal D. Shah**

Partner

Membership No:119303

UDIN: 20119303AAAACU5315

Place: Mumbai

Date: May 08, 2020

# Reliance Power Limited

## Balance Sheet as at March 31, 2020

Particulars	Note No.	₹ in lakhs	
		As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	27,926	28,797
Intangible assets	3.2	7	7
Financial assets			
Investments	3.3(a)	14,08,447	17,74,421
Loans	3.3(b)	1,32,801	1,19,775
Other financial assets	3.3(c)	395	495
Non-current tax assets	3.4	3,899	3,063
<b>Total Non-current Assets</b>		<b>15,73,475</b>	<b>19,26,558</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	3.5(a)	6,098	6,306
Cash and cash equivalents	3.5(b)	162	772
Bank balances other than cash and cash equivalents	3.5(c)	1,747	12,985
Loans	3.5(d)	71,230	97,005
Other financial assets	3.5(e)	90,881	58,176
Other current assets	3.6	58	2,077
<b>Total Current Assets</b>		<b>1,70,176</b>	<b>1,77,321</b>
Assets classified as held for sale	3.7	-	13,105
<b>Total Assets</b>		<b>17,43,651</b>	<b>21,16,984</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	3.8	2,80,513	2,80,513
Other equity	3.9	6,00,181	10,05,052
<b>Total Equity</b>		<b>8,80,694</b>	<b>12,85,565</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	3.10(a)	74,986	84,155
Other financial liabilities	3.10(b)	2,753	2,437
Provisions	3.11	95	79
<b>Total Non-current liabilities</b>		<b>77,834</b>	<b>86,671</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	3.12(a)	5,51,242	6,03,341
Trade payables	3.12(b)		
Total Outstanding dues of micro enterprises and small enterprises		3	1
Total Outstanding dues of creditors other than micro enterprises and small enterprises		2,089	2,794
Other financial liabilities	3.12(c)	2,31,290	93,878
Other current liabilities	3.13	464	44,706
Provisions	3.14	35	28
<b>Total Current liabilities</b>		<b>7,85,123</b>	<b>7,44,748</b>
<b>Total Equity and Liabilities</b>		<b>17,43,651</b>	<b>21,16,984</b>

Significant accounting policies  
Notes to financial statements  
The accompanying notes are an integral part of these financial statements.

As per our attached report of even date  
**For Pathak H.D. & Associates LLP**  
Chartered Accountants  
Firm Registration No: 107783W/W100593

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

Place : Mumbai  
Date : May 08, 2020

For and on behalf of the Board of Directors

**Anil D Ambani** Chairman  
**Sateesh Seth**  
**K. Ravikumar**  
**D. J. Kakalia**  
**Rashna Khan** } Director

**K. Raja Gopal** Whole-time Director & CEO  
**Sandeep Khosla** Chief Financial Officer  
**Murli Manohar Purohit** Company Secretary  
Place : Mumbai  
Date : May 08, 2020

Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Note No.	₹ in lakhs	
		Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	3.15	5,353	4,338
Other income	3.16(a)	28,589	30,158
<b>Total Income</b>		<b>33,942</b>	<b>34,496</b>
<b>Expenses</b>			
Employee benefits expense	3.17	745	1,169
Finance costs	3.18	48,726	47,662
Depreciation and amortisation expense	3.1 & 3.2	1,588	1,744
Other expenses	3.19	2,311	4,416
<b>Total expenses</b>		<b>53,370</b>	<b>54,991</b>
<b>Loss before exceptional items and tax</b>		<b>(19,428)</b>	<b>(20,495)</b>
<b>Exceptional items</b>	22(b)		
Provision for advances		(19,456)	(1,43,037)
Less : amount withdrawn from General reserve (arisen pursuant to the Composite Scheme of Arrangement)		-	1,01,702
		<b>(19,456)</b>	<b>(41,335)</b>
<b>Loss before tax</b>		<b>(38,884)</b>	<b>(61,830)</b>
<b>Income tax expense</b>			
Current tax	14	-	-
Deferred tax	14	-	(1,252)
<b>Loss from Continuing Operations</b>		<b>(38,884)</b>	<b>(60,578)</b>
<b>Discontinued Operations:</b>			
Profit before tax from Discontinued Operations	3.16(b)	-	412
Tax Expense of Discontinued Operations		-	-
<b>Profit from Discontinuing Operations</b>		<b>-</b>	<b>412</b>
<b>Loss for the year</b>		<b>(38,884)</b>	<b>(60,166)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post-employment benefit obligation (net)		(14)	(1)
Changes in fair value of equity instruments in subsidiaries		(3,65,973)	(3,25,577)
Gains / (Losses) from investments in equity instruments designated at fair value through Other Comprehensive Income		-	15
<b>Other Comprehensive Income / (Loss) for the year</b>		<b>(3,65,987)</b>	<b>(3,25,563)</b>
<b>Total Comprehensive Income / (Loss) for the year</b>		<b>(4,04,871)</b>	<b>(3,85,729)</b>
<b>Earnings per equity share: (Face value of ₹ 10 each)</b>			
<b>for continuing Operations</b>	13		
Basic and Diluted (₹)- for continuing operations (before effect of withdrawal from scheme)		(1,386)	(5,785)
Basic and Diluted (₹)- for continuing operations (after effect of withdrawal from scheme)		(1,386)	(2,160)
<b>for Discontinuing Operations (Basic and Diluted) (₹)</b>		<b>-</b>	<b>0.015</b>
<b>for Discontinuing and Continuing Operations (Basic and Diluted)</b>			
Before effect of withdrawal from scheme (₹)		(1,386)	(5,770)
After effect of withdrawal from scheme (₹)		(1,386)	(2,145)
Significant accounting policies	2		
Notes to financial statements	3 to 28		
The accompanying notes are an integral part of these financial statements.			

As per our attached report of even date

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

Chartered Accountants

Firm Registration No: 107783W/W100593

**Vishal D. Shah**

Partner

Membership No: 119303

Place : Mumbai

Date : May 08, 2020

For and on behalf of the Board of Directors

**Anil D Ambani**

Chairman

**Sateesh Seth**

**K. Ravikumar**

**D. J. Kakalia**

**Rashna Khan**

} Director

**K. Raja Gopal**

**Sandeep Khosla**

**Murli Manohar Purohit**

Place : Mumbai

Date : May 08, 2020

Whole-time Director & CEO

Chief Financial Officer

Company Secretary



**Statement of changes in equity as at March 31, 2020**

	₹ in lakhs
<b>A. Equity Share Capital</b> (Refer note 3.8)	
Balance as at March 31, 2018	2,80,513
Changes in equity share capital	-
Balance as at March 31, 2019	<u>2,80,513</u>
Changes in equity share capital	-
<b>Balance as at March 31, 2020</b>	<u><b>2,80,513</b></u>

**B. Other Equity** (Refer note 3.9)

	Reserve and Surplus										₹ in lakhs
	Securities Premium	Retained Earnings	Capital Reserve	Debt 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)	Total	
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	
Loss for the year	-	(60,166)	-	-	-	-	-	-	-	(60,166)	
Remeasurements of post-employment benefit obligation (net)	-	-	-	-	-	-	(1)	-	-	(1)	
Changes in fair value of equity instruments in subsidiaries	-	-	-	-	-	-	(3,25,577)	-	-	(3,25,577)	
Gains / (Losses) from investments in equity instruments designated at fair value through Other Comprehensive Income	-	-	-	-	-	-	15	-	-	15	
Total Comprehensive Income for the year	-	(60,166)	-	-	-	-	(3,25,563)	-	-	(3,85,729)	
Withdrawal from General Reserve (Refer note 22 (b))	-	-	-	-	-	-	-	-	(1,01,702)	(1,01,702)	
Addition during the year	-	-	-	-	11,150	-	-	-	-	11,150	
Amortisation during the year	-	-	-	-	(14,565)	-	-	-	-	(14,565)	
Balance as at March 31, 2019	11,05,454	(70,366)	1,958	4,683	1	(845)	(1,37,519)	59,995	41,691	10,05,052	

Statement of changes in equity as at March 31, 2020

₹ in lakhs

	Reserve and Surplus							Total	
	Securities Premium	Retained Earnings	Capital Reserve	Debt 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)
Loss for the year	-	(38,884)	-	-	-	-	-	-	(38,884)
Remeasurements of post-employment benefit obligation (net)	-	-	-	-	-	-	(14)	-	(14)
Changes in fair value of equity instruments in subsidiaries	-	-	-	-	-	-	(3,65,973)	-	(3,65,973)
<b>Total Comprehensive Income / (expense) for the year</b>	-	<b>(38,884)</b>	-	-	-	-	<b>(3,65,987)</b>	-	<b>(4,04,871)</b>
Amortisation during the year	-	-	-	-	(1)	-	-	-	(1)
<b>Balance as at March 31, 2020</b>	<b>11,05,454</b>	<b>(1,09,250)</b>	<b>1,958</b>	<b>4,683</b>	-	<b>(845)</b>	<b>(5,03,506)</b>	<b>59,995</b>	<b>41,691</b>

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date

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

Chartered Accountants

Firm Registration No: 107783W/W100593

**Vishal D. Shah**

Partner

Membership No: 119303

Place : Mumbai

Date : May 08, 2020

For and on behalf of the Board of Directors

**Anil D Ambani**

Sateesh Seth

K. Ravikumar

D. J. Kakalia

Rashna Khan

Chairman

Director

Director

Director

Director

Whole-time Director & CEO

Chief Financial Officer

Company Secretary

**K. Raja Gopal**

**Sandeep Khosla**

**Murti Manohar Purohit**

Place : Mumbai

Date : May 08, 2020

# Reliance Power Limited

## Cash Flow Statement for the year ended March 31, 2020

	₹ in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
<b>(A) Cash flow from / (used in) operating activities</b>		
Profit / (Loss) before tax	(38,884)	(61,830)
Adjusted for :		
Depreciation and amortisation	1,588	1,744
Finance costs	48,726	47,662
Income/ Expense on corporate guarantee	2,356	(3,210)
Interest income	(6,496)	(10,458)
Unrealised gain on foreign exchange fluctuations (Net)	-	(14,565)
Provision for doubtful debts	-	126
Provision/ impairment for advances/ loans (net)	19,456	41,335
Liabilities written back	(7)	-
Provision for leave encashment and gratuity	9	16
Operating Profit before working capital changes	<u>26,748</u>	<u>820</u>
Change in operating assets and liabilities:		
(Increase) / decrease in trade receivables	208	(3,075)
(Increase) / decrease in other financial assets	1,969	(11,343)
(Increase) / decrease in other current assets	116	(891)
Increase / (decrease) in trade payables	(508)	1,316
Increase / (decrease) in other financial liabilities	4,171	(7,187)
Increase / (decrease) in other current liabilities	(1,150)	873
	<u>4,806</u>	<u>(20,307)</u>
Taxes (paid) (Net)	(836)	(1,032)
<b>Net cash (used in) / generated from operating activities - Continuing Operations</b>	<u>30,718</u>	<u>(20,519)</u>
<b>Net cash (used in) / generated from operating activities - Discontinuing Operations</b>	-	-
<b>Net cash (used in) / generated from operating activities - Continuing and Discontinuing Operations</b>	<u>30,718</u>	<u>(20,519)</u>
<b>(B) Cash flow from / (used in) investing activities</b>		
Payment for property, plant and equipments	-	(5)
Proceeds from sale of property, plant and equipments	-	1
Interest on bank and other deposits (net)	1,000	2,623
Inter corporate deposits given to subsidiaries	(41,184)	(76,624)
Refund of inter corporate deposits from subsidiaries (net)	7,790	43,127
Inter corporate deposits given to related parties/others	(5,000)	-
Refund of inter corporate deposits given to related parties/others	-	7,443
Sale of equity and preference shares in subsidiaries	-	15
Other advances to subsidiaries (Net)	(651)	(310)
Loan to employees	(1)	1
Fixed deposit (including Margin money deposit) having original maturity of more than three months	11,337	1,097
<b>Net cash (used in) / generated from investing activities - Continuing Operations</b>	<u>(26,709)</u>	<u>(22,632)</u>
<b>Net cash (used in) / generated from investing activities - Discontinuing Operations</b>	-	-
<b>Net cash (used in) / generated from investing activities - Continuing and Discontinuing Operations</b>	<u>(26,709)</u>	<u>(22,632)</u>

Cash Flow Statement for the year ended March 31, 2020

₹ in lakhs

	Year ended March 31, 2020	Year ended March 31, 2019
<b>(C) Cash flow from / (used in) financing activities</b>		
Inter corporate deposits from subsidiaries	31,722	58,249
Refund of inter corporate deposits to subsidiaries	(466)	(29,787)
Inter corporate deposits received from related party	9,296	1,61,699
Inter corporate deposit repaid to related party	(15,280)	(80,366)
Inter corporate deposits received from others	5,120	42,341
Inter corporate deposit repaid to others	(1,810)	-
Redemption of non- convertible Debenture	-	(20,500)
Repayment of commercial paper	-	(10,000)
Repayment of working capital (Net)	(391)	(1,170)
Interest and finance charges	(10,642)	(34,325)
Repayment of rupee term loan	(20,161)	(88,686)
Repayment of foreign currency loan	(2,006)	(1,132)
<b>Net cash generated from / (used in) financing activities - Continuing Operations</b>	<b>(4,619)</b>	<b>(3,677)</b>
<b>Net cash generated from / (used in) financing activities - Discontinuing Operations</b>	<b>-</b>	<b>-</b>
<b>Net cash generated from / (used in) financing activities - Continuing and Discontinuing Operations</b>	<b>(4,619)</b>	<b>(3,677)</b>
<b>Net (Decrease) / Increase in cash and cash equivalents (A+B+C)</b>	<b>(610)</b>	<b>(46,828)</b>
<b>Opening Balance of cash and cash equivalents</b>	<b>772</b>	<b>47,600</b>
<b>Closing balance of cash and cash equivalents</b>	<b>162</b>	<b>772</b>
<b>Components of Cash and Cash Equivalents (Refer note 3.5 (b))</b>		

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date

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

Chartered Accountants

Firm Registration No: 107783W/W100593

**Vishal D. Shah**

Partner

Membership No: 119303

Place : Mumbai

Date : May 08, 2020

For and on behalf of the Board of Directors

**Anil D Ambani**

Chairman

**Sateesh Seth**

**K. Ravikumar**

**D. J. Kakalia**

**Rashna Khan**

} Director

**K. Raja Gopal**

**Sandeep Khosla**

**Murli Manohar Purohit**

Place : Mumbai

Date : May 08, 2020

Whole-time Director & CEO

Chief Financial Officer

Company Secretary

### 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 incorporated and domiciled in India under the provisions of the Companies Act, 1956 and its equity shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.

These financial statements were authorised for issue by the Board of Directors on, May 08, 2020

### 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 Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013 ("the Act").

###### 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 realised, 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, 2020

(b) **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.

(c) **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 lives. The estimated useful lives 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.

(d) **Lease**

**The Company is the lessee**

The Company lease assets primarily consists of office premises which are of short term lease with the term of twelve months or less and low value leases. For these short term and low value leases, the Company recognises the lease payments as an expense in the Statement of Profit and Loss on a straight line basis over the term of lease.

**Transition**

Effective April 01, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the retrospective with cumulative effect method of initially applying the standard recognised at the date of initial application without any adjustment to opening balance of retained earnings. The Company did not have any material impact on the financial statements on application of the above standard.

(e) **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.

(f) **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, if any.

(g) **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 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

**Notes to the Financial Statements for the year ended March 31, 2020**

Income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in 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.

(h) **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.

(i) **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 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.

#### **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 credited to the Statement of Profit and Loss over the guarantee period using the systematic method. Financial guarantee contract issued by the Company are measured at fair value at the time of issue of guarantee or amendment in terms of guarantees.

### (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.

### (j) **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.

### (k) **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.

Notes to the Financial Statements for the year ended March 31, 2020

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 obligation cannot 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.

(l) **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 asset / 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.

(m) **Revenue from Contracts with Customers and Other Income**

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**

The Company has adopted Ind AS 115 using cumulative effect method of initially applying this standard recognised at the date of initial application (i.e. April 01, 2018).

Revenue from operations comprises of sale of power. Revenue is recognised at an amount that reflect the consideration for which the Company expects to be entitled in exchange for transfer of power (goods / service) to the customer.

Revenue from sale of power is accounted for in accordance with tariff provided in Power Purchase Agreement (PPA) read with the regulations of Maharashtra Electricity Regulatory Commission (MERC) and no significant uncertainty as to the measurability or collectability exist.

There is no impact on the adoption of the standard in the financial statement as the Company's revenue primarily comprised of revenue from sale of power and the recognition criteria of this revenue stream is largely unchanged by adoption of Ind AS 115.

(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.

(n) **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.

## Notes to the Financial Statements for the year ended March 31, 2020

(o) **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.

(p) **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.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business, exclusively with a view to sale.

The results of discontinued operations are presented separately in the Statement of Profit and Loss.

(q) **Income tax**

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 substantively 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.

(r) **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.

(s) **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.

(t) **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.

(u) **Segment reporting**

The operating segment has been identified and reported taking into account its internal financial reporting, performance evaluation and organisational 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 Segments".

(v) **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.

(w) **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.

(x) **Exceptional items**

The Company discloses certain financial information both including / excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of underlying operating performance of the Company and provides consistency with the Company's internal management reporting. Exceptional items are identified by virtue of either size or nature so as to facilitate the comparison with prior period and to assess underlying trends in financial performance of the Company.

## Notes to the Financial Statements for the year ended March 31, 2020

**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:

**Estimation of uncertainties relating to the global health pandemic from COVID-19:**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill, tangible and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company financial statements may differ from that estimated as at the date of approval of these financial statements.

**(a) Useful lives of Property, Plant and Equipment**

The Company has estimated its useful lives 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 lives differ from the original estimated useful lives, the Company will adjust the estimated useful lives 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 finalised 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 14)

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 15)

**(d) Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment of financial assets and credit risk exposure. ECL impairment loss allowance (or reversal) recognised during the year is recognised as income / expense in the Statement of Profit and Loss (P&L).

**(e) Estimation of employee benefit obligation**

Refer note 2.1 (n).

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

### 3.1 Property, Plant and Equipment<sup>2</sup>

₹ in lakhs							
Particulars	Freehold land	Plant and equipment	Furniture and fixtures	Motor vehicles	Office equipment	Computers	Total
<b>Gross carrying amount</b>							
As at April 01, 2018	1,790	32,448	45	104	8	78	34,473
Additions during the year	-	-	@	-	1	4	5
Adjustments <sup>1</sup>	-	612	-	-	-	-	612
Deductions during the year	-	-	-	14	-	1	15
Carrying amount as at March 31, 2019	1,790	33,060	45	90	9	81	35,075
Adjustments <sup>1</sup>	-	717	-	-	-	-	717
<b>Carrying amount as at March 31, 2020</b>	<b>1,790</b>	<b>33,777</b>	<b>45</b>	<b>90</b>	<b>9</b>	<b>81</b>	<b>35,792</b>
<b>Accumulated depreciation</b>							
Balance as at April 01, 2018	-	4,478	34	22	5	37	4,576
Charge for the year	-	1,673	1	30	2	11	1,717
Deductions during the year	-	-	-	14	-	1	15
Balance as at March 31, 2019	-	6,151	35	38	7	47	6,278
Charge for the year	-	1,560	1	21	1	5	1,588
<b>Balance as at March 31, 2020</b>	<b>-</b>	<b>7,711</b>	<b>36</b>	<b>59</b>	<b>8</b>	<b>52</b>	<b>7,866</b>
<b>Net carrying amount</b>							
As at March 31, 2019	1,790	26,909	10	52	2	34	28,797
<b>As at March 31, 2020</b>	<b>1,790</b>	<b>26,066</b>	<b>9</b>	<b>31</b>	<b>1</b>	<b>29</b>	<b>27,926</b>

#### Notes:

- Adjustment represents exchange differences capitalised (Refer note 19).
- Out of above Property, Plant and Equipment of ₹ 27,844 lakhs (March 31, 2019: ₹ 28,683 lakhs) has been pledged as security (Refer note 10).

@ Amount is below the rounding off norms adopted by the Company.

### 3.2 Intangible assets

₹ in lakhs	
Particulars	Computer Software
<b>Gross carrying amount</b>	
As at April 01, 2018	286
Additions during the year	-
Carrying amount as at March 31, 2019	286
Additions during the year	-
<b>Carrying amount as at March 31, 2020</b>	<b>286</b>

Notes to the Financial Statements for the year ended March 31, 2020

Particulars	Computer Software
<b>Accumulated amortisation</b>	
As at April 01, 2018	252
Charge for the year	27
Balance as at March 31, 2019	279
Charge for the year	-
<b>Balance as at March 31, 2020</b>	<b>279</b>
<b>Net carrying amount</b>	
As at March 31, 2019	7
<b>As at March 31, 2020</b>	<b>7</b>

Note: Intangible assets are other than internally generated.

3.3 Non-current financial assets

Particulars	Face Value ₹	As at March 31, 2020		As at March 31, 2019	
		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)

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	10	9,04,000	17,251	9,04,000	18,901
Kalai Power Private Limited	10	2,79,150	13	2,79,150	1,341
Maharashtra Energy Generation Limited	10	75,000	-	75,000	-
Rajasthan Sun Technique Energy Private Limited	10	28,56,350	-	28,56,350	-
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	-	1,00,000	-
Rosa Power Supply Company Limited <sup>1</sup>	10	42,44,05,000	3,82,940	42,44,05,000	4,45,529
Reliance Green Power Private Limited	10	25,745	-	25,745	-
Samalkot Power Limited	10	60,00,000	-	60,00,000	-
Sasan Power Limited	10	4,32,73,64,250	4,73,102	4,32,73,64,250	4,73,652
Shangling Hydro Power Private Limited	10	58,800	448	58,800	448
Siyom Hydro Power Private Limited	10	3,39,600	-	3,39,600	-
Tato Hydro Power Private Limited	10	1,50,800	-	1,50,800	-
Teling Hydro Power Private Limited	10	1,09,400	940	1,09,400	940
Urthing Sobla Hydro Power Private Limited	10	16,040	21	16,040	23
Vidarbha Industries Power Limited	10	11,26,656	-	11,26,656	14,833
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	-	1,45,200	22
Reliance Prima Limited	10	50,000	-	50,000	-
<b>Total A</b>			<b>8,74,757</b>		<b>9,55,731</b>

The above subsidiaries are wholly owned by the Company, except Urthing Sobla Hydro Power Private Limited, Rosa Power Supply Company Limited and Reliance Geothermal Power Private Limited.

<sup>1</sup> During the year, 12,73,21,500 equity shares constituting 30% of share capital, of Rosa Supply Company Limited (RPSCL), a subsidiary of the Company, held as pledge for term loan facilities to the Company were invoked by a lender. No impact of the said invocation has been given in the books of accounts except for the holding of the Company, which stands reduced by 30% to 70%.



# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

Particulars	Face Value ₹	As at March 31, 2020		As at March 31, 2019	
		No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
<b>II In Associates (valued at cost)</b>					
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	@
			-		-
<p>@ Amount is below the rounding off norm adopted by the Company.</p>					
<b>B) Preference shares (unquoted, fully paid up)</b>					
<b>I In Subsidiaries (Fair value through Other Comprehensive Income)</b>					
7.5% Preference Shares <sup>2</sup>					
Dhursar Solar Power Private Limited	10	8,94,000	17,249	8,94,000	18,899
Reliance CleanGen Limited	10	1,29,00,000	-	1,29,00,000	-
Sasan Power Limited	10	3,57,88,750	3,87,798	3,57,88,750	3,88,248
Vidarbha Industries Power Limited	10	94,04,432	-	94,04,432	1,25,567
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	-	1,32,015	12
Kalai Power Private Limited	1	1,26,000	7	1,26,000	628
Maharashtra Energy Generation Limited	1	2,50,000	-	2,50,000	-
Rajasthan Sun Technique Energy Private Limited	1	28,56,350	-	28,56,350	-
Reliance Prima Limited	10	28,390	-	28,390	-
Rosa Power Supply Company Limited	1	41,83,000	97,959	41,83,000	1,13,970
Reliance Green Power Private Limited	1	2,31,705	-	2,31,705	-
Shangling Hydro Power Private Limited	1	45,600	417	45,600	417
Siyom Hydro Power Private Limited	1	37,979	-	37,979	-
Tato Hydro Power Private Limited	1	5,95,300	-	5,95,300	-
Teling Hydro Power Private Limited	1	96,900	915	96,900	915
Urthing Sobla Hydro Power Private Limited	1	1,62,360	459	1,62,360	459
6% Preference Shares <sup>3</sup>					
Reliance CleanGen Limited	10	15,00,601	-	15,00,601	-
Convertible Preference Shares: <sup>4</sup>					
Reliance Natural Resources (Singapore) Pte. Limited (Face value of USD 1 each)		27,49,00,000	8,886	27,49,00,000	1,49,575
<b>Total B</b>			<b>5,13,690</b>		<b>7,98,690</b>
<b>C) Inter-corporate deposit classified as equity instruments</b>					
<b>In Subsidiaries (Fair value through Other Comprehensive Income)</b>					
Sasan Power Limited			20,000		20,000
<b>Total C</b>			<b>20,000</b>		<b>20,000</b>
<b>Non-current investments (A+B+C)</b>					
			<b>14,08,447</b>		<b>17,74,421</b>
(Refer note 10 and 11)					
Aggregate book value of unquoted non-current investments			<b>14,08,447</b>		<b>17,74,421</b>

Notes to the Financial Statements for the year ended March 31, 2020

**<sup>2</sup> 7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS)**

The 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/ 15 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.

**<sup>3</sup> 6% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS)**

The 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 (5 years) of the said shares. In case the call option is exercised, the CCRPS shall be redeemed at an issue price equivalent to face value. 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. 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.

**<sup>4</sup> Convertible Preference Shares (CPS)**

The holder of convertible preference shares shall not be entitled to receive dividend to be paid out of the distributable profits of the Company for any financial period. The holder shall have the conversion right in relation to his convertible preference shares and shall be entitled at any time and at his option, to exercise the conversion right in respect of all or any of his convertible preference shares to convert such convertible preference shares into one ordinary share of USD 1 each credited as fully paid with a conversion premium of 5% per annum payable in cash, upto and including the date of conversion, calculated on annual basis for every convertible preference shares held.

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.3(b) Loans</b>		
(Unsecured and considered good)		
Inter corporate deposits to subsidiaries (Refer note 11)	<u>1,32,801</u>	<u>1,19,775</u>
	<u>1,32,801</u>	<u>1,19,775</u>
<b>3.3(c) Other financial assets</b>		
Term deposits with more than 12 months maturity	@	@
Non-current bank balances (including margin money deposits towards bank guarantee and others)	<u>395</u>	<u>495</u>
	<u>395</u>	<u>495</u>
@ Amount is below the rounding off norms adopted by the Company		
<b>3.4 Non-current tax assets</b>		
(Unsecured and considered good)		
Advance income tax (net of provision for tax of ₹ 1,586 lakhs (March 31, 2019 ₹ 1,586 lakhs)	<u>3,899</u>	<u>3,063</u>
	<u>3,899</u>	<u>3,063</u>
<b>3.5 Current financial assets</b>		
<b>3.5(a) Trade receivables</b>		
(Unsecured and considered good)		
Trade receivables (Refer note 11)	<u>6,098</u>	<u>6,306</u>
	<u>6,098</u>	<u>6,306</u>

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

		₹ in lakhs	
Particulars	As at March 31, 2020	As at March 31, 2019	
<b>3.5(b) Cash and cash equivalents</b>			
Balance with banks:			
- in current account	162	772	
	<u>162</u>	<u>772</u>	
<b>3.5(c) Bank balances other than cash and cash equivalents</b>			
Deposits with original maturity of more than three months but less than twelve months	-	2,400	
Unclaimed dividend	299	300	
Fixed deposits (margin money deposit)	1,448	10,285	
	<u>1,747</u>	<u>12,985</u>	
<b>3.5(d) Loans</b>			
(Unsecured and considered good unless stated otherwise)			
Inter corporate deposits to subsidiaries (Refer note 11)	64,758	96,185	
Inter corporate deposits to others	5,000	-	
Loans / advances to employees	2	2	
Loans / advances to related parties (Refer note 11)	1,470	818	
	<u>71,230</u>	<u>97,005</u>	
<b>3.5(e) Other financial assets</b>			
(Unsecured and considered good unless stated otherwise)			
Security deposits	10	10	
Advance recoverable in cash	5,127	6,928	
Receivables from Subsidiaries (Refer note 11)	41,780	9,224	
Interest accrued on ICD - subsidiaries (Refer note 11)	13,116	7,679	
Interest accrued - others	681	622	
Receivable against generation based incentive	167	263	
Other receivables	30,000	33,450	
	<u>90,881</u>	<u>58,176</u>	
<b>3.6 Other current assets</b>			
(Unsecured and considered good)			
Balance with statutory authorities (includes GST)	43	157	
Prepaid expenses	15	20	
Advance recoverable towards land (Refer note 8)	1,900	1,900	
Less: Provision for doubtful advances	(1,900)	-	
	<u>58</u>	<u>2,077</u>	
<b>3.7 Assets classified as held for sale</b>			
Assets held for sale (Refer note 8)	4,711	4,711	
Others (Refer note 8)	8,394	8,394	
Less: Provision for doubtful advances	(13,105)	-	
	<u>-</u>	<u>13,105</u>	

Notes to the Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.8 Share capital</b>		
<b>Authorised share capital</b>		
11,00,00,00,000 (March 31, 2019: 11,00,00,00,000) equity shares of ₹ 10 each	<b>11,00,000</b>	11,00,000
5,00,00,00,000 ((March 31, 2019: 5,00,00,00,000) preference shares of ₹ 10 each	<b>5,00,000</b>	5,00,000
	<b>16,00,000</b>	16,00,000
<b>Issued, subscribed and fully paid up capital</b>		
2,80,51,26,466 (March 31, 2019: 2,80,51,26,466) equity shares of ₹ 10 each fully paid up	<b>2,80,513</b>	2,80,513
<b>3.8.1 Reconciliation of number of equity shares</b>		
Balance at the beginning of the year – equity shares of ₹ 10 each	<b>28,05,126,466</b>	28,05,126,466
Shares issued during the year	-	-
Balance at the end of the year – equity shares of ₹ 10 each.	<b>28,05,126,466</b>	28,05,126,466

**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 equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding
<b>Equity shares</b>				
Reliance Infrastructure Limited	<b>35,82,98,193</b>	<b>12.78</b>	92,84,98,193	33.11
Reliance Project Ventures and Management Private Limited	<b>10,75,93,925</b>	<b>3.84</b>	40,01,14,337	14.27
Reliance Wind Turbine Installators Industries Private Limited	<b>6,86,16,167</b>	<b>2.45</b>	24,35,68,019	8.68
Housing Development Finance Corporation Limited	<b>19,54,87,901</b>	<b>6.97</b>	-	-
<b>Total</b>	<b>72,99,96,186</b>	<b>26.04</b>	1,57,21,80,549	56.06

**3.8.4 Pursuant to the composite scheme of arrangement with Reliance Natural Resources Limited, the Company has 5,63,678 Global Depository Receipts which are listed on Euro MTF Market of the Luxembourg Stock Exchange since May 17, 2011.**

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.9 Other equity</b>		
<b>Balance at the end of the year</b>		
3.9.1 Capital reserve	<b>1,958</b>	1,958
3.9.2 Capital reserve (arisen pursuant to scheme of amalgamation)	<b>59,995</b>	59,995
3.9.3 Securities premium	<b>11,05,454</b>	11,05,454
3.9.4 General reserve (arisen pursuant to various schemes)	<b>41,691</b>	41,691
3.9.5 Debenture redemption reserve	<b>4,683</b>	4,683
3.9.6 Foreign currency monetary item translation difference account	-	1
3.9.7 Treasury Shares (ESOS Trust)	<b>(845)</b>	(845)
3.9.8 Equity instruments-fair value through Other Comprehensive income (OCI)	<b>(5,03,506)</b>	(1,37,519)
3.9.9 Retained earnings	<b>(1,09,250)</b>	(70,366)
<b>Total</b>	<b>6,00,181</b>	10,05,052

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.9.1 Capital reserve</b>	<b>1,958</b>	1,958
<b>3.9.2 Capital reserve (arisen pursuant to scheme of amalgamation)</b>	<b>59,995</b>	59,995
<b>3.9.3 Securities premium</b>		
Balance at the beginning of the year	<b>11,05,454</b>	11,05,454
Balance at the end of the year	<b>11,05,454</b>	11,05,454
<b>3.9.4 General reserve (arisen pursuant to various schemes)</b>		
Balance at the beginning of the year		
(a) General reserve (arisen pursuant to composite scheme of arrangement)	-	1,01,702
Less : Value of advances written down (Refer note 22 (b))	-	1,01,702
	-	-
(b) General reserve (arisen pursuant to scheme of amalgamation with erstwhile Sasan Power Infraventures Private Limited)	<b>18,707</b>	18,707
(c) General reserve (arisen pursuant to scheme of amalgamation with erstwhile Sasan Power Infrastructure Limited)	<b>22,984</b>	22,984
Balance at the end of the year	<b>41,691</b>	41,691
<b>3.9.5 Debenture redemption reserve</b>		
Balance at the beginning of the year	<b>4,683</b>	4,683
Balance at the end of the year	<b>4,683</b>	4,683
<b>3.9.6 Foreign currency monetary item translation difference account</b>		
Balance at the beginning of the year	<b>1</b>	3,416
Add: Addition during the year	-	11,150
Less: Amortisation during the year	<b>1</b>	14,565
Balance at the end of the year	-	1
<b>3.9.7 Treasury Shares (ESOS Trust)</b>		
Balance at the beginning of the year	<b>(845)</b>	(845)
Balance at the end of the year	<b>(845)</b>	(845)
<b>3.9.8 Equity instruments-fair value through Other Comprehensive income (OCI)</b>		
Balance at the beginning of the year	<b>(1,37,519)</b>	1,88,044
Add: Addition during the year	<b>(3,65,973)</b>	(3,25,577)
Add: Gain on sale of investments	-	15
Add: Remeasurements of post-employment benefit obligation (net) (Refer note 9)	<b>(14)</b>	(1)
Balance at the end of the year	<b>(5,03,506)</b>	(1,37,519)
<b>3.9.9 Retained earnings</b>		
Balance at the beginning of the year	<b>(70,366)</b>	(10,200)
Loss for the year	<b>(38,884)</b>	(60,166)
Balance at the end of the year	<b>(1,09,250)</b>	(70,366)
	<b>6,00,181</b>	10,05,052

## Notes to the Financial Statements for the year ended March 31, 2020

**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.

**(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**

Securities premium is created to record premium received on issue of shares. The Reserve is utilised in accordance with the provision of the Companies Act, 2013.

**(d) General Reserve (arisen pursuant to various schemes)**

All below General Reserve arisen pursuant to schemes and shall not for any purpose 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 Infrastructures Private Limited)**

The General Reserve had arisen pursuant to the scheme of amalgamation with erstwhile Sasan Power Infrastructure 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 amortised over the balance period of such long term monetary assets. (Refer note 2.1(l)(ii))

**(g) Treasury Shares**

The Reserve comprises loss on sale of treasury shares.

**(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.

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>Non-current financial liabilities</b>		
<b>3.10(a) Borrowings</b>		
<b>Secured</b>		
<b>At amortised cost</b>		
5,450 (March 31, 2019: 5,450) Series I (2018) Listed, rated, redeemable non convertible debentures of ₹ 10,00,000 each	<b>52,905</b>	52,404
Term loans:		
Rupee loans from banks (Refer note 25)	<b>16,140</b>	24,677
Foreign currency loans from banks	<b>5,941</b>	7,074
	<b>74,986</b>	84,155

During the year, the Company has delayed / defaulted in repayment of borrowings (Refer note 25).

### 3.10(a1) Nature of security for term loans

- (i) Series I (2018) listed, rated, redeemable non convertible debentures of ₹ 54,500 lakhs (March 31, 2019 ₹ 54,500 lakhs) are secured by first pari-passu charge over long term loans and advances of the Company.
- (ii) Rupee term loans from banks of ₹ 32,400 lakhs (March 31, 2019 ₹ 32,400 lakhs) are secured by first charge over long term loans and advances of the Company on pari passu basis and also secured by 30% shares of Rosa Power Supply Company Limited (a subsidiary), which has been invoked by the bank on January 14, 2020.
- (iii) Rupee term loans from banks of ₹ 2,165 lakhs (March 31, 2019 ₹ 2,297 lakhs) and foreign currency loan of ₹ 7,808 lakhs (March 31, 2019 ₹ 9,098 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.
- (iv) Rupee term loans from banks of ₹ 7,500 lakhs (March 31, 2019 ₹ 11,250 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.
- (v) Rupee term loans from banks of ₹ 2,708 lakhs (March 31, 2019 ₹ 9,000 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. It is also secured by pledge of 10,19,00,000 shares of the Company held by R Infra, which has been invoked by the bank on November 26, 2019.
- (vi) Rupee term loans from banks of ₹ 11,656 lakhs (March 31, 2019 ₹ 11,970 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.
- (vii) Rupee term loans from banks of ₹ 6,300 lakhs (March 31, 2019 ₹ 6,300 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 and also secured by pledge over 30% shares of Rosa Power Supply Company Limited (a subsidiary) which has been invoked by the bank on January 14, 2020.
- (viii) Rupee term loans from banks of ₹ 16,875 lakhs (March 31, 2019 ₹ 16,875 lakhs) are secured by the first pari passu charge over long term loans and advances of the Company and also secured by pledge over 30% shares of Rosa Power Supply Company Limited (a subsidiary) which has been invoked by the bank on January 14, 2020.
- (ix) Current maturities of long term borrowings have been classified as other financial liabilities (Refer note 3.12(c))

### 3.10(a2) Terms of Repayment and Interest

- (i) Series I (2018) listed, rated, redeemable non convertible debentures of ₹ 54,500 lakhs (March 31, 2019 ₹ 54,500 lakhs) are repayable in 8 half yearly installments starting from September 30, 2021 and carry floating interest rate payable on half yearly basis.
- (ii) Rupee term loans from banks of ₹ 32,400 lakhs (March 31, 2019 ₹ 32,400 lakhs) is repayable in 10 structured quarterly installment commenced from October 31, 2017 and carry an interest rate of 11.45% per annum payable on a monthly basis.
- (iii) Rupee term loans from bank is repayable in 59 structured quarterly installments 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 ₹ 2,165 lakhs (March 31, 2019 ₹ 2,297 lakhs).
- (iv) Foreign currency loans is repayable in 42 structured quarterly installments commenced from September 2013 and carry an interest rate of USD 6 month LIBOR plus 450 basis points per annum payable on a half yearly basis. The outstanding balance as at year end is ₹ 7,808 lakhs (March 31, 2019 ₹ 9,098 lakhs).
- (v) Rupee term loans from bank is repayable in 16 quarterly installments commencing from June 2017 and carry an interest rate of 12.80% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 7,500 lakhs (March 31, 2019 ₹ 11,250 lakhs).

Notes to the Financial Statements for the year ended March 31, 2020

- (vi) Rupee term loans from bank is repayable in 40 monthly installments commenced from March 2017 and carry an interest rate of 10.95% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 2,708 lakhs (March 31, 2019 ₹ 9,000 lakhs).
- (vii) Rupee term loans from bank is repayable in 53 structured quarterly installments commenced from September 2016 and carry an interest rate of 12.50% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 11,656 lakhs (March 31, 2019 ₹ 11,970 lakhs).
- (viii) Rupee term loans from bank is repayable in 12 quarterly installments commencing from December 2019 and carry an interest rate of 11.62% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 6,300 lakhs (March 31, 2019 ₹ 6,300 lakhs).
- (ix) Rupee term loans from bank is repayable in 11 structured quarterly installments commencing from July 2017 and carry an interest rate of 11.45% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 16,875 lakhs (March 31, 2019 ₹ 16,875 lakhs).

**3.10(a3)** The amortised cost disclosed above is net off incidental cost of borrowings aggregating to ₹ 2,019 lakhs (March 31, 2019 ₹ 3,033 lakhs).

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.10(b) Other financial liabilities</b>		
Financial guarantee obligations	2,753	2,437
	<u>2,753</u>	<u>2,437</u>
<b>3.11 Provisions</b>		
Provision for gratuity (Refer note 9)	53	4
Provision for leave encashment (Refer note 9)	42	75
	<u>95</u>	<u>79</u>
<b>3.12 Current financial liabilities</b>		
<b>3.12(a) Current borrowings</b>		
<b>At amortised cost</b>		
<b>Secured</b>		
Rupee loan from bank	21,424	17,785
Working capital loan	4,429	4,821
2,500 Series III (2017) Listed, rated, redeemable non convertible debentures of ₹ 10,00,000 each	25,000	-
Loan against fixed deposits	-	2,160
<b>At amortised cost</b>		
<b>Unsecured</b>		
Rupee loans from banks	-	7,476
2,500 Series III (2017) Listed, rated, redeemable non convertible debentures of ₹ 10,00,000 each	-	25,000
Loans from subsidiaries (Refer note 11)	3,61,350	3,71,709
Inter-corporate deposits from related parties (Refer note 11)	74,948	1,10,448
Inter-corporate deposits from others	64,091	63,942
	<u>5,51,242</u>	<u>6,03,341</u>

**3.12(a1) Nature of security and terms of repayment**

- (i) Rupee loan from bank of ₹ 21,424 lakhs (March 31, 2019 ₹ 17,785 lakhs) is secured by subservient charge on the current assets of Reliance Power Limited (except) pertaining to 45 MW Wind Vashpet project) and is repayable on demand.
- (ii) Working capital loan from bank 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.
- (iii) 2500 Series III (2017) listed, rated, redeemable non convertible debentures are secured by pledge over 60,30,44,493 equity shares of Coastal Andhra Power Limited (a subsidiary) and redeemable within a period of 396 days from April 25, 2019 and carry an interest rate of 13.71% per annum payable on half yearly basis.
- (iv) Loan against fixed deposit is secured by first pari passu charge over the fixed deposit of ₹ Nil (March 31, 2019 ₹ 2,400 lakhs) of the Company. The loan carried an interest rate of 9.11% per annum payable on a monthly basis and was repaid fully in July 2019.



# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.12(b) Trade payables</b>		
Total Outstanding dues of micro enterprises and small enterprises (Refer note 21)	3	1
Total Outstanding dues of creditors other than micro enterprises and small enterprises	<b>2,089</b>	2,794
	<u><b>2,092</b></u>	<u>2,795</u>
<b>3.12(c) Other financial liabilities</b>		
Current maturities of long-term borrowings (Refer note 3.10(a) and note 25)	<b>64,868</b>	66,504
Interest accrued but not due on borrowings (Refer note 11)	<b>30,121</b>	18,216
Interest accrued and due on borrowings	<b>15,540</b>	1,891
Unclaimed dividend	<b>299</b>	299
Retention money payable	<b>1</b>	13
Dues to subsidiaries (Refer note 11)	<b>4,233</b>	4,256
Provision for expenses	<b>380</b>	255
Financial guarantee obligations	<b>4,061</b>	2,021
Other payables	<b>1,11,787</b>	423
	<u><b>2,31,290</b></u>	<u>93,878</u>
<b>3.13 Other current liabilities</b>		
Dues to subsidiaries (Refer note 11)	-	43,091
Other payables	<b>464</b>	1,615
	<u><b>464</b></u>	<u>44,706</u>
<b>3.14 Current provisions</b>		
Provision for leave encashment (Refer note 9)	<b>35</b>	28
	<u><b>35</b></u>	<u>28</u>

Particulars	₹ in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
<b>3.15 Revenue from operations</b>		
Sale of energy (Refer note 11)	<b>4,963</b>	4,035
<b>Other Operating income</b>		
Generation Based Incentive	<b>390</b>	303
	<u><b>5,353</b></u>	<u>4,338</u>
<b>3.16(a) Other income</b>		
Interest income:		
Bank deposits	<b>428</b>	2,298
Inter-corporate deposits (including related party) (Refer note 11)	<b>6,067</b>	5,167
Preference Shares	-	2,993
Service Income (Refer note 11)	<b>21,714</b>	1,600
Income recognised on corporate guarantee	-	3,210
Gain on foreign exchange fluctuations (Net)	-	14,565
Liabilities written back	<b>7</b>	-
Leave encashment	<b>26</b>	-
Other non-operating income	<b>347</b>	325
	<u><b>28,589</b></u>	<u>30,158</u>

Notes to the Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
<b>3.16(b) Income from Discontinued Operations</b>		
Interest income (Refer note 8)	-	412
	-	412
<b>3.17 Employee benefits expense</b>		
Salaries, bonus and other allowances	678	1,058
Contribution to provident fund and other funds (Refer note 9)	22	41
Gratuity (Refer note 9)	34	31
Leave encashment	-	29
Staff welfare expenses	11	10
	<b>745</b>	<b>1,169</b>
<b>3.18 Finance costs</b>		
Interest on:		
Rupee term loans	12,906	18,700
Foreign currency loans	649	676
Inter corporate deposits (Refer note 11)	18,687	13,862
Non convertible debentures	13,288	11,250
Working capital loans	628	712
Others	70	272
Expense recognised on Corporate guarantee	2,356	-
Other finance charges	142	2,190
	<b>48,726</b>	<b>47,662</b>
<b>3.19 Other expenses</b>		
Rent expenses (Refer note 11)	47	98
Repairs and maintenance		
- Plant and equipment	703	678
- Others	43	230
Stamp duty and filing fees	5	27
Advertisement expenses	4	12
Printing and stationery	3	437
Legal and professional charges (including shared service charges) (Refer note 11)	796	616
Books and periodicals	@	@
Membership and subscription	4	39
Postage and telephone	58	323
Travelling and conveyance	17	63
Custodian charges	396	367
Directors sitting fees (Refer note 11)	36	34
Rates and taxes	20	24
Insurance (Refer note 11)	38	64
Foreign exchange loss short-term	47	-
Provision for doubtful debts / amount written-off	-	126
Expenditure towards Corporate Social Responsibilities (Refer note 20)	-	128
GST / tax charge off	54	1,070
Miscellaneous expenses	40	80
	<b>2,311</b>	<b>4,416</b>

@ Amount is below the rounding off norm adopted by the Company

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

### 4. Contingent liabilities and commitments

- Bank guarantees outstanding as at balance sheet date aggregating to ₹ 18,301 lakhs (March 31, 2019 ₹ 23,772 lakhs) issued in favor of subsidiaries by banks.
- Corporate guarantee issued to banks and financial institutions for loan facilities availed by subsidiary companies, outstanding as at balance sheet date aggregating to ₹ 6,11,182 lakhs (March 31, 2019 ₹ 4,74,861 lakhs).
- The Company has acted as a co-borrower for facilities aggregating to ₹ 39,573 lakhs availed by one of its subsidiary.
- The Appeals pending aggregating to ₹ 10,970 lakhs (March 31, 2019 ₹ 5,349 lakhs) and ₹ 114 lakhs (March 31, 2019 ₹ 114 lakhs) for direct and indirect tax respectively.
- 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. Future cash flows in respect of the above matters can only be determined based on the future outcome of various uncertain factors.
- As on March 31, 2020 there were no contracts remaining unexecuted on capital account.

### 5. Details of remuneration to auditors

Particulars	₹ in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
(a) As auditors		
For statutory audit (excluding taxes)	39	79*
For others	-	1
(b) Out-of-pocket expenses	-	4*
	39	84

\*Includes ₹ 39 lakhs and ₹ 3 lakhs paid to BSR & Co. LLP, one of the earlier Joint Auditors during FY 2018-19, for statutory audit and out of pocket expenses respectively.

### 6. Project status of Subsidiaries

#### (a) Coastal Andhra Power Limited (CAPL)

CAPL was incorporated to develop an imported coal-based Ultra Mega Power Project (UMPP) of 3,960 MW capacity located in Krishnapatnam, District Nellore, in the State of Andhra Pradesh.

The project was awarded to Reliance Power Limited (RPL) through international tariff-based competitive bidding process managed by Power Finance Corporation (PFC), the nodal agency appointed by Ministry of Power. PFC was required to set up special purpose vehicles for each UMPP and to undertake initial development of UMPPs in terms of land acquisition and key clearances and thereafter select a developer for development, financing, construction and operation of the UMPP. On emerging successful, 100% ownership of CAPL was transferred by PFC to RPL pursuant to execution of a Share Purchase Agreement (SPA); whereafter RPL became the Parent Company of CAPL.

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 Company. The Government of Indonesia introduced a new regulation in September, 2010 which prohibited sale of coal, including sale to affiliate companies, at below Benchmark Price which is linked to international coal prices and required adjustment of sale price every 12 months. This regulation also mandated to align all existing long-term coal supply contracts with the new regulations within one year i.e. by September, 2011. The new Indonesian regulations led to steep increase in price of coal imported from Indonesia, making the Krishnapatnam UMPP unviable and as a result CAPL could not draw down already tied-up debt for the project. The said issue was communicated to the power procurers of the UMPP with a view to enter into mutual discussions to arrive at a suitable solution to the satisfaction of all the stakeholders. The impact of new Indonesian regulation, being an industry-wide issue which impacted all imported coal-based projects in the Country, was also taken up with GoI through the Association of Power Producers.

Since no resolution could be arrived, CAPL invoked the dispute resolution provision of the PPA. The procurers also issued a notice for termination of the PPA and raised a demand for liquidated damages of ₹ 40,000 lakhs.

CAPL 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 single judge of the High Court at Delhi vide order dated July 02, 2012 dismissed the petition and CAPL filed an appeal against the said order before the Division Bench of the High Court at Delhi. The Division Bench dismissed the appeal on January 15, 2019 and consequently the PPA between procurers

**Notes to the Financial Statements for the year ended March 31, 2020**

and CAPL stood terminated. Thereafter, the procurers have encashed the Performance Bank Guarantees of ₹ 30,000 lakhs towards recovery of their liquidated damages claim.

CAPL has filed a petition before the Central Electricity Regulatory Commission (CERC) for referring the dispute to arbitration and the petition is currently pending adjudication by CERC. This has been shown as receivable from procurers (Refer note 3.5 (e)).

As per the clause 6.7.1 of SPA among PFC, RPL and CAPL, on termination of PPA pursuant to Article 3.3.2 of PPA, PFC has a right to seek transfer of ownership of CAPL to PFC / entity designated by PFC. Accordingly, RPL has requested PFC to initiate process of CAPL transfer of ownership of CAPL and invite a procurers' meeting in that regard to decide on modalities of transfer.

**(b) Samalkot Power Limited (SMPL)****(i) With respect to 1508 Mega Watt (MW) (754 MW X 2) Plant**

There is a 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, including marketing of equipment pursuant to an agreement with US-EXIM, 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-based 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 has taken 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.

RBLPL has signed all the project agreements (Power Purchase Agreement, Implementation Agreement, Land Lease Agreement and Gas Supply Agreement) with Government of Bangladesh authorities on September 01 2019, and also inducted a strategic partner JERA Power International (Netherlands) - a subsidiary of JERA Co. Inc. (Japan) to invest 49% equity in RBLPL on September 02, 2019. Samsung C&T (South Korea) (SCTK) has been appointed as the EPC contractor for the Bangladesh project. SMPL has signed an Equipment Supply Contract with SCTK on March 11, 2020 to sell equipment of one module.

Considering the aforesaid developments, management of the Company is confident that RBLPL will be able to execute the project and the Company will be able to realize the proceeds for transfer of one Module in the near future. The proceeds from the sale of first module will be sufficient to repay a major portion of the outstanding loan.

Having regard to the above plans, and the continued financial support from the Company, the 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.

**7. Applicability of NBFC Regulations**

The Company, based on the objects given in the Memorandum and Articles 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. Status of Dadri Project**

The Company proposed to develop a 7,480 MW gas-based power project to be located at Dadri, District Hapur, Uttar Pradesh in the year 2003. The Government of Uttar Pradesh (the GoUP) in the year 2004 acquired 2,100 acres of land and conveyed the same to the Company in the year 2005. However, certain land owners challenged the acquisition of land by the GoUP for the project before the Hon'ble Allahabad High Court. The Hon'ble Allahabad High Court quashed a part of land acquisition proceedings. Subsequently, in the appeals filed by the Company and land owners against the findings of the Hon'ble Allahabad High Court, the Hon'ble Supreme Court held the land acquisition proceedings as lapsed but upheld the right of the Company to recover the amount paid in any other proceeding. The Company has represented to the GoUP seeking compensation towards cost incurred on the land acquisition as well as other incidental expenditure thereto. Considering the above facts, the Company has classified assets related to the Dadri project under the head 'Assets classified as held for sale'. During the year ended March 31, 2020 out of prudence The Company has fully provided for receivables of ₹ 15,005 lakhs against the Dadri project. (Refer note 22(b)).The Company has classified the project as discontinued operation.

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

### 9. 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.

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
Provision for leave encashment		
Current*	35	28
Non-current	42	75

\* 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.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	₹ in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
(i) Contribution to provident fund	17	26
(ii) Contribution to employees' superannuation fund	1	2
(iii) Contribution to employees' pension scheme 1995	4	13
	<u>22</u>	<u>41</u>

#### (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

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, 2020	March 31, 2019
Discount rate (per annum)	6.30%	7.10%
Rate of increase in compensation levels	7.50%	7.50%
Rate of return on plan assets	6.30%	7.10%

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.

Notes to the Financial Statements for the year ended March 31, 2020

(ii) **Gratuity Plan**

Particulars	₹ in lakhs		
	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2018	330	358	(28)
Current service cost / Return on Plan Assets	35	-	35
Past service cost	-	-	-
Interest on net defined benefit liability / assets	22	26	(4)
Total amount recognised in Statement of Profit and Loss	57	26	31
Remeasurements during the year			
Return on plan assets, excluding amount included in interest expense/(income)		31	(31)
(Gain) / loss from change in financial assumptions	9	-	9
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	23	-	23
Total amount recognised in Other Comprehensive Income	32	31	1
Employer's contributions	-	-	-
Benefits paid	(55)	(55)	-
As at March 31, 2019	364	360	4

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at April 01, 2019</b>	364	360	4
Current service cost	36	-	36
Past service Cost	-	-	-
Interest on net defined benefit liability / assets	22	23	(1)
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>58</b>	<b>23</b>	<b>35</b>
<b>Remeasurements during the year</b>			
Return on plan assets, excluding amount included in interest expense/(income)	-	@	(@)
(Gain) / loss from change in financial assumptions	15	-	15
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	(1)	-	(1)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>14</b>	<b>@</b>	<b>14</b>
Employer's contributions			
Benefits payment	(46)	(46)	-
<b>As at March 31, 2020</b>	<b>390</b>	<b>337</b>	<b>53</b>

@ Amount is below the rounding off norms adopted by the Company

The net liability disclosed above relates to funded plans are as follows:

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
Present value of funded obligations	390	364
Fair value of plan assets	337	360
<b>Deficit / (Surplus) of gratuity plan</b>	<b>53</b>	<b>4</b>
Non-current portion	53	4

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

### (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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount rate	<b>0.50%</b>	0.50%	<b>-2.43%</b>	-2.28%	<b>2.55%</b>	2.39%
Rate of increase in compensation levels	<b>0.50%</b>	0.50%	<b>2.51%</b>	2.37%	<b>-2.42%</b>	-2.28%

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.

(iv) The above defined benefit gratuity plan was administrated 100% by Life Insurance Corporation of India (LIC).

(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 4.98 years (March 31, 2019 – 4.79 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.

## 10. Assets pledged as security

Particulars	March 31, 2020	March 31, 2019
₹ in lakhs		
<b>Non-Current</b>		
<b>First charge</b>		
<b>Financial Assets</b>		
Investments in shares of subsidiaries	<b>8,95,400</b>	9,14,241
Loans	<b>1,32,801</b>	1,19,775
Other financial assets	<b>395</b>	495
<b>Non-financial assets</b>		
Property, plant and equipment	<b>27,844</b>	28,683
<b>Total Non-current assets pledged as security</b>	<b>10,56,440</b>	10,63,194
<b>Current</b>		
<b>First charge</b>		
<b>Financial assets</b>		
Trade receivables	<b>6,098</b>	6,306
Cash and bank balances	<b>1,610</b>	13,457
Loans	<b>71,230</b>	97,005
Other financial assets	<b>90,881</b>	58,176
<b>Non-financial assets</b>		
Other current assets	<b>58</b>	2,077
<b>Total current assets pledged as security</b>	<b>1,69,877</b>	1,77,021
<b>Total assets pledged as security</b>	<b>12,26,317</b>	12,40,215

## Notes to the Financial Statements for the year ended March 31, 2020

**11. 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 (RPSCCL)
- 3 Maharashtra Energy Generation Limited (MEGL)
- 4 Vidarbha Industries Power Limited (VIPL)
- 5 Tato Hydro Power Private Limited (THPPL)
- 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) (upto March 26, 2020)
- 13 Emini Hydro Power Private Limited (EHPPL) (upto March 26, 2020)
- 14 Mihundon Hydro Power Private Limited (MHPPL) (upto March 26, 2020)
- 15 Reliance CleanGen Limited (RCGL)
- 16 Rajasthan Sun Technique Energy Private Limited (RSTEPL)
- 17 Dhursar Solar Power Private Limited (DSPPL)
- 18 Moher Power Limited (MPL)
- 19 Samalkot Power Limited (SMPL)
- 20 Reliance Prima Limited (RPrima)
- 21 Atos Trading Private Limited (ATPL)
- 22 Atos Mercantile Private Limited (AMPL)
- 23 Coastal Andhra Power Infrastructure Limited (CAPIL)
- 24 Reliance Power Netherlands BV (RPN)
- 25 PT Heramba Coal Resources (PTH)
- 26 PT Avaneesh Coal Resources (PTA)
- 27 Reliance Natural Resources Limited (RNRL)
- 28 Reliance Natural Resources (Singapore) Pte Limited (RNRL- Singapore)
- 29 Reliance Solar Resources Power Private Limited (RSRPPL)
- 30 Reliance Wind Power Private Limited (RWPPPL)
- 31 Reliance Green Power Private Limited (RGPPL)
- 32 PT Sumukha Coal Services (PTS)
- 33 PT Brayan Bintang Tiga Energi (BBE)
- 34 PT Sriwijaya Bintang Tiga Energi (SBE)
- 35 Shangling Hydro Power Private Limited (SPPL)
- 36 Sumte Kothang Hydro Power Private Limited (SKPL) (upto March 26, 2020)
- 37 Teling Hydro Power Private Limited (TPPL)
- 38 Lara Sumta Hydro Power Private Limited (LHPPL) (upto March 26, 2020)
- 39 Purthi Hydro Power Private Limited (PHPPL) (upto March 26, 2020)
- 40 Reliance Geothermal Power Private Limited (RGTPPL)
- 41 Reliance Bangladesh LNG & Power Limited (RBLPL)
- 42 Reliance Power Holding FZC, Dubai (RFZC)
- 43 Reliance Bangladesh LNG Terminal Limited (RBLTL)
- 44 Reliance Chittagong Power Company Limited (RCPCL) (w.e.f. May 13, 2018)



# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

### Associates

SN	Name of Company	% of Shares
1	RPL Sun Power Private Limited (RSUNPPL)	50%
2	RPL Photon Private Limited	50%
3	RPL Sun Technique Private Limited	50%

### B. (I). Investing parties/promoters having significant influence on the Company directly or indirectly

#### (a) Company

Reliance Infrastructure Limited (R Infra) (upto January 09, 2020)

#### (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)(b) above and B (II) (b) has control / significant influence

- 1 Reliance Capital Trustee Co. Ltd. (Rcap Trustee)
- 2 Reliance Communications Limited (RCOM)
- 3 Reliance General Insurance Company Limited (RGICL)
- 4 Reliance Big Entertainment Private Limited (RBEPL)
- 5 Reliance Infrastructure Limited (R Infra) (w.e.f. January 10, 2020)
- 6 Reliance Corporate Advisory Services Limited (RCAS)

#### (b) Key Managerial Personnel

- 1 Shri N. Venugopala Rao (Whole-time Director – upto June 30, 2018) (Chief Executive Officer) (Chief Financial Officer) (upto May 01, 2018)
- 2 Shri Murl Manohar Purohit
- 3 Shri K Raja Gopal (Chief Executive officer – w.e.f May 02, 2018) (Whole-time Director – w.e.f. July 01, 2018)
- 4 Shri Shrenik Vaishnav (Chief Financial Officer) (upto March 31, 2020)
- 5 Shri Sandeep Khosla (Chief Financial Officer) (w.e.f. April 01, 2020)

### C. Details of transactions during the year and closing balances at the year end

SN	Nature of transactions	Investing parties having significant influence on the Company directly or indirectly [11 B (I)(a)]	Key Managerial Personnel [11 B (II) (b)]	Enterprises over which individual described in clause B (I) above and B (II) (b) have control / significant influence [11 B (II)(a)]	Subsidiaries/ Associates [11 A]	₹ in lakhs
						Total
(i)	<b>Transaction during the year</b>					
1	Sale of energy	-	-	-	-	-
		2,633	-	-	-	2,633
2	Service Income	-	-	-	21,714	21,714
		-	-	-	1,600	1,600
3	Interest on Inter-corporate deposit given	-	-	-	5,437	5,437
		-	-	-	4,640	4,640
4	Insurance Premium paid	-	-	7	-	7
		-	-	500	-	500
5	Interest expense towards ICD and NCD	9,966	-	5,530	-	15,496
		7,842	-	-	13	7,855
6	Rent expenses	47	-	-	-	47
		98	-	-	-	98

Notes to the Financial Statements for the year ended March 31, 2020

						₹ in Lakhs
SN	Nature of transactions	Investing parties having significant influence on the Company directly or indirectly [11 B (I)(a)]	Key Managerial Personnel [11 B (II)(b)]	Enterprises over which individual described in clause B (I) above and B (II) (b) have control / significant influence [11 B (II)(a)]	Subsidiaries/ Associates [11 A]	Total
7	Remuneration to key managerial personnel - Short term employee benefits	-	451	-	-	451
		-	459	-	-	459
8	Legal and Professional Fees	-	-	-	-	-
		-	-	3	-	3
9	Expenses incurred / paid on behalf of the company	-	-	-	390	390
		57	-	-	257	314
10	Reimbursement of expenses and advances given	-	-	-	8,851	8,851
		-	-	-	1,836	1,836
11	Refund of advance given	-	-	-	1	1
		-	-	-	747	747
12	Inter corporate deposit received	9,296	-	-	772	10,068
		1,61,699	-	-	22,311	1,84,010
13	Assignment of liabilities	191	-	-	1,07,306	1,07,497
		-	-	-	-	-
14	Refund of ICD received	15,280	-	-	466	15,746
		80,366	-	-	29,787	1,10,153
15	Assignment of ICD from (including interest accrued thereon)	41,031	-	-	-	41,031
		-	-	-	1,92,243	1,92,243
16	ICD given	-	-	-	39,908	39,908
		-	-	-	76,620	76,620
17	Refund of ICD given	-	-	-	7,790	7,790
		-	-	-	43,127	43,127
18	Assignment of ICD to (including interest accrued thereon)	-	-	-	41,222	41,222
		-	-	-	57,592	57,592
19	Advance taken from	-	-	-	36,437	36,437
		-	-	-	40,945	40,945
20	Refund of Advance taken from	-	-	-	-	-
		-	-	-	3,000	3,000
21	Purchase of shares	-	-	-	1	1
		-	-	-	4,234	4,234
22	Guarantees issued to (including interest)	-	-	-	68,913	68,913
		-	-	-	-	-
23	Provision for ICD given (including interest accrued thereon)	-	-	-	-	-
		-	-	1,43,037	-	1,43,037
(ii)	<b>Closing Balance</b>					
24	Investment in Equity shares	-	-	-	8,74,757	8,74,757
		-	-	-	9,55,736	9,55,736
25	Investment in Preference shares	-	-	-	513,690	513,690
		-	-	-	7,98,690	7,98,690
26	ICD classified as equity instruments	-	-	-	20,000	20,000
		-	-	-	20,000	20,000
27	Loans and advances given including ICD and other receivables	-	-	-	1,99,029	1,99,029
		-	-	-	2,16,778	2,16,778

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

						₹ in lakhs
SN	Nature of transactions	Investing parties having significant influence on the Company directly or indirectly [11 B (I)(a)]	Key Managerial Personnel [11 B (II)(b)]	Enterprises over which individual described in clause B (I) above and B (II)(b) have control / significant influence [11 B (II)(a)]	Subsidiaries/ Associates [11 A]	Total
28	Short term borrowings – ICD and NCD	<b>74,948</b> 1,10,448	-	<b>42,000</b> -	<b>3,61,350</b> 3,71,709	<b>4,78,298</b> 4,82,157
29	Other financial liabilities payable	<b>10,675</b> 11,515	-	<b>6,813</b> -	<b>4,253</b> 4,256	<b>21,741</b> 15,771
30	Other current liabilities payable	-	-	-	-	-
31	Trade receivables	<b>5,862</b> 5,862	-	-	-	<b>5,862</b> 5,862
32	Other financial assets	-	-	-	<b>54,896</b> 16,903	<b>54,896</b> 16,903
33	Bank / Corporate Guarantees issued to banks / financial institutions (including interest)	-	-	-	<b>6,05,923</b> 4,98,561	<b>6,05,923</b> 4,98,561
34	Trade payables	<b>9</b> 119	-	-	-	<b>9</b> 124

(Figures relating to current year are reflected in bold and relating to previous year are in unbold)

Details of material transactions: Service income includes ₹ 14,364 lakhs from RFZC, ₹ 4,950 lakhs from SPL (March 31, 2019: RFZC ₹ Nil, SPL ₹ 1,600 lakhs), Interest income on Inter- corporate deposit given includes ₹ Nil to RCGL and ₹ 5,437 lakhs to RCRPL (March 31, 2019: ₹ 1,435 lakhs to RCGL and ₹ 3,205 lakhs to RCRPL), Reimbursement of expenses includes ₹ 3,670 lakhs to CAPL (March 31, 2019 ₹ 665 lakhs), Inter- corporate deposit received includes ₹ 700 lakhs to RPSCL (March 31, 2019: ₹ 18,231 lakhs), Assignment of Inter-corporate deposit (including interest accrued thereon) from RCGL ₹ Nil (March 31, 2019: ₹ 192,243 lakhs) and from VIPL ₹ 41,222 lakhs (March 31, 2019: ₹ Nil), Refund of ICD given includes ₹ 7,785 lakhs (March 31, 2019 ₹ 13,446 lakhs), Assignment of liabilities includes ₹ 107,306 lakhs from SPL (March 31, 2019 ₹ Nil), Advances taken includes ₹ 36,437 lakhs from SPL (March 31, 2019: ₹ 40,945 lakhs), Inter corporate deposit given includes ₹ 31,421 lakhs to RCGL and ₹ 7,533 lakhs to VIPL (March 31, 2019: ₹ 35,426 lakhs to RCGL and ₹ 40,033 lakhs to VIPL), Guarantees issued includes ₹ 37,721 lakhs to RCGL and ₹ 31,192 lakhs to KPPL, Provision for ICD given includes ₹ Nil to RBEPL and ₹ Nil to RCOM (March 31, 2019: ₹ 15,903 lakhs to RBEPL and ₹ 127,134 lakhs to RCOM), Investment in Equity shares includes SPL ₹ 473,102 lakhs and RPSCL ₹ 382,940 lakhs (March 31, 2019: SPL ₹ 473,652 lakhs and RPSCL ₹ 445,529 lakhs), Investment in Preference shares includes SPL ₹ 387,798 lakhs, RNRL Singapore ₹ 8,886 lakhs and VIPL ₹ Nil (March 31, 2019: SPL ₹ 388,248 lakhs, RNRL Singapore ₹ 149,575 lakhs and VIPL ₹ 125,567 lakhs), Loans and advances including Inter-corporate deposit and other receivables includes ₹ 34,314 lakhs to RCGL (March 31, 2019: ₹ 21,287 lakhs), Short term borrowing – Inter- corporate deposit includes amount ₹ 301,529 lakhs from RPSCL (March 31, 2019: ₹ 300,829 lakhs), Bank / Corporate Guarantees issued to banks / financial institutions includes ₹ 252,228 lakhs to VIPL and ₹ 2,61,561 lakhs to SMPL (March 31, 2019: VIPL ₹ 224,587 lakhs and SMPL ₹ 240,208).

### (iii) Other transactions

As per the terms of sponsor support agreement entered for the purpose of security of term loans availed by subsidiaries, the Company has pledged 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

Notes to the Financial Statements for the year ended March 31, 2020

- 100% of equity shares of Reliance Natural Resources Limited
- 0.0042% of equity shares of Coastal Andhra Power Limited

The Company has given commitments / guarantees for loans taken by SPL, SMPL, VIPL, DSPPL and RSTEPL. (Refer note 4(e)).

- (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) Transactions and balances with related parties which are in excess of 10% of the total revenue and 10% of net worth respectively of the Company are considered as material transactions.
- (vii) Transactions with related parties are made on terms equivalent to those that prevail in case of arm's length transactions.
- (viii) During the year 2019-20, the Company has paid sitting fees of ₹ 2 lakhs (March 31, 2019 ₹ 1 lakhs) to Individual mentioned in B (I) (b) above

12. Disclosure of loans and advances to subsidiaries pursuant to Schedule V under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

₹ in lakhs

Name of Subsidiaries	Amount outstanding*		Maximum amount outstanding	
	As at		during the year ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Amulin Hydro Power Private Limited	40	40	40	40
Atos Mercantile Private Limited	72	72	72	72
Atos Trading Private Limited	3	3	3	3
Chitrangi Power Private Limited	1,07,551	1,06,075	1,07,551	1,10,788
Coastal Andhra Power Infrastructure Limited	509	469	509	469
Coastal Andhra Power Limited	29,515	25,825	29,515	25,178
Emini Hydro Power Private Limited	21	21	21	21
Kalai Power Private Limited	29	29	29	29
Mihundon Hydro Power Private Limited	2	2	2	2
Rajasthan Sun Technique Energy Private Limited	606	265	606	296
Reliance CleanGen Limited	34,314	21,287	44,919	2,13,953
Reliance Coal Resources Private Limited	49,681	43,641	50,498	43,641
Samalkot Power Limited	656	339	656	339
Sasan Power Limited	27,918	-	33,150	-
Siyom Hydro Power Private Limited	204	194	204	194
Tato Hydro Power Private Limited	396	356	396	356
Urthing Sobla Hydro Power Private Limited	74	74	74	74
Shangling Hydro Power Private Limited	14	14	14	14
Teling Hydro Power Private Limited	25	24	25	24
Reliance Green Power Private Limited	4	3	4	9
Reliance Geothermal Power Private Limited	26	26	26	26
Vidarbha Industries Power Limited	1,726	33,929	42,085	33,929
Dhursar Solar Power Private Limited	75	19	75	19
Rosa Power Supply Company Limited	464	-	464	-
Reliance Bangladesh LNG & Power Limited	-	974	974	974

\* 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.

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

### 13. Earnings per share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Profit available to equity shareholders</b>		
Profit / (Loss) for Basic and Diluted Earnings per Share for Continuing Operations		
Before effect of withdrawal from Scheme (A) (₹ in lakhs)	<b>(38,884)</b>	(1,62,280)
After effect of withdrawal from Scheme (B) (₹ in lakhs)	<b>(38,884)</b>	(60,578)
Profit / (Loss) of Discontinued Operations (C) (₹ in lakhs)	-	412
Profit / (Loss) of Continued and Discontinued operations		
Before effect of withdrawal from Scheme (D) (₹ in lakhs)	<b>(38,884)</b>	(1,61,868)
After effect of withdrawal from Scheme (E) (₹ in lakhs)	<b>(38,884)</b>	(60,166)
<b>Number of equity shares</b>		
Weighted average number of equity shares outstanding (F)	<b>2,80,51,26,466</b>	2,80,51,26,466
Basic and diluted earnings per share for Continued Operations		
Before effect of withdrawal from Scheme (A / F) (₹)	<b>(1.386)</b>	(5.785)
After effect of withdrawal from Scheme (B / F) (₹)	<b>(1.386)</b>	(2.160)
Basic and diluted earnings per share for Discontinued Operations (C/F)(₹)	-	0.015
Basic and diluted earnings per share for Continued and Discontinued Operations		
Before effect of withdrawal from Scheme (D / F) (₹)	<b>(1.386)</b>	(5.770)
After effect of withdrawal from Scheme (E / F) (₹)	<b>(1.386)</b>	(2.145)
Nominal value of an equity share (₹)	<b>10</b>	10

### 14. Income taxes

The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are as under:

#### (a) Income tax recognised in Statement of Profit and Loss

Particulars	March 31, 2020	March 31, 2019
₹ in lakhs		
(i) <b>Income tax expense</b>		
Current year tax	-	-
(ii) <b>Deferred tax</b>		
Deferred tax expense / (credit)	-	(1,252)
<b>Total income tax expense / (credit) (i)+(ii)</b>	<b>-</b>	<b>(1,252)</b>

Deferred tax assets aggregating to ₹ 27,743 lakhs as on March 31, 2020 (March 31, 2019 ₹ 22,761 lakhs) pertains to unabsorbed depreciation, business losses, long term capital losses, provision for gratuity & leave encashment and deferred tax liability of ₹ 2,297 lakhs (March 31, 2019 ₹ 2,273 lakhs) pertains to temporary differences between books and tax base of PPE. Accordingly, on prudence basis net deferred tax asset has not been recognised in the Financial Statement.

#### (b) The reconciliation of tax expense and the accounting profit multiplied by tax rate

Profit / (Loss) before tax (including discontinued operation)	<b>(38,884)</b>	(61,418)
<b>Tax at the Indian tax rate of 26% (March 31, 2019: 26%)</b>	<b>(10,110)</b>	(15,969)
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Unrealised exchange gain	-	(3,787)
Corporate social responsibility expenditure	-	33
Other items (net)	<b>(269)</b>	(190)
Deferred tax assets to the extent of liability for earlier years recognised in the current year	-	(1,252)
Income on financial instruments not taxable under Income Tax Act, 1961 (net)	-	(1,613)
Expense on financial instruments not taxable under Income Tax Act, 1961 (net)	<b>612</b>	-
Provision for advances	<b>5,059</b>	-
Tax losses on which no deferred tax assets was recognised	<b>4,708</b>	21,526
<b>Income tax expense / (credit)</b>	<b>-</b>	<b>(1,252)</b>

Notes to the Financial Statements for the year ended March 31, 2020

		₹ in lakhs	
<b>Particulars</b>		<b>March 31, 2020</b>	March 31, 2019
(c)	<b>Tax assets</b> (Refer note 3.4)		
	Opening balance	<b>3,063</b>	2,032
	Add: Tax credit availed during the year	<b>836</b>	1,031
	<b>Closing balance</b>	<b>3,899</b>	3,063
(d)	<b>Deferred tax</b>		
	Opening balance	-	1,252
	Less: Reversal of deferred tax liability of earlier years	-	(1,252)
	<b>Closing balance</b>	-	-
(e)	<b>Unused tax</b>		
<b>Particulars</b>		<b>March 31, 2020</b>	March 31, 2019
	Unused tax losses for which no deferred tax assets has been recognised	<b>109,476</b>	87,384
	Potential tax benefits @ 26% / 20% (March 31, 2019: @26%/ 20%)	<b>27,743</b>	21,259

Year wise expiry of such losses as at March 31, 2020 is as under:

		₹ in lakhs
<b>SN</b>	<b>Particulars</b>	<b>March 31, 2020</b>
1	Expiring within 1 year	17,164
2	Expiring within 1 to 5 year	9,703
3	Expiring within 5 to 8 year	67,975
4	Without expiry limit	14,634
	<b>Total</b>	<b>109,476</b>

15. Fair value measurements

(a) Financial instruments by category

		₹ in lakhs					
<b>Particulars</b>		<b>March 31, 2020</b>			March 31, 2019		
		FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>							
<b>Investments</b>							
-	Equity instruments	-	<b>14,08,447</b>	-	-	17,74,421	-
	Loans	-	-	<b>2,04,031</b>	-	-	2,16,780
	Trade receivables	-	-	<b>6,098</b>	-	-	6,306
	Cash and cash equivalents	-	-	<b>162</b>	-	-	772
	Other bank balances	-	-	<b>1,747</b>	-	-	12,985
	Bank deposits with more than 12 months maturity	-	-	<b>395</b>	-	-	495
	Other financial assets	-	-	<b>90,881</b>	-	-	58,176
	<b>Total financial assets</b>	-	<b>14,08,447</b>	<b>3,03,314</b>	-	17,74,421	2,95,514
<b>Financial liabilities</b>							
	Borrowings (including accrued interest)	-	-	<b>7,36,757</b>	-	-	7,74,106
	Trade payables	-	-	<b>2,092</b>	-	-	2,795
	Financial guarantee obligation	-	-	<b>6,814</b>	-	-	4,458
	Other financial liabilities	-	-	<b>1,16,699</b>	-	-	5,247
	<b>Total financial liabilities</b>	-	-	<b>8,62,363</b>	-	-	7,86,606

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

### (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. The Company has not disclosed the fair values of financial instruments such as short-term trade receivables, trade payables, cash and cash equivalents, Fixed deposits, Security deposits, etc. as carrying value is reasonable approximation of the fair values. 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:

	₹ in lakhs			
<b>Financial assets and liabilities measured at fair value – recurring fair value measurements as at March 31, 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
<b>Financial Investments at FVOCI</b>				
Unquoted equity instruments – Investments in subsidiaries	-	-	14,08,447	<b>14,08,447</b>
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>14,08,447</b>	<b>14,08,447</b>

	₹ in lakhs			
<b>Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
<b>Loans</b>				
Inter-corporate deposits to subsidiaries	-	-	1,32,801	<b>1,32,801</b>
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>1,32,801</b>	<b>1,32,801</b>
<b>Financial Liabilities</b>				
Borrowings	-	1,57,496	-	<b>1,57,496</b>
Financial Guarantee obligation	-	-	6,814	<b>6,814</b>
<b>Total financial liabilities</b>	<b>-</b>	<b>1,57,496</b>	<b>6,814</b>	<b>1,64,310</b>

	Level 1	Level 2	Level 3	Total
<b>Financial assets and liabilities measured at fair value – recurring fair value measurements as at March 31, 2019</b>				
<b>Financial assets</b>				
<b>Financial Investments at FVOCI</b>				
Unquoted equity instruments – Investments in subsidiaries	-	-	17,74,421	17,74,421
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>17,74,421</b>	<b>17,74,421</b>

	Level 1	Level 2	Level 3	Total
<b>Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2019</b>				
<b>Financial assets</b>				
<b>Debt instruments- Investments in subsidiaries*</b>				
<b>Loans</b>				
Inter-corporate deposits to subsidiaries	-	-	1,19,775	1,19,775
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>1,19,775</b>	<b>1,19,775</b>
<b>Financial Liabilities</b>				
Borrowings	-	1,53,300	-	1,53,300
Financial Guarantee obligation	-	-	4,458	4,458
<b>Total financial liabilities</b>	<b>-</b>	<b>1,53,300</b>	<b>4,458</b>	<b>1,57,758</b>

(\*) 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, 2020

(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, 2020 and March 31, 2019:

Particulars	₹ in lakhs	
	Investment in subsidiaries - Equity instruments	
As at March 31, 2018	19,00,759	
Conversion of loan into equity shares	133	
RNRL- Singapore convertible Preference shares (classified from current to non-current)	1,94,872	
Acquisition	4,234	
Gains / (losses) recognised in Other Comprehensive Income	(3,25,577)	
<b>As at March 31, 2019</b>	<b>17,74,421</b>	
Conversion of loan into equity shares	-	
Acquisition	-	
Gains/(losses) recognised in Other Comprehensive Income	(3,65,974)	
<b>As at March 31, 2020</b>	<b>14,08,447</b>	

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
Fair value - Unlisted Equity Securities	1,408,447	17,74,421
Significant unobservable inputs		
<b>Risk adjusted discount rate</b>		
Increase by 50 bps	(28,300)	(30,900)
Decrease by 50 bps	30,000	32,700

(d) Fair value of financial assets and liabilities measured at amortised cost

Particulars	₹ in lakhs			
	March 31, 2020		March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Debt instruments- Investments in subsidiaries	-	-	-	-
<b>Loans</b>				
Inter-corporate deposits to Subsidiaries	1,32,801	1,32,801	1,19,775	1,19,775
<b>Total financial assets</b>	<b>1,32,801</b>	<b>1,32,801</b>	1,19,775	1,19,775
<b>Financial Liabilities</b>				
Borrowings	1,57,496	1,57,496	1,53,300	1,53,300
Financial guarantee obligation	6,814	6,814	4,458	4,458
<b>Total financial liabilities</b>	<b>1,64,310</b>	<b>1,64,310</b>	1,57,758	1,57,758

(e) 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 be evaluated for their carrying amounts based on any change in the under-lying credit risk of the Company 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 Company's policy is to recognise transfer into and transfer out of fair value hierarchy levels as at the end of the reporting period.

### 16. 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		Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Rolling cash flow forecasts	Un hedged
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Un hedged
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 counter party 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.

#### (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.

Notes to the Financial Statements for the year ended March 31, 2020

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.

Periodic budgets and rolling forecasts are prepared at the level of operating subsidiaries as regular practice and in accordance with limits specified by the Company. There is delay/ default in repayment of loans for ₹ 71,269 lakhs as at the end of the financial year. The Company has been pursuing proposed strategic transactions/ sale of assets and overall financial restructuring, when executed, would make available the required liquidity for the continuing business and would also provide an extended maturity period for repayment of restructured balance debt.

**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, 2020	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
<b>Financial liabilities</b>				
Borrowings*	6,74,761	96,117	12,975	7,83,853
Trade payables	2,092	-	-	2,092
Creditors for supplies and services	380	-	-	380
Dues to subsidiaries	4,233	-	-	4,233
Financial guarantee obligations	4,061	2,511	242	6,814
Others	1,12,087	-	-	1,12,087
<b>Total financial liabilities</b>	<b>7,97,614</b>	<b>98,628</b>	<b>13,217</b>	<b>9,09,459</b>

				₹ in lakhs
March 31, 2019	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
<b>Financial liabilities</b>				
Borrowings*	7,04,461	93,439	30,808	8,28,708
Trade payables	2,795	-	-	2,795
Creditors for supplies and services	255	-	-	255
Dues to subsidiaries	4,256	-	-	4,256
Financial guarantee obligations	2,021	2,031	404	4,456
Others	735	-	-	735
<b>Total financial liabilities</b>	<b>7,14,523</b>	<b>95,470</b>	<b>31,212</b>	<b>8,41, 205</b>

\* 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.

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

- **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.

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
<b>Financial liabilities</b>		
Borrowings	7,808	9,098
Interest accrued on borrowings	157	177
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>7,965</b>	<b>9,275</b>

- **Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	₹ in lakhs	
	Impact on profit / (Loss) before tax / PPE	
	March 31, 2020	March 31, 2019
FX rate – increase by 6% on closing rate on reporting date*	(478)	(556)
FX rate– decrease by 6% on closing rate on reporting date *	478	556

\* Holding all other variables constant

The above amounts have been disclosed based on the accounting policy for exchange differences (Refer note 2.1(l)).

(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:

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
Variable rate borrowings	1,44,299	1,55,486

- **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.

Particulars	₹ in lakhs	
	Impact on profit / (loss) before tax	
	March 31, 2020	March 31, 2019
<b>Interest sensitivity</b>		
Interest cost – increase by 5% on existing Interest cost*	(755)	(727)
Interest cost – decrease by 5% on existing Interest cost*	755	727

\* Holding all other variables constant

## Notes to the Financial Statements for the year ended March 31, 2020

**17. 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:

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
Equity (excluding other reserves)	12,83,357	13,22,242
Debt	6,91,097	7,54,000
<b>Total</b>	<b>19,74,454</b>	<b>20,76,242</b>

(b) Final Dividends for the year ended March 31, 2020 is ₹ Nil (March 31, 2019: ₹ Nil).

**18. 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, 2020 and March 31, 2019 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, 2020 and March 31, 2019 were as follows:

Customer Name	₹ in lakhs			
	For the year ended			
	March 31, 2020		March 31, 2019	
	Revenue	Percent	Revenue	Percent
R Infra	-	-	2,633	65%
Adani Electricity Mumbai Limited	4,963	100%	1,402	35%

**19. Exchange Difference on Long Term Monetary Items**

As explained in note 2.1(l) with respect to accounting policy followed by the Company for recording of foreign exchange differences, the Company has adjusted the value of Plant and equipment by loss of ₹ 717 lakhs (March 31, 2019 loss of ₹ 612 lakhs) towards the exchange difference arising on long term foreign currency monetary liabilities towards depreciable assets.

**20. Corporate social responsibility (CSR)**

As per the section 135 of the Companies Act, 2013, the Company is required to spend ₹ Nil (March 31, 2019 ₹ 128 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 ₹ Nil (March 31, 2019 ₹ 128 lakhs) to facilitate education and environmental sustainability.

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

### 21. 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.

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
Principal amount due to suppliers as at the year end	3	1
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed date under Section 16 of MSMED	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of Interest due and payable for the period of delay in making the payment, which has been paid but beyond the appointed date during the year, but without adding the interest specified under MSMED Act	-	-
Amount of Interest accrued and remaining unpaid at the end of each accounting year to suppliers	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	-	-

22. (aa) During the year, pursuant to the assignment agreement between the Company, Vidarbha Industries Power Limited (a subsidiary) and Reliance Infrastructure Limited (R Infra), the subsidiary has assigned R Infra advance of ₹ 41,222 lakhs to the Company, subsequent to which the Company adjusted its payable to R Infra.
- (ab) During the year, pursuant to the agreement, Sasan Power Limited (a subsidiary) has assigned a payable of ₹ 107,306 lakhs to the Company.

(b) **Exceptional items:**

During the year, the Company has created provision against advances aggregating to ₹ 19,456 lakhs and has considered the same as an exceptional item for the year ended March 31, 2020.

During previous year, the Company had carried out impairment testing of its assets and provided for impairment of receivables aggregating to ₹ 143,037 lakhs and considered the same as an exceptional item and adjusted by withdrawing ₹ 101,702 lakhs from General Reserve 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 approved by the Hon'ble High Court of Judicature of Mumbai vide order dated October 15, 2010 wherein the Company is permitted to offset any expenses or losses, which in the opinion of the Board of Directors are beyond the control of the Company. Had such provision of expenses not been met from General Reserve, the exceptional item for the year ended March 31, 2019 would have increased by ₹ 101,702 lakhs and as a consequential effect of this, loss after tax for the year would have been higher by ₹ 101,702 lakhs for the year ended March 31, 2019 and General Reserve would have been higher by an equivalent amount. This accounting treatment as per Scheme is considered to override the provisions of Ind AS 1 "Presentation of Financial Statements".

23. The Company has incurred significant net losses (after impairment of assets) of ₹ 38,884 lakhs during the year (March 31, 2019 ₹ 60,166 lakhs) and its current liabilities exceed the current assets by ₹ 614,947 lakhs as at March 31, 2020 (March 31, 2019 ₹ 567,427 lakhs). The Company is confident of meeting its obligations by generating sufficient and timely cash flows through time bound monetisation of its assets, as also realize amount from regulatory / arbitration claims. Notwithstanding the dependence on these material uncertain events, the Company is confident that such cash flows would enable it to service its debt, realize its assets and discharge its liabilities in the normal course of its business. The Company has been in discussion with all its lenders. It has been agreed by the lenders for a resolution outside the Insolvency and Bankruptcy Code, 2016 (IBC). Accordingly, the standalone financial statements of the Company have been prepared on a going concern basis.

Notes to the Financial Statements for the year ended March 31, 2020

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

Particulars	₹ in lakhs	
	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>Long term Borrowings</b>		
Opening Balance		
- Non Current	84,155	2,00,744
- Current	66,503	59,558
Availed during the year		-
<b>Changes in Fair Value</b>		
- Impact of Effective Rate of Interest	1,011	(1,111)
- Exchange (gain) / loss	716	612
Repaid during the year	(12,531)	(1,09,145)
<b>Closing Balance</b>	<b>1,39,854</b>	<b>1,50,658</b>
<b>Short term Borrowings and Advances</b>		
Opening Balance	6,50,689	5,38,084
Availed during the year*	49,775	2,84,305
Repaid/ Assignment during the year**	(1,44,989)	(1,71,700)
<b>Closing Balance</b>	<b>5,55,475</b>	<b>6,50,689</b>
<b>Interest Expenses</b>		
Interest accrued but not due on borrowings	20,107	8,334
Interest charge as per Statement Profit & Loss / Intangible assets under development	48,726	47,662
<b>Changes in Fair Value</b>		
- Impact of Interest	(1,015)	(1,564)
Interest assignment/ paid to Lenders ***	(22,157)	(34,325)
<b>Closing Balance</b>	<b>45,661</b>	<b>20,107</b>

\*Includes encashment of bank guarantee and interest accrued thereon of ₹ 3,638 lakhs (March 31, 2019 ₹ 17,783 lakhs) and payable against share purchase ₹ Nil (March 31, 2019 ₹ 4,233 lakhs)

\*\*Includes assignment / adjustment of ₹ 117,407 lakhs (March 31, 2019 ₹ 49,206 lakhs)

\*\*\*Includes assignment of ₹ 11,515 lakhs (March 31, 2019 ₹ Nil)

25. Delay/Default in repayment of Borrowing (Non-current) and Interest

The Company has delayed/defaulted in the payment of borrowings. The lender wise details are as under:

SN	Name of Lender	Borrowings				Interest			
		Delay in repayment during the year ended March 31, 2020		Default as at March 31, 2020		Delay in repayment during the year ended March 31, 2020		Default as at March 31, 2020	
		Amount (₹ in lakhs)	Period (Maximum days)	Amount (in lakhs)	Period (Maximum days)	Amount (₹ in lakhs)	Period (Maximum days)	Amount (₹ in lakhs)	Period (Maximum days)
<b>I</b>	<b>Loan from Banks</b>								
1	Axis Bank	8,257	91	3,708	92	1,317	87	481	123
2	Yes Bank	105	136	50,325	426	117	106	10,206	426
3	Axis Bank - Gift City	1,191	89	23	1	370	59	-	-
4	Lakshmi Vilas Bank	169	37	-	-	987	40	-	-
5	IDBI Bank	-	-	-	-	-	-	54	1
6	ICICI Bank	-	-	17,213	440	-	-	4,211	426
<b>II</b>	<b>Non-convertible debentures</b>								
7	Yes Bank	-	-	-	-	2,641	117	6,761	186
8	Other Corporate entity	-	-	-	-	-	-	1,718	159
		<b>9,722</b>		<b>71,269</b>		<b>5,432</b>		<b>23,431</b>	

As at March 31, 2020 the Company has overdue of ₹ 71,269 lakhs included in current maturities of long term debt in note no. 3.12 (c) and ₹ 23,431 lakhs included in interest accrued in note no. 3.12(c).

# Reliance Power Limited

## Notes to the Financial Statements for the year ended March 31, 2020

26. COVID-19 Pandemic has caused unprecedented economic disruption globally and in India. The Company is sensitive about the impact of the Pandemic, not only on the human life but on businesses and industrial activity across the globe, which will be realised only over next few months. The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government and local bodies to ensure safety of workforce across all its plants and offices. The Company has made initial assessment of the likely adverse impact on economic environment in general and operational and financial risks on account of COVID-19. Vide notification dated March 24 2020 issued by Ministry of Home Affairs a nation-wide lockdown was announced to contain COVID-19 outbreak and the same has been progressively extended later. However, Power generation, transmission & distribution units, being essential services, are allowed to continue operation during the period of lockdown. So far, the Company has been able to sustain its power plant operations and honour commitments under the various Power Purchase Agreements. There has been a sharp decline in the electricity demand, by 20 to 25%, primarily from industrial and commercial consumer segments, arising from lockdown measures announced by the Government. The Power Ministry has clarified on April 6, 2020 that despite lower power offtake due to sharp reduction in demand, Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. Further, the Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal installments falling due to Indian banks and financial institutions till May 31, 2020. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, evolving impact on Discoms in terms of demand for electricity; consumption mix; resultant average tariff realisation; bill collections from consumers; and support from respective State Governments and banks & financial institutions, including those focused on power sector financing.
27. The Company lease assets primarily consists of office premises which are of short term lease with the term of twelve months or less and low value leases. For these short term and low value leases, the Company recognises the lease payments as an expense in the Statement of Profit and Loss on a straight line basis over the term of lease.
- During the year, the Company has recognised ₹ 47 lakhs as rent expenses in the Statement of Profit and Loss (March 31, 2019 ₹ 98 lakhs).
28. The figures for the previous year are re-casted / re-grouped, wherever necessary.

As per our attached report of even date

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

Chartered Accountants

Firm Registration No: 107783W/W100593

**Vishal D. Shah**

Partner

Membership No: 119303

Place : Mumbai

Date : May 08, 2020

For and on behalf of the Board of Directors

**Anil D Ambani**

Chairman

**Sateesh Seth**

**K. Ravikumar**

**D. J. Kakalia**

**Rashna Khan**

} Director

**K. Raja Gopal**

**Sandeep Khosla**

**Murli Manohar Purohit**

Place : Mumbai

Date : May 08, 2020

Whole-time Director & CEO

Chief Financial Officer

Company Secretary

## Independent Auditor's Report

**To the Members of Reliance Power Limited**  
**Report on the Audit of Consolidated Financial Statements**  
**Qualified Opinion**

We have audited the consolidated financial statements of Reliance Power Limited (hereinafter referred to as the "Parent Company") and its subsidiaries (Parent Company and its subsidiaries together referred to as "the Group") and its associates which comprise the consolidated balance sheet as at March 31, 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, except for the possible effects of the matter described in the Basis for Qualified opinion paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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, 2020, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

**Basis for Qualified Opinion**

We refer to Note 32 to the consolidated financial statements, regarding method of depreciation adopted by the Parent Company for the purpose of preparing its consolidated financial statements being different from the depreciation method adopted by its subsidiaries which is a departure from the requirements of Ind AS 8 "Accounting Policies, Changes in accounting estimates and errors" since selection of the method of depreciation is an accounting estimate and depreciation method once selected in the standalone financial statements is not changed while preparing consolidated financial statements in accordance with Ind AS 110 "Consolidated Financial Statements". Management's view in this regard has been set out in the aforesaid note. Had the method of depreciation adopted by the subsidiaries of the Parent Company been considered for the purpose of preparation of consolidated financial statements of the Parent Company, the loss after tax in the consolidated financial statements for the year ended would have increased by ₹ 53,859 lakhs respectively and other equity and property, plant and equipment would have reduced by ₹ 53,859 lakhs and ₹ 78,284 lakhs respectively.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

**Material Uncertainty Related to Going Concern**

1. We draw attention to Note 35(a) to the consolidated financial statements which sets out the fact that, Vidarbha Industries Power Limited (VIPL) has incurred loss during the current as well as in previous year and the current liabilities exceeds its current assets, Power Purchase Agreement with Adani Electricity Mumbai Limited stands terminated w.e.f. December 16, 2019, its plant remaining un-operational since January 15, 2019 and one of the lenders filed an application under the provision of Insolvency and Bankruptcy Code indicate material uncertainty exists that may cast a significant doubt on the ability of VIPL to continue as a going concern. However, for the factors more fully described in the aforesaid note the accounts of VIPL has been prepared on a going concern basis.
2. Additionally the auditors of some of the subsidiaries and associates have highlighted matters related to going concern under key audit matters, material uncertainty related to going concern and emphasis of matter paragraphs in their respective audit reports.
3. We draw attention to Note 36 to the consolidated financial statements regarding the Group's ability to meet its obligations is dependent on certain events which may or may not materialise including restructuring of loans, time bound monetisation of assets and realisation of regulatory / arbitration claims. There are material uncertainties which could impact the Group's ability to continue as a going concern. However, the Group is confident of meeting its obligations in the normal course of its business and accordingly, the consolidated financial statements of the Group have been prepared on a going concern basis.

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

**Emphasis of matter**

1. We draw attention to Note 25 to the consolidated financial statements regarding the applications made by two subsidiaries of the Parent Company before the National Company Law Tribunal (NCLT) for revision of their standalone statutory financial statements for the year ended March 31, 2018 and the restatement of the comparative consolidated financial statements of the Group for the year ended March 31, 2019 for reasons stated therein.
2. We draw attention to Note 40 to the consolidated financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the Group.

Our opinion is not modified in respect of above matters.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters are in addition to the matters described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section of this report.



# Reliance Power Limited

## Independent Auditor's Report

The Key Audit Matter	How the matter was addressed in our audit
<p><b>Loans and advances and Other Receivables – evaluation of adequacy of provision / write off for loans and advances and other receivables</b></p>	
<p>The Parent Company and the auditors of Dhursar Solar Power Private Limited (DSPPL) have reported the evaluation of the adequacy of provision for loans and advances and receivables as a key audit matter due to significance of the amount of loans and advances and receivables in the consolidated financial statements.</p> <p>The Parent Company and DSPPL have granted loans and advances and has certain receivables from various parties including related parties. These loans and receivables are tested for impairment annually. If any impairment exists, the recoverable amounts of the loans and receivables are estimated in order to determine the extent of the impairment loss, if any. Determination of whether there exists any impairment in the value of loans and receivables is subject to a significant level of judgment. There is therefore a risk that the value of loans and receivables may be misstated.</p> <p>Refer to Note 3.4(b), 3.8(b) &amp; 3.8(e) and 33 of the consolidated financial statements.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>● Obtained independent confirmation of balances outstanding from recipients and traced the amounts confirmed to the books of account;</li> <li>● Verified whether the requisite approvals were obtained for the loan given and ensured other compliances as required by the applicable regulation.</li> <li>● Perused the audited financial statements of those entities to evaluate whether its net assets, being an approximation of its minimum recoverable amount, were in excess of the amounts due for assessing the repayment capability of the concerned entity;</li> <li>● Verified the adequacy of the impairment / write off made by management, where applicable.</li> </ul>
<p><b>Impairment Assessment of Capital Advances, Capital Work In Progress (CWIP) and Assets held for sale</b></p>	
<p>The auditors of Rajasthan Sun Technique and Energy Private Limited (RSTEPL) and Samalkot Power Limited (SMPL) have reported the impairment assessment of Capital advances, CWIP and Assets held for sale as a key audit matter due to significance of the amount as stated in the consolidated financial statements.</p> <p>If any impairment exists, the recoverable amounts of capital advances and CWIP are estimated in order to determine the extent of the impairment loss, if any. Determination of whether there exists any impairment in the value of capital advances and CWIP is subject to a significant level of judgment.</p> <p>Refer Note 3.1, 3.2, 3.6 and 33 of the consolidated financial statements</p>	<p>Our procedures include the following:</p> <ul style="list-style-type: none"> <li>● Perused fair valuation reports obtained from an independent external valuation expert engaged by the companies.</li> <li>● Verified the adequacy of impairment / write down in the value of the capital advance and capital work in progress made by the management.</li> <li>● Verified the terms and conditions of the contract of the agreements w.r.t. the assets which are considered held for sale.</li> <li>● Evaluated the appropriateness of the Company's assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates;</li> <li>● Considering the management plans and actions with respect to assets carrying in CWIP.</li> <li>● Evaluated the appropriateness of the related disclosure in Note 3.1, 3.2, 3.6 and 33 of the consolidated financial statements.</li> </ul>

### Other Information

The Parent Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Parent Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Management Responsibilities for the Consolidated Financial Statements

The Parent Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of

affairs, consolidated profit/ loss and other comprehensive income/ loss, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies to the extent incorporated in India 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 each company, and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing,

## Independent Auditor's Report

as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) as well as associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of 41 subsidiaries, whose financial statements reflect total assets of ₹ 958,546 lakhs as at March 31, 2020, total revenues of ₹ 48,813 lakhs and net cash inflows of ₹ 9,864 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of ₹ Nil for the year ended March 31, 2020, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## Independent Auditor's Report

### Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and associates as were audited by other auditors, as noted in the 'Other Matters' 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 financial statements.
- b) In our opinion, except for the matter described in Basis for Qualified Opinion section, proper books of account as required by law relating to preparation of the aforesaid consolidated 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 (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, except for the matter described in Basis for Qualified Opinion section, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2020 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section of our report.
- g) The going concern matter described in Material Uncertainty Related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Group.
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Parent Company, its subsidiary companies and associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

- i) With respect to the matter to be included in the Auditor's report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and associate companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Parent Company, its subsidiary companies and associate companies to its directors is in accordance with the provisions of Section 197 read with schedule V of the Act. The remuneration paid to any director by the Parent Company, its subsidiary companies and associate companies is not in excess of the limit laid down under Section 197 of the Act.

- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, as noted in the 'Other Matters' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2020 on the consolidated financial position of the Group and its associates. Refer Note 4 to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 42 to the consolidated financial statements in respect of such items as it relates to the Group and its associates.
- iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Parent Company or its subsidiary companies and associate companies incorporated in India during the year ended March 31, 2020;

### For Pathak H. D. & Associates LLP

Chartered Accountants

Firm Registration No. 107783W/W100593

### Vishal D. Shah

Partner

Membership No. 119303

UDIN: 20119303AAAACA4324

Date: May 08, 2020

Place: Mumbai

### Annexure A to the Independent Auditor's Report

**Annexure A to the Independent Auditor's Report on the consolidated financial statements of Reliance Power Limited for year ended March 31, 2020.**

**Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013.**

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

In conjunction with audit of the consolidated financial statements of the Reliance Power Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls

**Annexure A to the Independent Auditor's Report**

with reference to consolidated financial statements of Reliance Power Limited (hereinafter referred to as "the Parent Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its associates, as of that date.

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

The respective Company's Management and 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 financial controls with reference to consolidated financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Parent Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were established and maintained and whether 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of such internal financial controls, 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 judgment, including the assessment of the risks of material misstatement of the consolidated 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 in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for audit opinion on internal financial controls with reference to consolidated financial statements of the Parent Company.

**Meaning of Internal Financial controls with Reference to Consolidated Financial Statements**

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

controls with reference to consolidated financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 financial statements.

**Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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 and such companies incorporated in India which are its subsidiary and its associate companies, have, in all material respects, maintained adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to financial statements are operating effectively as of March 31, 2020, based on the internal control with reference to consolidated financial statements criteria established by such companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 14 subsidiary companies and 3 associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Chartered Accountants

Firm Registration No. 107783W/W100593

**Vishal D. Shah**

Partner

Membership No. 119303

UDIN: 20119303AAAACA4324

Date: May 08, 2020

Place: Mumbai

# Reliance Power Limited

## Consolidated Balance Sheet as at March 31, 2020

Particulars	Note No.	₹ in Lakhs	
		As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	38,52,600	35,85,180
Capital work-in-progress	3.2	3,61,479	4,27,638
Goodwill on consolidation		1,411	1,411
Other Intangible assets	3.3	3,349	3,704
<b>Financial assets</b>			
Investments	3.4(a)	23	23
Loans	3.4(b)	40,786	40,870
Finance lease receivables	3.4(c)	4,24,085	8,00,847
Other financial assets	3.4(d)	9,752	1,63,334
Non-current tax assets	3.5	5,979	5,290
Other non-current assets	3.6	1,49,385	1,70,459
<b>Total Non-current Assets</b>		<b>48,48,849</b>	<b>51,98,756</b>
<b>Current assets</b>			
Inventories	3.7	1,01,418	1,01,172
<b>Financial assets</b>			
Investments	3.8(a)	3,021	22,366
Trade receivables	3.8(b)	2,36,452	2,73,811
Cash and cash equivalents	3.8(c)	12,494	2,888
Bank balances other than cash and cash equivalents	3.8(d)	15,949	24,225
Loans	3.8(e)	13,910	26,837
Finance lease receivables	3.8(f)	29,876	49,123
Other financial assets	3.8(g)	66,539	78,007
Other current assets	3.9	5,730	17,499
<b>Total Current Assets</b>		<b>4,85,389</b>	<b>5,95,928</b>
Assets classified as held for sale	3.10	52	13,156
<b>Total Assets</b>		<b>53,34,290</b>	<b>58,07,840</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	3.11	2,80,513	2,80,513
Other equity	3.12	9,06,374	14,57,234
<b>Equity attributable to owners of the company</b>		<b>11,86,887</b>	<b>17,37,747</b>
Non-controlling interests		1,35,279	-
<b>Total Equity</b>		<b>13,22,166</b>	<b>17,37,747</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	3.13(a)	19,86,056	18,09,097
Other financial liabilities	3.13(b)	14,628	16,194
Provisions	3.14	5,116	4,785
Deferred tax liabilities (net)	3.15	2,27,685	2,29,814
Other non-current liabilities	3.16	1,83,278	1,89,358
<b>Total Non-current liabilities</b>		<b>24,16,763</b>	<b>22,49,248</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	3.17(a)	4,35,333	8,93,895
Trade payables	3.17(b)		
Total Outstanding dues of micro enterprises and small enterprises		2,565	176
Total Outstanding dues of creditors other than micro enterprises and small enterprises		40,872	42,568
Other financial liabilities	3.17(c)	10,22,257	8,01,188
Other current liabilities	3.18	76,654	58,657
Provisions	3.19	585	557
Current tax liabilities	3.20	17,095	23,804
<b>Total Current liabilities</b>		<b>15,95,361</b>	<b>18,20,845</b>
<b>Total Equity and Liabilities</b>		<b>53,34,290</b>	<b>58,07,840</b>
Significant accounting policies	2		
Notes to consolidated financial statements	3 to 46		

As per our attached report of even date

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

Chartered Accountants

Firm Registration No: 107783W/W100593

**Vishal D. Shah**

Partner

Membership No: 119303

Place : Mumbai

Date : May 08, 2020

For and on behalf of the Board of Directors

**Anil D Ambani**

Chairman

**Sateesh Seth**

**K. Ravikumar**

**D. J. Kakalia**

**Rashna Khan**

} Director

**K. Raja Gopal**

**Sandeep Khosla**

**Murli Manohar Purohit**

Place : Mumbai

Date : May 08, 2020

Whole-time Director & CEO

Chief Financial Officer

Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Note No.	₹ in lakhs	
		Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	3.21	7,56,227	8,20,131
Other Income	3.22(a)	64,014	33,295
<b>Total Income</b>		<b>8,20,241</b>	<b>8,53,426</b>
<b>Expenses</b>			
Cost of fuel consumed (including cost of coal excavation)	3.23	2,89,660	2,85,013
Employee benefits expense	3.24	20,933	18,650
Finance costs	3.25(a)	3,05,397	3,20,648
Depreciation and amortisation expense		83,630	83,825
Generation, administration and other expenses	3.26(a)	1,43,371	1,19,532
<b>Total expenses</b>		<b>8,42,991</b>	<b>8,27,668</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>(22,750)</b>	<b>25,758</b>
<b>Exceptional Items</b>	33		
Provisions, write off and impairment of assets		(4,00,421)	(4,17,019)
Less : Amount withdrawn from general reserve		-	1,01,702
		<b>(4,00,421)</b>	<b>(3,15,317)</b>
<b>Loss before tax</b>		<b>(4,23,171)</b>	<b>(2,89,559)</b>
<b>Income tax expense</b>	17		
Current tax		4,518	5,450
Deferred tax		(2,128)	(3,848)
Income tax for earlier years		(24)	173
<b>Total tax expenses</b>		<b>2,366</b>	<b>1,775</b>
<b>Loss from Continuing Operations</b>		<b>(4,25,537)</b>	<b>(2,91,334)</b>
<b>Discontinued Operations:</b>	41		
Loss before tax from Discontinued Operations		(1,611)	(3,844)
Tax Expense of Discontinued Operations		-	3
<b>Loss from Discontinued Operations</b>		<b>(1,611)</b>	<b>(3,847)</b>
<b>Loss for the year before non-controlling interest</b>		<b>(4,27,148)</b>	<b>(2,95,182)</b>
Non-controlling interest		(19,489)	-
<b>Loss for the year</b>		<b>(407,659)</b>	<b>(295,182)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(a) Remeasurements of post-employment benefit obligation (net) (Refer note 12)		(281)	(51)
(b) Currency translation Gains		2,913	11,998
(c) Gains from investments in equity instruments designated at fair value through Other Comprehensive Income		-	15
<b>Other Comprehensive Income for the year</b>		<b>2,632</b>	<b>11,962</b>
<b>Total Comprehensive Income/ (Loss) for the year</b>		<b>(4,24,516)</b>	<b>(2,83,220)</b>
<b>Profit / (Loss) attributable to:</b>			
(a) Owners of the parent		(4,07,659)	(2,95,182)
(b) Non-controlling interest		(19,489)	-
		<b>(4,27,148)</b>	<b>(2,95,182)</b>
<b>Other Comprehensive Income attributable to:</b>			
(a) Owners of the parent		2,671	11,962
(b) Non-controlling interest		(39)	-
		<b>2,632</b>	<b>11,962</b>
<b>Total Comprehensive Income / (Loss) attributable to:</b>		<b>(4,04,988)</b>	<b>(2,83,220)</b>
(a) Owners of the parent		(19,528)	-
(b) Non-controlling interest		(4,24,516)	(2,83,220)
<b>Earnings per equity share: (Face value of ₹ 10 each)</b>			
<b>for continuing Operations</b>	15		
Basic and Diluted (₹)- for continuing operations (before effect of withdrawal from scheme)		(14.475)	(14.011)
Basic and Diluted (₹)- for continuing operations (after effect of withdrawal from scheme)		(14.475)	(10.386)
<b>for Discontinuing Operations (Basic and Diluted) (₹)</b>		<b>(0.057)</b>	<b>(0.137)</b>
<b>for Discontinuing and Continuing Operations (Basic and Diluted)</b>			
Before effect of withdrawal from scheme		(14.532)	(14.149)
After effect of withdrawal from scheme		(14.532)	(10.523)
Significant accounting policies	2		
Notes to consolidated financial statements	3 to 46		
The accompanying notes are an integral part of these Consolidated Financial Statements			
As per our attached report of even date		For and on behalf of the Board of Directors	
<b>For Pathak H.D. &amp; Associates LLP</b>		<b>Anil D Ambani</b>	Chairman
Chartered Accountants		<b>Sateesh Seth</b>	} Director
Firm Registration No: 107783W/W100593		<b>K. Ravikumar</b>	
		<b>D. J. Kakalia</b>	
		<b>Rashna Khan</b>	
<b>Vishal D. Shah</b>		<b>K. Raja Gopal</b>	Whole-time Director & CEO
Partner		<b>Sandeep Khosla</b>	Chief Financial Officer
Membership No: 119303		<b>Murli Manohar Purohit</b>	Company Secretary
Place : Mumbai		Place : Mumbai	
Date : May 08, 2020		Date : May 08, 2020	

**Consolidated Statement of changes in equity as at March 31, 2020**

**A. Equity Share Capital** (Refer note 3.11)

	₹ in lakhs
Balance as at April 01, 2018	280,513
Changes in equity share capital	-
Balance as at March 31, 2019	280,513
Changes in equity share capital	-
<b>Balance as at March 31, 2020</b>	<b>280,513</b>

**B. Other Equity** (Refer note 3.12)

Particulars	Reserve and Surplus				Other reserves				Attributable to owners of the Company	Attributable to Non-controlling interests	
	Securities Premium	Retained Earnings	General Reserve	Debt redemption reserve	Foreign currency monetary item translation difference account	Treasury Shares	Foreign currency translation reserve	Capital Reserve (on consolidation)			General Reserve (Arisen pursuant to composite schemes of arrangement)
Balance as at March 31, 2018	8,35,454	7,97,453	97,807	4,683	(8,768)	(845)	6,706	8,337	1,02,156	1,8,42,983	-
Loss for the year	-	(2,95,182)	-	-	-	-	-	-	-	(2,95,182)	-
Other Comprehensive Income for the year	-	(51)	-	-	-	-	-	-	-	(51)	-
Remeasurements of post-employment benefit obligation (net)	-	(2,95,233)	-	-	-	-	-	-	-	(2,95,233)	-
Total Comprehensive Income for the year	-	-	-	-	(7,738)	-	11,998	-	-	4,260	-
Addition during the year	-	-	-	-	6,926	-	-	-	-	6,926	-
Amortisation during the year	-	-	-	-	-	-	-	-	(1,01,702)	(1,01,702)	-
Withdrawal from general reserve	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	8,35,454	5,02,220	97,807	4,683	(9,580)	(845)	18,704	8,337	454	1,4,57,234	-

₹ in lakhs

₹ in lakhs

Particulars	Reserve and Surplus					Other reserves					Attributable to owners of the Company	Attributable to Non-controlling interests
	Securities Premium	Retained Earnings	General Reserve	Debt redemption reserve	Foreign currency monetary item translation difference account	Treasury Shares	Foreign currency translation reserve	Capital Reserve (on consolidation)	General Reserve (Arisen pursuant to composite schemes of arrangement)			
<b>Loss for the year</b>	-	<b>(4,27,148)</b>	-	-	-	-	-	-	-	-	<b>(4,27,148)</b>	-
Other Comprehensive Income for the year	-	(242)	-	-	-	-	-	-	-	-	<b>(242)</b>	<b>(39)</b>
Remeasurements of post-employment benefit obligation (net)	-		-	-								
Total Comprehensive Income for the year	-	<b>(4,27,390)</b>	-	-	-	-	-	-	-	-	<b>(4,27,390)</b>	<b>(39)</b>
Earlier period adjustment	-	(655)	-	-	-	-	-	-	-	-	<b>(655)</b>	-
Addition during the year	-	-	-	-	(6,875)	-	2,913	-	-	-	<b>(3,962)</b>	-
Amortisation during the year	-	-	-	-	8,882	-	-	-	-	-	<b>8,882</b>	-
Proceed from Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	<b>12,379</b>
Share of Non-controlling interest	(34,791)	(95,173)	-	-	2,257	-	(28)	-	-	(1,27,735)	<b>1,22,939</b>	
<b>Balance as at March 31, 2020</b>	<b>8,00,663</b>	<b>(20,998)</b>	<b>97,807</b>	<b>4,683</b>	<b>(5,316)</b>	<b>(845)</b>	<b>21,589</b>	<b>8,337</b>	<b>454</b>	<b>9,06,374</b>	<b>1,35,279</b>	

As per our attached report of even date  
**For Pathak H.D. & Associates LLP**  
 Chartered Accountants  
 Firm Registration No: 107783W/W100593

**Vishal D. Shah**

Partner  
 Membership No: 119303

Place : Mumbai  
 Date : May 08, 2020

For and on behalf of the Board of Directors  
**Anil D Ambani**  
 Chairman

**Sateesh Seth**  
**K. Ravikumar**  
**D. J. Kakalia**  
**Rashna Khan**  
 Director

Whole-time Director & CEO  
 Chief Financial Officer  
 Company Secretary

**K. Raja Gopal**  
**Sandeep Khosla**  
**Murti Manohar Purohit**  
 Place : Mumbai  
 Date : May 08, 2020



# Reliance Power Limited

## Consolidated Cash Flow Statement for the year ended March 31, 2020

Particulars	₹ in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
<b>(A) Cash flow from operating activities</b>		
Loss before tax	(4,24,782)	(2,93,816)
Adjusted for:		
Gain arising on mutual fund investment mandatorily measured at fair value	-	(729)
Depreciation / amortisation	98,490	1,02,537
Finance cost including (gain) / loss on derivative	3,06,872	3,20,849
Profit on sale of current investment (non trade)	(96)	(1,266)
Interest income	(9,229)	(17,797)
Loss on foreign exchange fluctuations (net)	2,182	2,624
Provision written-back	(4,045)	(14)
Gain on derivatives	-	(1,338)
Government grant	(5,307)	(5,307)
Loss on sale of fixed assets	53	291
Amount provided/ written-off - trade receivable & CWIP	32,583	22,527
Advances provided/ written off/ impairment of CWIP	4,00,421	3,15,317
Provision for leave encashment and gratuity	801	815
	<b>3,97,943</b>	<b>4,44,693</b>
Change in operating assets and liabilities:		
(Increase) / decrease in inventories	(246)	(28,274)
(Increase) / decrease in trade receivables	(17,561)	(39,109)
(Increase) / decrease in other financial assets	38,237	(5,220)
(Increase) / decrease in other current assets	25,510	(2,559)
Increase / (decrease) in other current liability	11,301	35,237
Increase / (decrease) in trade payables	1,577	6,659
Increase / (decrease) in other financial liabilities	9,414	13,644
	<b>68,232</b>	<b>(19,622)</b>
Taxes paid / refund (net)	(11,893)	(2,760)
<b>Net cash generated from operating activities</b>	<b>4,54,282</b>	<b>4,22,311</b>
<b>(B) Cash flow from investing activities</b>		
Payment for Property, plant and equipments including capital advance	(54,444)	(4,860)
Proceeds from sale of Property, plant and equipments (net)	-	583
Interest income on bank and other deposits	8,784	16,731
Project / other advances (net)	(1,56,595)	(16,386)
Sale / (purchase) of investments (net)	19,840	7,636
Fixed deposits / margin money deposits having original maturity more than three months	1,57,705	2,297
<b>Net cash generated from / (used in) investing activities</b>	<b>(24,710)</b>	<b>6,001</b>

Consolidated Cash Flow Statement for the year ended March 31, 2020

₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>(C) Cash flow from financing activities</b>		
Proceeds from Non Controlling Interest	12,379	-
Proceeds from long term borrowings	-	1,079
Repayment of long term borrowings	(1,86,700)	(3,16,609)
Proceeds from/ (repayment for) short term borrowings - (net)	(24,061)	24,263
Interest and finance charges	(2,11,399)	(2,86,749)
Repayment of commercial paper	-	(10,000)
Inter corporate deposits received/ (refund) (net)	(10,185)	1,24,633
Repayment of Non- convertible Debenture	-	(20,500)
<b>Net cash generated from / (used in) financing activities</b>	<b>(4,19,966)</b>	<b>(4,83,883)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>9,606</b>	<b>(55,571)</b>
<b>Opening balance of cash and cash equivalents</b>	<b>2,888</b>	<b>58,459</b>
<b>Closing balance of cash and cash equivalents</b>	<b>12,494</b>	<b>2,888</b>
<b>Components of cash and cash equivalents (Refer note 3.8(c))</b>		

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our attached report of even date  
**For Pathak H.D. & Associates LLP**  
 Chartered Accountants  
 Firm Registration No: 107783W/W100593

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

Place : Mumbai  
 Date : May 08, 2020

For and on behalf of the Board of Directors

**Anil D Ambani** Chairman  
**Sateesh Seth**  
**K. Ravikumar**  
**D. J. Kakalia**  
**Rashna Khan** } Director

**K. Raja Gopal** Whole-time Director & CEO  
**Sandeep Khosla** Chief Financial Officer  
**Murli Manohar Purohit** Company Secretary  
 Place : Mumbai  
 Date : May 08, 2020

### 1) General Information

Reliance Power Limited ("the Parent Company" or "the 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 Group also includes Ultra Mega Power Projects (UMPPs).

The Parent 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 Parent Company is located at Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400001.

These consolidated financial statements were authorised for issue by the Board of Directors of the Parent Company on May 08, 2020.

### 2) Significant accounting policies, 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

###### Compliance with Ind AS

The consolidated financial statements of the Group and its associates have been prepared in accordance with the 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.

###### Functional and presentation currency

The consolidated financial statements are presented in 'Indian Rupees', which is also the Parent Company's functional currency. All amounts are rounded off 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; and
- 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 the assets that are intended to be realised, 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, 2020

## (b) Principles of consolidation

## I. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date 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 and expenses and cash flows after fully eliminating intra group balances and intra group transactions resulting in unrealised profit or loss in accordance with the Indian Accounting Standard ("Ind AS") 110 "Consolidated Financial Statements" as referred to in the Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time. The consolidated financial statements are prepared using uniform Accounting Policies for the 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 the 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 adjustment to Non-controlling interests and any consideration paid or received is recognised within equity. Gains or losses on disposals of control 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 (OCI) 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 OCI 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 OCI are reclassified to profit or loss where appropriate.

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

### V. The subsidiaries and associates considered in the consolidated financial statements are

SN	Name of Company	Principal place of business	Proportionate (%) of shareholding	
			March 31, 2020	March 31, 2019
<b>Subsidiaries</b>				
1	Rosa Power Supply Company Limited (RPSCL)	India	70	100
2	Sasan Power Limited (SPL)	India	100	100
3	Coastal Andhra Power Limited (CAPL)	India	100	100
4	Maharashtra Energy Generation Limited (MEGL)	India	100	100
5	Chitrangi Power Private Limited (CPPL)	India	100	100
6	Vidarbha Industries Power Limited (VIPL)	India	100	100
7	Siyom Hydro Power Private Limited (SHPPL)	India	100	100
8	Tato Hydro Power Private Limited (THPPL)	India	100	100
9	Kalai Power Private Limited (KPPL)	India	100	100
10	Urthing Sobla Hydro Power Private Limited (USHPPL)	India	89	89
11	Amulin Hydro Power Private Limited (AHPPL) (Refer note 38)	India	100	100
12	Emini Hydro Power Private Limited (EHPPL) (Refer note 38)	India	100	100
13	Mihundon Hydro Power Private Limited (MHPPL) (Refer note 38)	India	100	100
14	Reliance Coal Resources Private Limited (RCRPL)	India	100	100
15	Reliance CleanGen Limited (RCGL)	India	100	100
16	Rajasthan Sun Technique Energy Private Limited (RSTEPL)	India	100	100
17	Coastal Andhra Power Infrastructure Limited (CAPIL)	India	100	100
18	Reliance Prima Limited (RPrima)	India	100	100
19	Atos Trading Private Limited (ATPL)	India	100	100
20	Atos Mercantile Private Limited (AMPL)	India	100	100
21	Reliance Natural Resources Limited (RNRL)	India	100	100
22	Dhursar Solar Power Private Limited (DSPPL)	India	100	100
23	Reliance Natural Resources (Singapore) Pte Limited (RNRL-Singapore)	Singapore	100	100
24	Purthi Hydro Power Private Limited (PHPPL) (Refer note 38)	India	100	100
25	Teling Hydro Power Private Limited (TPPL)	India	100	100
26	Shangling Hydro Power Private Limited (SPPL)	India	100	100
27	Lara Sumta Hydro Power Private Limited (LHPPL) (Refer note 38)	India	100	100
28	Sumte Kothang Hydro Power Private Limited (SKHPPL) (Refer note 38)	India	100	100
29	Reliance Geothermal Power Private Limited (RGTPPL)	India	75	75
30	Reliance Green Power Private Limited (RGPPPL)	India	100	100
31	Moher Power Limited	India	100	100
32	Samalkot Power Limited (SMPL)	India	100	100
33	Reliance Solar Resources Power Private Limited (RSRPPL)	India	100	100
34	Reliance Wind Power Private Limited (RWPPPL)	India	100	100
35	Reliance Power Netherlands BV (RPN)	Netherlands	100	100
36	PT Heramba Coal Resources (PTH)	Indonesia	100	100
37	PT Avaneesh Coal Resources (PTA)	Indonesia	100	100
38	PT Brayan Bintang Tiga Energi (BBE)	Indonesia	100	100
39	PT Sriwijaya Bintang Tiga Energi (SBE)	Indonesia	100	100
40	PT Sumukha Coal Services (PTS)	Indonesia	99.6	99.6
41	Reliance Bangladesh LNG & Power Limited (RBLPL)	Bangladesh	51	100
42	Reliance Power Holding FZC, Dubai (RFZC)	UAE	100	100
43	Reliance Bangladesh LNG Terminals Limited (RBLTL)	Bangladesh	100	100
44	Reliance Chittagong Power Company Limited (w.e.f. May 13, 2018) (RCPCL)	Bangladesh	100	100
<b>Associates</b>				
1	RPL Sun Power Private Limited (RSUNPPL)	India	50	50
2	RPL Photon Private Limited (RPHOTONPL)	India	50	50
3	RPL Sun Technique Private Limited (RSUNTPL)	India	50	50

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(c) **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(n)(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 derecognised 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 considered appropriate.

- (ii) Deposits, payments / liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
- (iii) Construction stores have been valued at weighted average cost.
- (iv) PPE is derecognised when asset is retired or sold.

(d) **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 the PPE and amortised based on stripping ratio on the quantity of coal excavated. Overburden removal cost includes cost of fuel, power related to the equipments, direct labour, other direct expenditure and appropriate portion of variable and fixed overhead expenditure.

(ii) **Mine closure obligation**

The liability to meet the obligation of mine closure has been measured at the present value of the management's best estimate based on the mine closure plan in the proportion of total area exploited to the total area of the mine as a whole. These costs are updated annually during the life of the mine to reflect the developments in mining activities.

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 provision due to the passage of time is recognised as interest expense.

The mine closure obligation cost has been included in mining properties under Property, plant and equipment and amortised over the life of the mine on a unit of production basis.

(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 the PPE.

Mine development expenditure is amortised over the life of the mine on a unit of production basis.

(e) **Intangible assets**

(i) Goodwill on acquisition of the 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 30 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 period**

Amortisation is charged on a straight-line basis over the estimated useful life. The estimated useful life, residual value and amortisation methods 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. Intangible assets include expenditure incurred for laying pipeline towards additional water supply. As the pipeline is estimated to be used over the life of the project, the cost incurred towards right is amortised over the term of the power purchase agreement.

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.

(f) **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 asset 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss has been recognised.

**(g) 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.

**(h) 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.

**(i) 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 instrument also includes 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 business model of the Group for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss or OCI.

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. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in the Statement of profit and 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 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. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised 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 'the accounting mismatch').

#### **(iii) Impairment of Financial Assets**

The Group and its associates assess 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 its associates measure 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, it 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 statement of profit or loss only when the right to receive payment is established and 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 recognised in the Statement of Profit and Loss.

#### **(j) 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(k) **Financial liabilities**

(i) **Classification as debt or equity**

Debt and equity instruments issued by the Group are classified either as 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 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 the suppliers. Those payable are classified as the 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. 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.

(l) **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 the 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.

(m) **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.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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 the 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 cannot be measured with sufficient reliability.

### Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

#### (n) 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's functional currency. The functional currency for all the entities in the Group is Indian Rupees except the 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) Reliance Chittagong Power Company Limited	- BDT
(g) PT Heramba Coal Resources	- USD
(h) PT Avaneesh Coal Resources	- USD
(i) PT Sumukha Coal Services	- USD
(j) PT Brayan Bintang Tiga Energi	- Rupiah
(k) 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 the 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 an 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.

##### (o) Revenue from Contracts with Customers and Other Income

The Group has adopted Ind AS 115 using cumulative effect method with effect of initially applying this standard recognised at the date of initial application (i.e. April 01, 2018).

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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 and UPERC (Terms & Condition of Generation Tariff) Regulations, 2014.

Revenue from sale of energy referred to above includes fixed charges considered as minimum lease payments in accordance with Ind AS 116 "Leases" 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 3.21). Revenue towards truing up of fixed charges is recognised as operating income in the Statement of Profit and Loss in the year of truing up. In case of difference between the revenue recognised 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 the 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 VIPL, revenue from sale of energy is recognised on an accrual basis as per the tariff rates approved by MERC in accordance with the provisions of PPA with Adani Electricity Mumbai Limited with effect from August 29, 2018, which was earlier with Reliance Infrastructure Limited (Rinfra). Further, revenue is also recognised towards truing up of fixed charges and fuel adjustment charges as per the terms of PPA read with Maharashtra Electricity Regulatory Commission (MERC) (Multi Year Tariff) Regulations.
- (iii) 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 Adani Electricity Mumbai Limited with effect from August 29, 2018, which was earlier with Reliance Infrastructure Limited (Rinfra).
- (iv) 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.
- (v) 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 Adani Electricity Mumbai Limited with effect from August 29, 2018, which was earlier with Reliance Infrastructure Limited (Rinfra) read with the regulation of MERC. Income on Generation based incentive of wind power project at Vashpet is accounted on an accrual basis considering eligibility of the project for availing the incentive.
- (vi) In SPL, revenue from sale of energy is recognised 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 the terms and conditions agreed with the trustee on future sale of certified emission reduction units.
- (ix) For income recognition refer note 2.1(i)(v)

(p) **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 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 employee 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 as 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 the 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 Nippon Life Insurance Company Limited.

### **(q) 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.

### **(r) 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.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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.

(s) **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.

(t) **Leases****The Group as a Lessor**

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-116 Leases 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 specialised nature; and
- (v) the present value of minimum lease payments amounts to at least substantially all of the fair value of the leased asset.

In case of finance lease, finance lease receivable is recognised 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 recognised 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.

### **The Group as a lessee**

The Group's lease asset classes primarily consists of leases for buildings taken on lease for operating its branch offices. The Group assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of lease, the Group recognise a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangement in which it is a lessee except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated from the commencement date on straight-line basis over the lease term.

The lease liability is initially measured at amortised cost at the present value of the future lease payments.

### **Transition**

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the retrospective with cumulative effect method of initially applying the standard recognised at the date of initial application without any adjustment to opening balance of retained earnings. The Group did not have any material impact on the consolidated financial statements on application of the above standard.

#### **(u) Cash and cash equivalents**

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise 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 insignificant risk of changes in value.

#### **(v) Earnings per share**

In determining Earnings per Share, the Company considers net profit after tax and includes post tax effect of any exceptional item and the effects under the scheme approved by the Hon'ble High Court. Basic earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the financial year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **(w) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

#### **(x) Segment Reporting**

The Operating segments have been identified and reported taking into account its internal financial reporting, performance evaluation and organisational structure of its operations, operating segment is reported in the manner evaluated by the Board considered as the Chief Operating Decision-Maker under Ind AS 108 "Operating Segments".

#### **(y) 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 (the ICAI) 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.

#### **(z) 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 are presented within other income.

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 the 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.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2020**

In case of SPL, exemption granted by GoI to the UMPPs under the Custom Act, 1962 is recognised at their fair value as Government grant. Government grants relating to the purchase of PPE are included in non current liabilities as deferred income and credited to the Statement of Profit and Loss in the proportion in which depreciation expense on those assets is recognised.

**(aa) 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.

**(bb) Business combinations**

Business combinations involving entities that are controlled by the Group 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.

**2.2 Critical accounting estimates and judgements**

The preparation of the consolidated financial statements under Ind AS requires the 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 as 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:

**Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID 19):**

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Group. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company financial statements may differ from that estimated as at the date of approval of these financial statements.

**(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 lives differ from the original estimated useful lives, 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 PPE 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. SPL 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 finalised 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 17)

(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 17)

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.

According to management's estimate, MAT credit balances will expire and may not be used to offset taxable income. The Group neither has any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these MAT credit entitlement as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on these balances.

(e) **Application of lease accounting**

Significant judgement is required to apply lease accounting rules of Ind AS 116 "Determining whether an Arrangement contains a Lease". In assessing the applicability to arrangements entered into by the Group, the management has exercised judgment 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.

**Classification of lease**

In case of RPSCL, significant judgment 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) **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 PPE 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.

(g) **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 19)

(h) **Revenue from contracts with customers and other income**

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 in accordance with the provisions of the respective PPA. In case where tariff rates are yet to be approved, provisional rates are adopted based on the principles enunciated in the respective PPA and the applicable regulations. Deviation from such estimate on receipt of the final approval could result in significant adjustment to the revenue. Revenue is also recognised towards truing up of fixed charges as per the petitions filed based on the principles enunciated in the PPA and UPERC (Terms & Condition of Generation

**Notes to the Consolidated Financial Statements for the year ended March 31, 2020**

Tariff) Regulations, 2014 in case of RPSCL and truing up of fixed charges and fuel adjustment charges as per the applicable MERC (Multi year tariff) Regulations in case of VIPL.

(i) **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 capitalised when incurred reflecting the 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.

(j) **Provision**

Estimates of the amounts of provisions recognised are based on current legal and constructive requirements, technology and price levels. Because actual outflows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are regularly reviewed and adjusted to take account of such changes.

(k) **Estimation of employee benefit obligation**

Please refer note 2.1 (p)

3.1 Property, Plant and Equipment

Particulars	₹ in lakhs										
	Freehold land	Leasehold land	Right to Use asset	Railway siding	Buildings	Plant & equipment	Mining properties	Furniture & fixtures	Motor Vehicles equipment	Office Computers	Total
Gross carrying amount											
Balance as at April 01, 2018	3,94,385	1,77,111	-	-	77,054	30,38,513	2,75,273	1,971	584	491	305 39,65,687
Additions during the year	141	1,053	-	-	744	3,37,893	76,462	11	56	269	37 4,16,666
Adjustments (Note 3)	-	-	-	-	-	3,536	-	-	-	-	- 3,536
Deductions during the year	859	-	-	-	-	6,506	-	2	21	-	1 7,389
Carrying amount as at March 31, 2019	3,93,667	1,78,164	-	-	77,798	33,73,436	3,51,735	1,980	619	760	341 43,78,500
Additions / reinstatement during the year (note 6)	9,340	14,240	2,784	15,290	26,426	2,34,812	81,526	77	95	251	62 3,84,903
Adjustments (Note 3)	-	-	-	-	-	66,204	-	-	-	-	- 66,204
Deductions during the year	-	-	-	-	-	362	-	-	4	-	- 366
<b>Balance as at March 31, 2020</b>	<b>4,03,007</b>	<b>1,92,404</b>	<b>2,784</b>	<b>15,290</b>	<b>1,04,224</b>	<b>36,74,090</b>	<b>4,33,261</b>	<b>2,057</b>	<b>710</b>	<b>1,011</b>	<b>403 48,29,241</b>
<b>Depreciation</b>	<b>Freehold land</b>	<b>Leasehold land</b>	<b>Right to Use asset</b>	<b>Railway siding</b>	<b>Buildings</b>	<b>Plant &amp; equipment</b>	<b>Mining properties</b>	<b>Furniture &amp; fixtures</b>	<b>Motor Vehicles equipment</b>	<b>Office Computers</b>	<b>Total</b>
Accumulated depreciation											
Balance as at April 01, 2018	503	13,587	-	-	12,070	2,28,114	2,27,513	647	223	197	137 4,82,991
Charge for the year	172	4,600	-	-	3,363	93,905	66,044	188	107	56	35 1,68,470
Deductions during the year	-	-	-	-	-	19	-	1	20	-	1 41
Impairment of Assets [Refer note 33(e)]	-	-	-	-	-	1,41,900	-	-	-	-	- 1,41,900
Balance as at March 31, 2019	675	18,187	-	-	15,433	4,63,900	2,93,557	834	310	253	171 7,93,320
Charge for the year	176	4,634	75	-	3,567	95,485	78,999	195	66	101	30 1,83,328
Deductions during the year	-	-	-	-	-	4	-	-	3	-	- 7
<b>Balance as at March 31, 2020</b>	<b>851</b>	<b>22,821</b>	<b>75</b>	<b>-</b>	<b>19,000</b>	<b>5,59,381</b>	<b>3,72,556</b>	<b>1,029</b>	<b>373</b>	<b>354</b>	<b>201 9,76,641</b>
Net Block											
Balance as at March 31, 2019	3,92,992	1,59,977	-	-	62,365	29,09,536	58,178	1,146	309	507	170 35,85,180
<b>Balance as at March 31, 2020</b>	<b>4,02,156</b>	<b>1,69,583</b>	<b>2,709</b>	<b>15,290</b>	<b>85,224</b>	<b>31,14,709</b>	<b>60,705</b>	<b>1,028</b>	<b>337</b>	<b>657</b>	<b>202 38,52,600</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

**Notes:**

- Freehold land as at March 31, 2020 includes ₹ 2,909 lakhs, ₹ 2,209 lakhs (March 31, 2019), ₹ 2909 lakhs, ₹ 2209 lakhs) capitalised in the books of CAPL and SMPL respectively, on the basis of advance possession received from authorities. The registration of title deed is pending in favour of the respective Companies.
- 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.
- Adjustment represents exchange difference capitalised.
- Mining properties includes expenses incurred towards removal of over burden cost.
- Out of above Property, Plant and Equipment of ₹ 27,78,317 lakhs (March 31, 2019 ₹ 25,80,699 lakhs) are pledged as security for loan facilities availed by the Group (Refer note 13 & 3.13).
- Includes reinstatement made in Vidarbha Industries Power Limited (a subsidiary) during the year of ₹ 9,082 lakhs in freehold land, ₹ 13,862 lakhs in Leasehold Land, ₹ 15,290 lakhs in Railway Sidings, ₹ 25,076 lakhs in Buildings, ₹ 1,94,041 lakhs in Plant & equipment, ₹ 58 lakhs in Furniture & Fixtures, ₹ 83 lakhs in Motor Vehicle, ₹ 86 lakhs in Office Equipments and ₹ 38 lakhs in Computers. (Refer note 37)

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
Statement of Profit and loss	<b>83,630</b>	83,825
Depreciation pertaining to discontinued operations	<b>83</b>	83
Charge to Capital Work-in-Progress	<b>59</b>	105
Amortisation of mining properties	<b>78,999</b>	66,071
Depreciation included as part of coal excavation expenses	<b>1,426</b>	1,209
Depreciation included as part of overburden excavation expenses	<b>19,318</b>	17,420
<b>Total</b>	<b>183,515</b>	168,713

## Reliance Power Limited

### Notes to the Consolidated Financial Statements for the year ended March 31, 2020

#### 3.2 Capital Work-in-Progress

₹ in lakhs				
Particulars	As at April 01, 2019	Incurred during the year	Capitalised / Adjusted	As at March 31, 2020
<b>A. Assets under Construction</b>	2,53,213	59,148	1,03,685	<b>2,08,676</b>
<b>B. Expenditure pending allocation</b>				
<b>(i) Expenses</b>				
Interest and Finance Charges <sup>1</sup>	17,615	-	-	<b>17,615</b>
Employee benefit expense				
- Salaries and Other Costs	6,566	111	5,925	<b>752</b>
- Contribution to Provident and Other Funds (Refer note 12)	19	-	-	<b>19</b>
- Gratuity (Refer note 12)	5	-	-	<b>5</b>
- Leave encashment	23	-	-	<b>23</b>
Depreciation / Amortisation	219	-	61	<b>158</b>
Exchange loss (net) (Refer note 10)	1,25,422	(2)	-	<b>1,25,420</b>
Legal and Professional Charges (including shared service charges)	4,526	6,617	5,187	<b>5,956</b>
Premium paid to regulatory authority/ State Government	17,976	-	11,160	<b>6,816</b>
Impairment	(3,500)	-	-	<b>(3,500)</b>
Other direct and incidental expenditure	6,226	96	5,824	<b>498</b>
<b>Total</b>	<b>1,75,097</b>	<b>6,822</b>	<b>28,157</b>	<b>1,53,762</b>
<b>(ii) Incidental Income during construction</b>	2,367	-	-	<b>2,367</b>
Net expenditure pending allocation (i) - (ii)	<b>1,72,730</b>	<b>6,822</b>	<b>28,157</b>	<b>1,51,395</b>
<b>C. Construction stores</b>	1,695	-	287	<b>1,408</b>
<b>Total (A + B + C)</b>	<b>427,638</b>	<b>65,970</b>	<b>132,129</b>	<b>361,479</b>
Previous year	691,282	63,666	327,310	427,638

<sup>1</sup> THPPL and SHPPL has paid upfront fees of ₹ 1,880 lakhs and ₹ 880 lakhs (March 31, 2019 ₹ 1,880 lakhs and ₹ 880 lakhs) respectively shown as capital work-in-progress.

#### 3.3 Intangible Assets

₹ in lakhs				
Particulars	Computer Software	Mining rights	Water Supply rights	Total
Gross carrying amount				
Balance as at April 01, 2018	545	3,129	1,265	4,939
Additions during the year	-	-	-	-
Deductions during the year	-	-	-	-
Balance as at April 01, 2019	545	3,129	1,265	4,939
Additions during the year	-	-	-	-
Deductions during the year	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>545</b>	<b>3,129</b>	<b>1,265</b>	<b>4,939</b>

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Amortisation	Computer Software	Mining right	Water Supply rights	Total
Accumulated depreciation				
Balance as at April 01, 2018	434	333	225	992
Charge for the year	59	111	73	243
Deductions during the year	-	-	-	-
Balance as at April 01, 2019	493	444	298	1,235
Charge for the year	4	111	73	188
Impairment during the year	3	-	164	167
Deductions during the year	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>500</b>	<b>555</b>	<b>535</b>	<b>1,590</b>

**Net Block**

Balance as at March 31, 2019	52	2,685	967	3,704
<b>Balance as at March 31, 2020</b>	<b>45</b>	<b>2,574</b>	<b>730</b>	<b>3,349</b>

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Non- current Financial assets</b>		
<b>3.4(a) Investments</b>		
<b>In Associates (valued at cost)</b>		
RPL Sun Power Private Limited : 5,000 equity shares of ₹ 10 each (March 31, 2019: 5000)	@	@
RPL Photon Private Limited : 5,000 equity shares of ₹ 10 each (March 31, 2019: 5000)	@	@
RPL Sun Technique Private Limited : 5,000 equity shares of ₹ 10 each (March 31, 2019: 5000)	@	@
<b>Government Bond (Quoted) (Fair value through Profit &amp; Loss account)</b>		
14,000 (March 31, 2019:14,000) 9.33% Government Bond of Rajasthan Government (Face value of ₹ 100 each)	15	15
7,000 (March 31, 2019: 7,000) 8.22% Government Bond of Tamilnadu Government (Face value of ₹ 100 each)	8	8
	<u>23</u>	<u>23</u>
@ Amount is below the rounding of norms adopted by the group		
<b>3.4(b) Loans</b>		
(Unsecured, considered good)		
Loans to others	39,885	39,643
Security deposit	901	1,227
	<u>40,786</u>	<u>40,870</u>
<b>3.4(c) Finance lease receivables</b>		
Finance lease receivables (Refer note 11&37)	4,24,085	8,00,847
	<u>4,24,085</u>	<u>8,00,847</u>
<b>3.4(d) Other financial assets</b>		
Term deposits with more than 12 months maturity	14	1,50,445
Non-current bank balances (including margin money deposits towards bank guarantee and others)	2,181	1,178
Advance recoverable in cash	750	750
Derivative assets (net)	6,806	10,961
Others	1	-
	<u>9,752</u>	<u>1,63,334</u>

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.5 Non-current tax assets</b>		
Advance income tax [net of provision for tax of ₹ 1,922 lakhs (March 31, 2019: ₹ 1,586 lakhs)]	5,979	5,290
	<u>5,979</u>	<u>5,290</u>
<b>3.6 Other non-current assets</b>		
(Unsecured, considered good)		
Capital advances (including related party) [Refer note 14 (C)]	1,47,309	1,45,605
Advances recoverable in kind	2,041	2,042
Balance with statutory authorities	35	22,812
	<u>1,49,385</u>	<u>1,70,459</u>
<b>3.7 Inventories (valued at lower of weighted average cost or net realisable value)</b>		
Fuel [including material in transit of ₹ 154 lakhs (March 31, 2019; ₹ 216 lakhs)]	36,018	29,671
Stores and spares (as certified by the management)	65,400	71,501
	<u>1,01,418</u>	<u>1,01,172</u>
<b>3.8(a) Current investments (Non-trade)</b>		
<b>Quoted</b>		
<b>Investments in Mutual Funds (Fair value through profit and loss)</b>		
Indiabulls liquid fund – Direct Growth	2,001	1,884
[Number of units 103,205 (March 31, 2019 : 103,205) face value of ₹ 1000 each]		
Reliance Low Duration Fund Direct – Growth	-	9,089
[Number of units Nil (March 31, 2019: 344,371) face value of ₹ 1000 each]		
Reliance Prime Debt Fund Direct –Growth	62	5,718
[Number of units 141,848 (March 31, 2019 : 14,259,285) face value of 10 each]		
JM High Liquidity Fund (Direct) – Growth Option	958	902
[Number of units 1,762,291 (March 31, 2019 : 1,762,291) face value of ₹ 10 each]		
SBI Magnum Low Duration Fund Direct– Growth	-	4,773
[Number of units Nil (March 31, 2019 : 196,315) face value of ₹ 1000 each]		
	<u>3,021</u>	<u>22,366</u>
Aggregate value of quoted current investments	<u>3,021</u>	<u>22,366</u>
<b>3.8(b) Trade receivables</b>		
Unsecured and considered good	2,36,452	2,73,811
(Includes amount receivable from related parties) (Refer note 14 (C))		
Doubtful (includes receivable from related party)	-	6,686
	<u>2,36,452</u>	<u>2,80,497</u>
Less: allowance for doubtful debts	-	(6,686)
	<u>2,36,452</u>	<u>2,73,811</u>
<b>3.8(c) Cash and cash equivalents</b>		
Balance with banks:		
in current account	12,271	2,650
in deposit account with original maturity of less than three months	223	238
	<u>12,494</u>	<u>2,888</u>

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.8(d) Bank balances other than cash and cash equivalents</b>		
Deposits with original maturity of more than three months but less than twelve months	8,930	10,341
Unclaimed dividend	299	299
Fixed deposits (including margin money deposit)	6,720	13,585
	<b>15,949</b>	<b>24,225</b>
<b>3.8(e) Loans</b>		
Inter corporate deposit to related party (Refer note 14(C))		
- Unsecured, considered good	4,036	21,756
- Credit impaired	-	1,43,037
Less: allowance for doubtful loans	-	(1,43,037)
	<b>4,036</b>	<b>21,756</b>
Security deposits	2,187	1,350
Inter corporate deposit to others	7,678	3,713
Loans / advances to employees	9	18
	<b>13,910</b>	<b>26,837</b>
<b>3.8(f) Finance lease receivables</b>		
Finance lease receivables (Refer note 11)	29,876	49,123
	<b>29,876</b>	<b>49,123</b>
<b>3.8(g) Other financial assets</b>		
Unbilled revenue		
- Unsecured, considered good	5,231	10,916
- Doubtful	-	2,448
Less: Provision for doubtful unbilled revenue	-	(2,448)
	<b>5,231</b>	<b>10,916</b>
Loans / advances to employees	31	76
Advance recoverable in cash	29,633	31,549
Derivative assets	142	914
Receivable against Generation based incentive	167	263
Income accrued on deposits / investments	1,152	708
Others receivables	30,183	33,581
	<b>66,539</b>	<b>78,007</b>
<b>3.9 Other current assets</b>		
(Unsecured, considered good, unless otherwise stated)		
Advance recoverable in kind	3,188	9,636
Advance recoverable towards land (Refer note 8)	1,900	1,900
Less: Provision for doubtful advances	(1,900)	-
Balance with statutory authorities (includes service tax credit and VAT recoverable)	158	353
Prepaid expenses	2,384	1,923
Others	-	3,687
	<b>5,730</b>	<b>17,499</b>
<b>3.10 Assets classified as held for sale</b>		
Assets held for sale (Refer note 8 & 41)	4,763	4,763
Others (Refer note 8 & 41)	8,394	8,393
Less: Provision for doubtful advances	(13,105)	-
	<b>52</b>	<b>13,156</b>



# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.11 Share capital</b>		
Authorised share capital		
11,00,00,00,000 (March 31, 2019: 11,00,00,00,000) equity shares of ₹ 10 each	<b>11,00,000</b>	11,00,000
5,00,00,00,000 (March 31, 2019: 5,00,00,00,000) preference shares of ₹ 10 each	<b>5,00,000</b>	5,00,000
	<b>16,00,000</b>	16,00,000
Issued, subscribed and fully paid up capital		
2,80,51,26,466 (March 31, 2019: 2,805,126,466) equity shares of ₹ 10 each fully paid up	<b>2,80,513</b>	2,80,513
<b>3.11.1 Reconciliation of number of equity shares</b>		
Balance at the beginning of the year – equity shares of ₹ 10 each.	<b>2,80,51,26,466</b>	2,80,51,26,466
Issued during the year	<b>-</b>	-
Balance at the end of the year – equity shares of ₹ 10 each.	<b>2,80,51,26,466</b>	2,80,51,26,466

### 3.11.2 Terms/ rights attached to equity shares

The Parent 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 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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding
<b>Equity shares</b>				
Reliance Infrastructure Limited	<b>35,82,98,193</b>	<b>12.78</b>	92,84,98,193	33.11
Reliance Project Ventures and Management Private Limited	<b>10,75,93,925</b>	<b>3.84</b>	40,01,14,337	14.27
Reliance Wind Turbine Installators Industries Private Limited	<b>6,86,16,167</b>	<b>2.45</b>	24,35,68,019	8.68
Housing Development Finance Corporation Limited	<b>19,54,87,901</b>	<b>6.97</b>	-	-
	<b>72,99,96,186</b>	<b>26.04</b>	1,57,21,80,549	56.06

**3.11.4** Pursuant to the composite scheme of arrangement with Reliance Natural Resources Limited, the Parent Company has 5,63,678 Global Depository Receipts which are listed on Euro MTF Market of the Luxembourg Stock Exchange since May 17, 2011.

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.12 Other equity</b>		
<b>Balance at the end of the year</b>		
3.12.1 Capital reserve (on consolidation)	<b>8,337</b>	8,337
3.12.2 Securities premium	<b>8,00,663</b>	8,35,454
3.12.3 General reserve	<b>97,807</b>	97,807
3.12.4 General reserve (arisen pursuant to composite schemes of arrangement)	<b>454</b>	454
3.12.5 Debenture redemption reserve	<b>4,683</b>	4,683
3.12.6 Foreign currency translation reserve	<b>21,589</b>	18,704
3.12.7 Foreign currency monetary item translation difference account	<b>(5,316)</b>	(9,580)
3.12.8 Treasury Shares (ESOS Trust)	<b>(845)</b>	(845)
3.12.9 Retained earnings	<b>(20,998)</b>	5,02,220
<b>Total</b>	<b>9,06,374</b>	14,57,234

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.12.1 Capital reserve (on consolidation)</b>	<b>8,337</b>	8,337
<b>3.12.2 Securities premium</b>		
Balance at the beginning of the year	<b>8,35,454</b>	8,35,454
Less: Share of non-controlling interest	<b>(34,791)</b>	-
Balance at the end of the year	<b>8,00,663</b>	8,35,454
<b>3.12.3 General reserve</b>	<b>97,807</b>	97,807
<b>3.12.4 General reserve (arisen pursuant to composite schemes of arrangement)</b>		
Balance at the beginning of the year	<b>454</b>	1,02,156
Less : withdrawal from general reserve (Refer note 33(e))	<b>-</b>	1,01,702
Balance at the end of the year	<b>454</b>	454
<b>3.12.5 Debenture redemption reserve</b>	<b>4,683</b>	4,683
<b>3.12.6 Foreign currency translation reserve</b>		
Balance at the beginning of the year	<b>18,704</b>	6,706
Add: Addition during the year	<b>2,913</b>	11,998
Less: Share of non-controlling interest	<b>(28)</b>	-
Balance at the end of the year	<b>21,589</b>	18,704
<b>3.12.7 Foreign currency monetary item translation difference account</b>		
Balance at the beginning of the year	<b>(9,580)</b>	(8,768)
Add: Addition during the year	<b>(6,875)</b>	(7,738)
Less: Amortisation during the year	<b>8,882</b>	6,926
Less: Share of non-controlling interest	<b>2,257</b>	-
Balance at the end of the year	<b>(5,316)</b>	(9,580)
<b>3.12.8 Treasury Shares (ESOS Trust)</b>	<b>(845)</b>	(845)
<b>3.12.9 Retained earnings</b>		
Balance at the beginning of the year	<b>5,02,220</b>	7,97,453
Loss for the year	<b>(4,27,148)</b>	(2,95,182)
Add: Remeasurements of post-employment benefit obligation (net) (Refer note 12)	<b>(242)</b>	(51)
Add: Earlier period adjustments	<b>(656)</b>	-
Less: Share of non-controlling interest	<b>(95,173)</b>	-
Balance at the end of the year	<b>(20,998)</b>	5,02,220
	<b>9,06,374</b>	14,57,234

**Nature and purpose of other reserves:**

**(a) Capital Reserves (On consolidation)**

The Capital Reserve had arisen on account of acquisition of subsidiaries.

**(b) Securities premium**

Securities premium account is created to record premium received on issue of shares. The reserve is utilised 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

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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**

Debenture redemption reserve is required to create out of profits of the Company 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 amortised over the balance period of such long term monetary items. (Refer note 2.1(n) (ii))

**(g) Foreign currency translation reserve**

Exchange differences arising on translation of the foreign operations as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is not reclassified to profit or loss when the net investment is disposed-off.

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.13(a) Borrowings</b>		
<b>At amortised cost</b>		
<b>Secured</b>		
5,450 (March 31, 2019: 5,450) Series I (2018) Listed, rated, redeemable non convertible debentures of ₹ 1,000,000 each	<b>52,905</b>	52,404
Rupee loans from banks	<b>615,561</b>	9,08,798
Foreign currency loans from banks	<b>4,17,900</b>	61,865
Rupee loans from financial institutions / other parties	<b>351,782</b>	3,71,656
Foreign currency loans from financial institutions / other parties	<b>513,687</b>	3,89,413
<b>Unsecured</b>		
Deferred payment liabilities:		
Deferred entry tax [Refer note 23 (b)]	<b>18,479</b>	23,217
Deferred value added tax [Refer note 23 (c)]	<b>558</b>	1,744
Inter-corporate deposits	<b>15,184</b>	-
	<b>19,86,056</b>	18,09,097

During the year, there has been delay/ default in repayment of borrowing (Refer note 34).

**3.13(a1) RPSCL**

RPSCL has obtained Rupee and foreign currency loans from Banks. The Outstanding amount as at year end is ₹ 1,61,645 lakhs (March 31, 2019 ₹ 2,25,687 lakhs). The balance disclosed is net of initial borrowing cost aggregating to ₹ 246 lakhs (March 31, 2019 ₹ 549 lakhs).

**Nature of security for Term Loans**

- (i) Rupee Term Loans from banks of ₹ 1,56,645 lakhs (March 31, 2019: ₹ 2,10,687 lakhs) is secured / to be secured by first charge on all the Immovable and movable assets and intangible asset of RPSCL on pari passu basis.
- (ii) Rupee Term Loans from banks of ₹ 5,000 lakhs (March 31, 2019: ₹ 15,000 lakhs) is secured / to be secured by residual charge on all the movable assets and current assets of the RPSCL on pari passu basis.
- (iii) The Parent Company has given financial commitments / guarantee to the lender of RPSCL.
- (iv) A negative lien by Reliance Power Limited (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 ₹ 78,962 lakhs (March 31, 2019: ₹ 1,08,176 lakhs) has been obtained from Banks Phase I and Phase II of the project. The loans are repayable in 48 quarterly installments commenced from October 1, 2010 and January 1, 2012, respectively, and carry an average rate of interest 13.47% per annum payable on a monthly basis.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2020**

- (ii) Rupee Term Loans outstanding as at the year end ₹ 18,411 lakhs (March 31, 2019: ₹ 22,503 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 carry an interest rate of 12.40 % per annum payable on a monthly basis.
- (iii) Rupee Term Loans outstanding as at the year end ₹ 5,000 lakhs (March 31, 2019: ₹ 15,000 lakhs) has been obtained for onlending as subordinate debt / Inter Corporate Deposit / Loans and advances to its Parent Company. The loan is repayable in 12 equal quarterly installments starting from December 2017 and carries an interest rate of 11.30 % per annum payable on a monthly basis.
- (iv) Foreign currency loan outstanding as at the year end ₹ 7,067 lakhs (March 31, 2019: ₹ 10,087 lakhs) has been obtained for Phase I of the project. The loan is repayable in 48 quarterly installments commenced from October 1, 2010 and carries an interest rate of USD LIBOR plus 460 basis points per annum, payable on a quarterly basis.
- (v) Foreign currency loan outstanding as at the year end ₹ 19,553 lakhs (March 31, 2019: ₹ 22,841 lakhs) has been obtained for Phase II of the project. The loan is repayable in 48 quarterly installments 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.
- (vi) Foreign currency loan outstanding as at the year end ₹ 32,652 lakhs (March 31, 2019: ₹ 47,080 lakhs) has been obtained for Phase II of the project. The loan is repayable in 16 quarterly installments commenced from February 2018, and carries an interest rate of USD LIBOR plus 454 basis points per annum, payable on a quarterly basis.

**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 ₹ 13,81,117 lakhs (March 31, 2019 ₹ 14,40,914 lakhs). The balance disclosed is net off initial borrowing cost aggregating to ₹ 8,882 lakhs (March 31, 2019: ₹ 11,352 lakhs).

**Nature of security for term loans**

- (i) Term loans from all banks, financial Institution/other parties of ₹ 13,81,117 lakhs (March 31, 2019: ₹ 14,40,914 lakhs) is secured / to be secured by first charge on all the Immovable and movable assets and intangible asset of SPL and pledge of 100% of the total issued share capital of SPL held by the Holding Company on pari passu basis with working capital lenders, permitted bank guarantee providers and hedge counterparties. Charge over 414 Hectare of Coal mine and Overburden Dump land yet to be fully acquired and land in relation to deallocated Chhatrasal Coal mines which is subject to decision of Honourable High Court is pending to be executed.
- (ii) The Parent Company has given financial commitments / guarantees to the lenders of SPL.

**Terms of Repayment and Interest**

- (i) Rupee Term Loan outstanding as at the year end of ₹ 5,65,978 lakhs (March 31, 2019 : ₹ 5,99,542 lakhs) has been obtained from banks for the project. Earlier 50% of the loan was repayable in 40 quarterly installments and remaining 50% in one single bullet payment at the end of ten years from March 31, 2015. The repayment schedule was subsequently elongated under flexible structuring scheme of Reserve Bank of India and the outstanding balance as on October 01, 2015 is repayable in 82 structured quarterly installments which commenced from December 31, 2015 and carry an interest rate of 11.55% per annum payable on a monthly basis.
- (ii) Rupee Term Loan outstanding as at the year end of ₹ 98,199 lakhs (March 31, 2019 : ₹ 1,03,743 lakhs) has been obtained from financial institutions for the project. Earlier 50% of the loan was repayable in 40 quarterly installments and remaining 50% in one single bullet payment at the end of ten years form March 31, 2015. The repayment schedule was subsequently elongated under flexible structuring scheme of Reserve Bank of India and the outstanding balance as on October 01, 2015 is repayable in 82 structured quarterly installments which commenced from December 31, 2015 and carry an interest rate of 11.55% per annum payable on a monthly basis.
- (iii) Rupee Term Loan outstanding as at the year end of ₹ 2,56,014 lakhs (March 31, 2019 : ₹ 2,70,353 lakhs) has been obtained from financial institutions for the project. Earlier the loan was repayable in 60 quarterly installments starting from March 31, 2015. The repayment schedule was subsequently elongated under flexible structuring scheme of Reserve Bank of India and the outstanding balance as on October 01, 2015 is repayable in 82 structured quarterly installments which commenced from October 15, 2015 and carry an interest rate of 11.55% to 12.65% per annum payable on a quarterly basis.
- (iv) 50 % of Foreign Currency Loan from financial Institutions/other parties outstanding as at the year end of ₹ 1,90,068 lakhs (March 31, 2019 : ₹ 1,90,032 lakhs) is repayable in 40 quarterly installments which 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 6M USD LIBOR plus 210 to 405 basis points per annum payable on a monthly basis.
- (v) Foreign currency loan from financial institution / other parties outstanding as at the year end of ₹ 2,39,038 lakhs (March 31, 2019 : ₹ 2,41,199 lakhs) is repayable in 24 semi-annual installments commenced from March 20, 2015 and carry fixed interest rate of 3.66% per annum payable on a semi annual basis.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

- (vi) Foreign currency loan from financial institution / other parties outstanding as at the year end of ₹ 31,820 lakhs (March 31, 2019 : ₹ 36,045 lakhs) is repayable in 19 semi-annual installments commenced from March 20, 2015 and carry an interest rate of 6M USD LIBOR plus 425 basis point per annum payable on a semi annual basis.

### 3.13(a3) VIPL

VIPL has obtained secured Rupee and foreign currency loans from Banks. The outstanding amount as at the year end is ₹ 221,531 lakhs (March 31, 2019: ₹ 2,19,866 lakhs). The balance disclosed is net of borrowing cost aggregating to ₹ 1,013 lakhs (March 31, 2019: ₹ 1,217 lakhs).

#### Nature of security for term loans

- (i) Rupee loans from banks of ₹ 1,81,992 lakhs (March 31, 2019: ₹ 1,81,992 lakhs) is 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 ₹ 19,346 lakhs (March 31, 2019: ₹ 19,346 lakhs) is secured by pledge of 23% of the equity share capital of VIPL.
- (iii) Foreign Currency Loans from banks of ₹ 20,193 lakhs (March 31, 2019: ₹ 18,528 lakhs) is 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.
- (iv) The Parent Company has given financial commitments / guarantee to the lenders of the VIPL.

#### Terms of repayment and interest

- (i) The rupee loans from banks of ₹ 1,81,992 lakhs (March 31, 2019: ₹ 1,81,992 lakhs) is repayable in 56 structured quarterly installments commencing from June 30, 2015 and carry an average interest rate of 12.39% per annum.
- (ii) Foreign currency term loan is repayable in 28 equal quarterly installments 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 loans from banks of ₹ 19,346 lakhs (March 31, 2019: ₹ 19,346 lakhs) is repayable in 48 structured quarterly installments commencing from June 30, 2018 and carry an interest rate of 10.25 % p.a.
- (iv) There has been default and delay in repayment of principal and interest on the above borrowings during the year. (Refer note 34)

### 3.13(a4) SMPL

SMPL has obtained foreign currency term loan from a Bank. The Outstanding balance as at the year end is ₹ 2,61,561 lakhs (March 31, 2019 ₹ 2,39,999 lakhs). The balance disclosed is net of initial borrowing cost aggregating to ₹ 1,968 lakhs (March 31, 2019 ₹ 3,505 lakhs).

#### Nature of security for term loan

- (i) Term loan from a bank of ₹ 2,61,561 lakhs (March 31, 2019: ₹ 2,39,999 lakhs) is 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 Holding Company and Ultimate Holding Company.
- (ii) The Parent Company has given financial commitments/ guarantees to the lender of SMPL (Refer note 4).

#### Terms of repayment and interest

Based on the Agreement dated June 28, 2019, the principal outstanding is payable in 3 equal yearly installments commencing from June 30, 2020. The rate of interest for the term loan is 2.65 % per annum and is payable quarterly beginning from June 30 2019.

### 3.13(a5) DSPPL

DSPPL has obtained foreign currency term loan from Banks. The outstanding balance as at the year end is ₹ 48,934 lakhs (March 31, 201 ₹ 44,900 lakhs). The balance disclosed is net of initial borrowing cost aggregating to ₹ 955 lakhs (March 31, 2019 ₹ 1,171 lakhs).

#### Nature of security for Term Loans:

- (i) Term loans balance from financial Institution/ other parties of ₹ 48,934 (March 31, 2019 ₹ 44,900) 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 Holding Company.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

**Terms of Repayment and Interest:**

- (i) Foreign currency loan from financial Institution/ other parties is repayable over a period of sixteen and half years in half-yearly installments 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 ₹ 29,741 lakhs (March 31, 2019 ₹ 27,289 lakhs).
- (ii) Foreign currency loan from financial Institution/ other parties of is repayable over a period of sixteen and half years in half-yearly installments commencing from September 25, 2012 and interest is payable at the rate of 6 months USD LIBOR plus 2.5% per annum. The outstanding balance as on year end is ₹ 19,193 lakhs (March 31, 2019 ₹ 17,611 lakhs).

**3.13(a6) RSTEPL**

RSTEPL has obtained Rupee and foreign currency loans from bank, financial institutions and other parties. The outstanding balance as at the year end is ₹ 1,46,917 lakhs (March 31, 2019 ₹ 1,38,400 lakhs). The balance disclosed is net of initial borrowing cost aggregating to ₹ 1,770 lakhs (March 31, 2019 ₹ 2,110 lakhs).

**Nature of security:**

- (i) Term loans balance from all banks, financial Institution/ other parties of ₹ 1,46,917 lakhs (March 31, 2019 : ₹ 1,38,400 lakhs) 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 Holding Company.

**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 installments starting from January 07, 2014 and Interest rate is a floating rate linked to Axis Bank's one year MCLR plus 3.7% p.a. payable on monthly basis. The outstanding balance as on year end is ₹ 7,923 lakhs (March 31, 2019 ₹ 8,134 lakhs).
- (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 installments starting from January 25, 2014 and carry fixed of 2.55% per annum payable half yearly. The outstanding balance as on year end is ₹ 27,213 lakhs (March 31, 2019 ₹ 25,670 lakhs).
- (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 installments 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 ₹ 52,348 lakhs (March 31, 2019: ₹ 49,215 lakhs).
- (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 installments 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 ₹ 49,843 lakhs (March 31, 2019: ₹ 46,583 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 installments 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 ₹ 9,590 lakhs (March 31, 2019: ₹ 8,798 lakhs).

**3.13(a7) KPPL**

KPPL has obtained Term Loan from financial institution of 26,080 lakhs (March 31, 2019: ₹ 26,080 lakhs).

**Nature of security:**

- (i) Term loan from financial institution of ₹ 26,080 lakhs (March 31, 2019: ₹ 26,080 lakhs) is secured by first charge on all the immovable and movable and current assets of KPPL all pari passu basis.

**Terms of repayment and interest:**

- (i) Rupee term loan from financial institution outstanding as at the year end ₹ 25,000 lakhs (March 31, 2019: ₹ 25,000 lakhs) has been obtained from financial institution. The loan is repayable in one single bullet payment at the end of tenor and carry an average rate of interest 13.5% p.a.
- (ii) Rupee term loan from financial institution outstanding as at the year end ₹ 1,080 lakhs (March 31, 2019: ₹ 1,080 lakhs) has been obtained from financial institution. The loan is repayable in one single bullet payment at the end of tenor and carry an average rate of interest 10% p.a.
- (iii) The Company has not been able to comply with the financial covenants during the year in respect of non payment of principal of ₹ 25,000 lakhs and interest on above term loan amounting to ₹ 4,512 lakhs for the year 2019 -20.

### 3.13(a8) RNRL

RNRL has obtained Rupee Loan from Non banking financial institution of ₹ 29,998 lakhs (March 31, 2019: ₹ 29,998 lakhs).

#### Nature of security:

- (i) Rupee loan from financial Institution of ₹ 29,998 lakhs (March 31, 2019 : ₹ 29,998 lakhs) are secured by way of mortgage of building and pledge of shares of RNRL held by Reliance power Limited.

#### Terms of repayment and interest:

- (i) Rupee loan from Non banking financial institution of ₹ 19,999 lakhs (March 31, 2019 : ₹ 19,999 lakhs) is repayable in 12 equal quarterly installments starting from September 30, 2019 and carries an interest rate of 13.72% per annum payable on quarterly basis.
- (ii) Rupee loan from Non banking financial institution of ₹ 9,999 lakhs (March 31, 2019 : ₹ 9,999 lakhs) is repayable in 20 equal quarterly installments starting from September 30, 2019 and carries an interest rate of 13.72% per annum payable on quarterly basis.

### 3.13(a9) RCGL

RCGL has obtained inter corporate deposit amounting to ₹ 15,184 lakhs (March 31, 2019: ₹ 15,184 lakhs).

#### Terms of repayment and interest:

Inter corporate deposit amounting to ₹ 14,630 lakhs carries an interest rate of 12.5% and Inter corporate deposit amounting to ₹ 555 lakhs is interest free. Both inter corporate deposit are repayable over a period of 3 years.

### 3.13(a10) Parent Company

The Parent Company has obtained Rupee and foreign currency term loan. The outstanding amount as at the year end is ₹ 1,34,104 lakhs (March 31, 2019: ₹ 1,53,690 lakhs). The balance disclosed is net of borrowing cost aggregating to ₹ 2,019 lakhs (March 31, 2019: ₹ 3,033 lakhs).

#### Nature of security for term loans

- (i) Series I (2018) listed rated redeemable non convertible debentures of ₹ 54,500 lakhs (March 31, 2019: ₹ 54,500 lakhs) are secured by first pari-passu charge over long term loans and advances of the Company.
- (ii) Rupee term loans from banks of ₹ 32,400 lakhs (March 31, 2019: ₹ 32,400 lakhs) are secured by first charge over long term loans and advances of the Company on pari passu basis and also secured by pledge over 30% shares of Rosa Power Supply Company Limited (a subsidiary), which has been invoked by the bank on January 14, 2020.
- (iii) Rupee term loans from banks of ₹ 2,165 lakhs (March 31, 2019 : ₹ 2,297 lakhs) and foreign currency loan of ₹ 7,808 lakhs (March 31, 2019 : ₹ 9,098 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.
- (iv) Rupee term loans from banks of ₹ 7,500 lakhs (March 31, 2019 : ₹ 11,250 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.
- (v) Rupee term loans from banks of ₹ 2,708 lakhs (March 31, 2019 ₹ 9,000 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. It is also secured by pledge of 10,19,00,000 shares of the Company held by R Infra, which has been invoked by the bank on November 26, 2019.
- (vi) Rupee term loans from banks of ₹ 11,656 lakhs (March 31, 2019 : ₹ 11,970 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.
- (vii) Rupee term loans from banks of ₹ 6,300 lakhs (March 31, 2019 ₹ 6,300 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 and also secured by pledge over 30% shares of Rosa Power Supply Company Limited (a subsidiary) which has been invoked by the bank on January 14, 2020.
- (viii) Rupee term loans from banks of ₹ 16,875 lakhs (March 31, 2019 ₹ 16,875 lakhs) are secured by the first pari passu charge over long term loans and advances of the Company and also secured by pledge over 30% shares of Rosa Power Supply Company Limited (a subsidiary) which has been invoked by the bank on January 14, 2020.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

**Terms of repayment of loans and rate of interest:**

- (i) Series I (2018) listed rated redeemable non convertible debentures of ₹ 54,500 lakhs (March 31, 2019 ₹ 54,500 lakhs) are repayable in 8 half yearly installments starting from September 30, 2021 and carry floating interest rate payable on half yearly basis.
- (ii) Rupee term loans from banks of ₹ 32,400 lakhs (March 31, 2019 ₹ 32,400 lakhs) is repayable in 10 structured quarterly installment commenced from October 31, 2017 and carry an interest rate of 11.45% per annum payable on a monthly basis.
- (iii) Rupee term loans from bank is repayable in 59 structured quarterly installments 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 ₹ 2,165 lakhs (March 31, 2019 : ₹ 2,297 lakhs).
- (iv) Foreign currency loans is repayable in 42 structured quarterly installments commenced from September 2013 and carry an interest rate of USD 6 month LIBOR plus 450 basis points per annum payable on a half yearly basis. The outstanding balance as at year end is ₹ 7,808 lakhs (March 31, 2019 : ₹ 9,098 lakhs).
- (v) Rupee term loans from bank is repayable in 16 quarterly installments commencing from June 2017 and carry an interest rate of 12.80% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 7,500 lakhs (March 31, 2019 ₹ 11,250 lakhs).
- (vi) Rupee term loans from bank is repayable in 40 monthly installments commenced from March 2017 and carry an interest rate of 10.95% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 2,708 lakhs (March 31, 2019 ₹ 9,000 lakhs).
- (vii) Rupee term loans from bank is repayable in 53 structured quarterly installments commenced from September 2016 and carry an interest rate of 12.50% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 11,656 lakhs (March 31, 2019 : ₹ 11,970 lakhs).
- (viii) Rupee term loans from bank is repayable in 12 quarterly installments commencing from December 2019 and carry an interest rate of 11.62% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 6,300 lakhs (March 31, 2019 ₹ 6,300 lakhs).
- (ix) Rupee term loans from bank is repayable in 11 structured quarterly installments commencing from July 2017 and carry an interest rate of 11.45% per annum payable on a monthly basis. The outstanding balance as at year end is ₹ 16,875 lakhs (March 31, 2019 ₹ 16,875 lakhs).

**3.13(a11)** Current maturities of long term borrowings have been classified as other current financial liabilities.

		₹ in lakhs	
Particulars	As at March 31, 2020	As at March 31, 2019	
<b>3.13(b) Other financial liabilities</b>			
Retention money payable	3,765	3,965	
Derivative liability	8,270	12,229	
Lease liability	2,593	-	
	<u>14,628</u>	<u>16,194</u>	
<b>3.14 Provisions - non current</b>			
Provision for gratuity (Refer note 12)	1,485	1,523	
Provision for leave encashment (Refer note 12)	1,873	1,766	
Provision for mine closure obligation (Refer note 24)	1,758	1,496	
	<u>5,116</u>	<u>4,785</u>	
<b>3.15 Deferred tax liabilities</b>			
Net deferred tax liability due to temporary difference (Refer note 17)	2,51,175	2,98,585	
Less: Recoverable from beneficiaries*	<u>(23,490)</u>	<u>(68,771)</u>	
	<u>2,27,685</u>	<u>2,29,814</u>	

\*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.



# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.16 Other non-current liabilities</b>		
Advance from customers	743	916
Government grants (Refer note 23)	<u>1,82,535</u>	<u>1,88,442</u>
	<u>1,83,278</u>	<u>1,89,358</u>
<b>3.17(a) Borrowings</b>		
<b>Secured</b>		
Rupee loans from banks	21,424	25,799
Rupee loans from Financial Institutions	31,097	31,097
Foreign currency loan from financial institutions	-	3,64,770
Working capital loan	1,29,290	1,32,001
Cash credit facility from banks	89,483	1,04,836
2,500 Series III (2017) Listed, rated, redeemable non convertible debentures of ₹ 10,00,000 each	25,000	-
Loan against fixed deposits	-	2,160
<b>Unsecured</b>		
Rupee loans from banks	-	7,476
2,500 Series III (2017) Listed, rated, redeemable non convertible debentures of ₹ 10,00,000 each	-	25,000
Inter-corporate deposits <sup>1 &amp; 2</sup>	<u>1,39,039</u>	<u>2,00,756</u>
	<u>4,35,333</u>	<u>8,93,895</u>

<sup>1</sup> Refer note 14(C)

<sup>2</sup> Interest rate on above ICDs varies from 10.50% p.a. to 14.86% p.a.

### 3.17(a1) RPSCL

#### Nature of security for Short term borrowings

Working Capital facilities from banks outstanding balance as at the year end of ₹ 1,24,860 lakhs (March 31, 2019 : ₹ 1,27,180 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 RPSCL.

A negative lien by Holding 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 12.86% per annum.

### 3.17(a2) VIPL

#### Nature of security for Short term borrowings

Cash credit facilities outstanding balance as at the year end of ₹ 51,687 lakhs (March 31, 2019 : ₹ 50,145 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 VIPL on a pari passu basis and pledge of 51% of the equity share capital of VIPL.

Cash Credit Facility carry an average rate of interest of 12.45% per annum.

### 3.17(a3) Sasan

#### Nature of security for Short term borrowings

Cash credit facility outstanding balance as at the year end of ₹ 37,796 lakhs (March 31, 2019 : ₹ 54,691 lakhs) which are repayable on demand is secured / to be secured by first charge on all current and fixed assets of SPL and pledge of 100% of the total issued share capital of SPL held by the Holding Company on pari passu basis with term loan lenders, permitted bank guarantee providers and hedge counterparties.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

**Terms of Repayment and Interest**

Cash Credit facility carry an average interest rate of MCLR +3% per annum.

**3.17(a4) RCGL**

RCGL has obtained Rupee Loan from Non banking financial institution of ₹ 31,097 lakhs (March 31, 2019: ₹ 31,097 lakhs).

**Nature of security:**

- (i) Rupee loan from financial Institution of ₹ 27,049 lakhs (March 31, 2019 : ₹ 27,049 lakhs) are secured by way of subservient charge on fixed and current assets of RCGL.
- (ii) Rupee loan from financial Institution of ₹ 4,048 lakhs (March 31, 2019 : ₹ 4,048 lakhs) are secured by way of subservient charge on current assets of RCGL.

**Terms of repayment and interest:**

**Secured**

- (i) Rupee loan from Non banking financial institution of ₹ 21,254 lakhs (March 31, 2019 : ₹ 21,254 lakhs) is repayable in one installment on July 1, 2019 and carries an interest rate of 13.50% per annum payable on maturity.
- (ii) Rupee loan from Non banking financial institution of ₹ 5,795 lakhs (March 31, 2019 : ₹ 5,795 lakhs) is repayable in one installment on January 15, 2020 and carries an interest rate of 13.50% per annum payable on maturity.
- (iii) Rupee loan from Non banking financial institution of ₹ 4,048 lakhs (March 31, 2019 : ₹ 4,048 lakhs) is repayable in one installment on September 12, 2019 and carries an interest rate of 13.50% per annum payable on maturity.

**3.17(a5) Parent Company**

**Nature of security for Short term borrowings**

- a) Rupee loan from bank of ₹ 21,424 lakhs is secured by subservient charge on the current assets of Reliance Power Limited (Parent Company) (except pertaining to 45 MW Wind Vashpet project) and is repayable on demand.
- b) Working capital loan from bank 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.
- c) 2500 Series III (2017) 13.71 listed, rated, redeemable non convertible debentures are secured by pledge over 60,30,44,493 equity shares of Coastal Andhra Power Limited (a subsidiary) and redeemable within a period of 396 days from April 25, 2019 and carry an interest rate of 13.71% per annum payable on half yearly basis.
- d) Loan against fixed deposit was secured by first pari passu charge over the fixed deposit of ₹ Nil (March 31, 2019: ₹ 2,400 lakhs) of the Company. The loan was repaid fully in July, 2019 and carry an interest rate of 9.11% per annum payable on a monthly basis.

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>3.17(b) Trade payables</b>		
Total Outstanding dues of micro enterprises and small enterprises (Refer note 31)	<b>2,565</b>	176
Total Outstanding dues of creditors other than micro enterprises and small enterprises	<b>40,872</b>	42,568
	<b>43,437</b>	42,744
<b>3.17(c) Other financial liabilities</b>		
Current maturities of long-term borrowings [Refer note 3.13(a11) & 34]	<b>4,58,962</b>	3,42,628
Interest accrued but not due on borrowings	<b>57,466</b>	36,947
Interest accrued and due on borrowings	<b>65,961</b>	13,270
Unclaimed dividend	<b>299</b>	299
Security deposits received	<b>181</b>	151
Creditors for capital expenditure	<b>2,71,133</b>	2,54,657
Retention money payable	<b>1,903</b>	1,06,870
Liability towards Regulatory Matters	<b>3,252</b>	3,274

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

		₹ in lakhs	
Particulars	As at March 31, 2020	As at March 31, 2019	
Creditors for supplies and services	5,873	9,508	
Lease liability	174	-	
Derivative liability	-	39	
Other payables	1,57,053	33,545	
	<u>10,22,257</u>	<u>8,01,188</u>	
<b>3.18 Other current liabilities</b>			
Advance from customers	176	218	
Government Grants (Refer note 23)	5,906	5,907	
Other payables (including unscheduled interchange charges, provident fund, tax deducted at sources and other miscellaneous payables)	70,572	52,532	
	<u>76,654</u>	<u>58,657</u>	
<b>3.19 Provisions - current</b>			
Provision for gratuity (Refer note 12)	31	297	
Provision for leave encashment (Refer note 12)	554	260	
	<u>585</u>	<u>557</u>	
<b>3.20 Current tax liabilities</b>			
Provision for income tax [net of advance tax of ₹ 5,394 lakhs (March 31, 2019: ₹ 53 lakhs)]	17,095	23,804	
	<u>17,095</u>	<u>23,804</u>	
		₹ in lakhs	
Particulars	Year ended March 31, 2020	Year ended March 31, 2019	
<b>3.21 Revenue from operations</b>			
Sale of energy (including sale to related party) (Refer note 14(C))	6,96,060	7,26,017	
<b>Other operating income:</b>			
Income on assets given on finance lease	59,563	90,271	
Interest from customer on delayed payments (including interest from related party) [Refer note 14(C)]	-	3,242	
Carbon credit emission	214	298	
Generation based incentive	390	303	
	<u>7,56,227</u>	<u>8,20,131</u>	
<b>3.22 (a) Other income</b>			
<b>Interest income:</b>			
Bank deposits	4,680	8,509	
Inter-corporate deposits [Refer note 14(C)]	4,068	9,079	
Others	481	208	
Income from investments mandatorily measured at FVPL			
Investment in mutual funds	-	729	
Net Gain on sale of financial assets mandatorily measured at FVPL			
Investment in mutual funds	495	1,266	
Gain on foreign exchange fluctuations (net)	7,697	4,990	
Provision written back	25,738	14	
Net gain on derivatives not designated as hedge	-	1,338	
Government Grant (Refer note 23)	5,307	5,307	

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
Consultancy Income	14,092	-
Other non-operating income	1,456	1,855
	<u>64,014</u>	<u>33,295</u>
<b>(b) Income from Discontinued Operations</b>		
Interest income (Refer note 41)	-	413
	<u>-</u>	<u>413</u>
<b>3.23 Cost of fuel consumed (including cost of coal excavation)</b>		
<b>(a) Purchased coal consumed</b>		
Opening balance of fuel	24,322	2,606
Add: Purchases during the year	1,59,997	1,87,484
Less : Closing balance of fuel	<u>(28,616)</u>	<u>(24,322)</u>
	155,703	1,65,768
<b>(b) Coal excavation cost</b>		
Opening balance of fuel	5,348	5,744
Amortisation of mining properties	78,999	66,070
Taxes and duties	42,935	40,299
Fuel consumed	5,652	5,501
Stores and spares	4,084	4,275
Depreciation	1,426	1,209
Other expenses	3,062	1,495
Less : Closing balance of fuel	<u>(7,549)</u>	<u>(5,348)</u>
	1,33,957	1,19,245
<b>Total (a)+(b)</b>	<u>2,89,660</u>	<u>2,85,013</u>
<b>3.24 Employee benefits expense</b>		
Salaries, bonus and other allowances	18,781	16,563
Contribution to provident fund and other funds (Refer note 12)	713	668
Gratuity and Leave encashment (Refer note 12)	801	815
Staff welfare expenses	638	604
	<u>20,933</u>	<u>18,650</u>
<b>3.25(a) Finance cost</b>		
<b>Interest on:</b>		
Rupee term loans	1,76,232	1,83,642
Foreign currency loans	47,335	44,874
Inter corporate deposits [Refer note 14(C)]	20,691	16,351
Non convertible debentures	13,288	10,676
Working capital loans	33,229	30,801
Unwinding of discount on mine closure provision	181	169
Other finance charges (including fair value change and loss arising on settlement of derivative contracts)	9,568	29,668
Other finance charges [Refer note 14(C)]	4,873	4,467
	<u>3,05,397</u>	<u>3,20,648</u>
<b>(b) Finance cost of Discontinued Operations</b>		
Other finance charges	1,475	201
	<u>1,475</u>	<u>201</u>

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
<b>3.26(a) Generation, administration and other expenses</b>		
Stores and spares consumed	10,395	10,329
Rent expenses (including rent to related party) [Refer note 14(C)]	2,371	1,809
Repairs and maintenance		
- Plant and equipment	13,373	13,827
- Buildings	361	530
- Others	610	1,394
Fuel handling and service charges	974	894
Stamp duty and filing fees	5	28
Printing and stationery	4	439
Legal and professional charges (including shared service charges)	12,335	5,676
Rates and taxes	960	585
Insurance (including Insurance charges to related party) (Refer note 14(C))	7,235	6,929
Loss on sale of property, plant and equipment	-	291
Loss on foreign exchange fluctuations	9,881	7,615
Loss on investment	398	-
Provision for doubtful debts / amount written-off	41,717	15,055
Less: reversal of provision for doubtful debts / assets	(5,973)	-
Impairment of capital work in progress	-	3,500
Electricity duty expense	33,856	32,813
Expenditure towards Corporate Social Responsibility (Refer note 30)	386	684
Miscellaneous expenses	14,483	17,133
	<u>1,43,371</u>	<u>1,19,532</u>
<b>(b) Expenses of Discontinued Operations</b>		
Legal and professional charges (including shared service charges)	1	2
Rates and taxes	1	@
Loss on sale of property, plant and equipment	53	-
Provision for doubtful debts / amount return-off	-	3,971
Miscellaneous expenses	@	-
	<u>55</u>	<u>3,973</u>

@ Amount is below the rounding off norms adopted by the Group

#### 4) Contingent liabilities/ assets and commitments

- (a) Bank Guarantees issued for the subsidiary companies aggregating to ₹ 18,301 lakhs (March 31, 2019: ₹ 23,772 lakhs).
- (b) The Parent Company has not provided for direct tax demand of ₹ 10,970 lakhs (March 31, 2019: ₹ 5,349 lakhs) and indirect tax demand of ₹ 114 lakhs (March 31, 2019: ₹ 114 lakhs), which are pending before various authorities.
- (c) In case of RPSCCL, disputed income tax dues for Assessment Year 2013-14 is ₹ 66 lakhs (March 31, 2019: ₹ 66 lakhs), Assessment Year 2014-15 is ₹ 647 lakhs (March 31, 2019: ₹ 65 lakhs), Assessment Year 2016-17 is ₹ 709 lakhs (March 31, 2019: ₹ 900 lakhs), for Assessment year 2017-18 is ₹ 140 lakhs (March 31, 2019: ₹ Nil) and for Assessment year 2008-09 to Assessment year 2020-21 is ₹ 9 lakhs (March 31, 2019: ₹ Nil).
- (d) In case of VIPL, income tax claim aggregating to ₹ 93 lakhs March 31, 2019: ₹ 77 lakhs).
- (e) In case of CAPL, the Government of Andhra Pradesh (GoAP) (Revenue Department) has levied a penalty of ₹ 137 lakhs (March 31, 2019: ₹ 137 lakhs) at the rate of 50% on account of non-payment of conversion fee of ₹ 274 lakhs (March 31, 2019: ₹ 274 lakhs) towards conversion of agriculture land to nonagricultural land. CAPL has filed an appeal with the GoAP for waiver of the said penalty.
- (f) RSTEPL has declared its Concentrated-Solar Power (CSP) plant as commercially operational (COD) as per terms of Power Purchase Agreement (PPA) on November 17, 2014 against the scheduled commissioning date (SCD) of March 07, 2014 as per terms of PPA. The Company has filed a petition before Central Electricity Regulatory Commission

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(CERC) for extension of SCD. Pleadings in the said petition have been completed and the matter is to be listed for hearing.

- (g) As per the terms of the PPA entered with NTPC Vidyut Vyapar Nigam Limited (NVVN), the Company was required to generate minimum committed energy of 219 Million Units in the contract year subsequent to declaration of commercial operation date (COD), else shortfall penalty is payable as per the terms of the PPA. The Company received minimum energy shortfall claim of ₹ 16,830 lakhs from NVVN for FY 2014-15, FY 2015-16, FY 2017-18 and FY 2018-19 and company has filed Petition before Central Electricity Regulatory Commission (CERC) challenging the claim. NVVN has adjusted ₹ 3,252 lakhs from the monthly invoices of the Company till the date company obtained the stay from Delhi High Court (DHC). Subsequent to grant of stay by DHC, NVVN has been paying against the Invoices. Considering the assessment of the above facts, and as legally advised, the Company has not considered the requirement for any provision.
- (h) In case of SMPL, CERC vide its order dated April 06, 2015 has directed 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 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 SMPL in this matter amounts to a sum total of ₹ 1,170 lakhs subject to the outcome of the 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).

- (i) In case of SMPL, disputed income tax dues for the assessment year 2014-15 and 2015-16 is ₹ 41 lakhs (March 31, 2019: ₹ 41 lakhs) and ₹ 411 lakhs (March 31, 2019: ₹ 411 lakhs) respectively.
- (j) In case of SPL:
- (i) SPL has received net claims amounting to ₹ 974 lakhs (March 31, 2019: ₹ 974 lakhs) from 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 dispute is under arbitration.
- (ii) SPL has received a claim of ₹ 2,568 lakhs (March 31, 2019: ₹ 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 same is pending before the Hon'ble High Courts.
- (iii) The Company has disputed the methodology for quantification of tax liability on annual value of mineral bearing land, adopted by the District Authorities under Madhya Pradesh Gramin Avsanrachna Tatha Sadak Vikas Adhinyam (MPGATSWA/Act). The liability as per methodology adopted by the District Authorities stands as at ₹ 47,807 lakhs (March 31, 2019: ₹ 32,547 lakhs).

The Company 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 had filed a Review Petition before Jabalpur High Court against its order dated January 17, 2018 and the same was also rejected by Honorable High Court. The Company has filed a Civil Appeal before Honorable Supreme court where Honorable Supreme court has passed an interim order to pay the tax under MPGATSWA as per the methodology adopted by the Company and the Civil Appeal has been tagged with other Appeals filed in the Honorable Supreme Court where the constitutional validity of the Act is under consideration. In accordance with said interim order, Company is depositing tax under MPGATSWA as per the quantification done by the Company.

- (iv) SPL has not provided for income tax demand of ₹ 261 lakhs (March 31, 2019: ₹ 399 lakhs) which is pending before various authorities.
- (v) Differences in balances as per bank loan confirmation and books of accounts of ₹ 395 lakhs (March 31, 2019: ₹ Nil mainly on account of interest rate resetting are under reconciliation with the bankers. The Company expect to settle these soon and do not anticipate any further liability on account of Interest.
- (k) 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.

- (l) Estimated amount of contracts remaining unexecuted on capital account (net of advances paid) and not provided for ₹ 73,047 lakhs (March 31, 2019: ₹ 8,97,289 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 was incorporated to develop an imported coal-based Ultra Mega Power Project (UMPP) of 3,960 MW capacity located in Krishnapatnam, District Nellore, in the State of Andhra Pradesh.

The project was awarded to Reliance Power Limited (RPL) through international tariff-based competitive bidding process managed by Power Finance Corporation (PFC), the nodal agency appointed by Ministry of Power. PFC was required to set up special purpose vehicles for each UMPP and to undertake initial development of UMPPs in terms of land acquisition and key clearances and thereafter select a developer for development, financing, construction and operation of the UMPP. On emerging successful, 100% ownership of CAPL was transferred by PFC to RPL pursuant to execution of a Share Purchase Agreement (SPA); thereafter RPL became the Parent Company of CAPL.

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. The Government of Indonesia introduced a new regulation in September, 2010 which prohibited sale of coal, including sale to affiliate companies, at below Benchmark Price which is linked to international coal prices and required adjustment of sale price every 12 months. This regulation also mandated to align all existing long-term coal supply contracts with the new regulations within one year i.e. by September, 2011. The new Indonesian regulations led to steep increase in price of coal imported from Indonesia, making the Krishnapatnam UMPP unviable and as a result CAPL could not draw down already tied-up debt for the project. The said issue was communicated to the power procurers of the UMPP with a view to enter into mutual discussions to arrive at a suitable solution to the satisfaction of all the stakeholders. The impact of new Indonesian regulation, being an industry-wide issue which impacted all imported coal-based projects in the Country, was also taken up with GoI through the Association of Power Producers.

Since no resolution could be arrived, CAPL invoked the dispute resolution provision of the PPA. The procurers also issued a notice for termination of the PPA and raised a demand for liquidated damages of ₹ 40,000 lakhs.

CAPL 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 single judge of the High Court at Delhi vide order dated July 02, 2012 dismissed the petition and CAPL filed an appeal against the said order before the Division Bench of the High Court at Delhi. The Division Bench dismissed the appeal on January 15, 2019 and consequently the PPA between procurers and CAPL stood terminated. Thereafter, the procurers have encashed the Performance Bank Guarantees of ₹ 30,000 lakhs towards recovery of their liquidated damages claim.

CAPL has filed a petition before the Central Electricity Regulatory Commission (CERC) for referring the dispute to arbitration and the petition is currently pending adjudication by CERC. This has been shown as receivable from procurer (Refer Note No.3.8(g)).

As per the clause 6.7.1 of SPA among PFC, RPL and CAPL, on termination of PPA pursuant to Article 3.3.2 of PPA, PFC has a right to seek transfer of ownership of CAPL to PFC / entity designated by PFC. Accordingly, RPL has requested PFC to initiate process of transfer of ownership of CAPL and invite a procurers' meeting in that regard to decide on modalities of transfer.

### 7) Project status of Samalkot Power Limited (SMPL)

#### (a) Capital work in progress [1508 Mega Watt (MW) (754 MW X 2) Plant]

There is a 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, including marketing of equipment pursuant to an agreement with US-EXIM, 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)

The Parent Company, had entered into a Memorandum of Understanding (MOU) with the Government of Bangladesh (GoB) for developing a gas-based project of a 3000 MW capacity in a phased manner. Pursuant to the above, Reliance Bangladesh LNG and Power Limited (RBLPL), subsidiary of the Parent Company has taken 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.

RBLPL has signed all the project agreements (Power Purchase Agreement, Implementation Agreement, Land Lease Agreement and Gas Supply Agreement) with Government of Bangladesh authorities on September 01, 2019, and also inducted a strategic partner JERA Power International (Netherlands) - a subsidiary of JERA Co. Inc. (Japan) to invest 49% equity in RBLPL on September 02, 2019. Samsung C&T (South Korea) (SCTK) has been appointed as the EPC

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

contractor for the Bangladesh project. SMPL has signed an Equipment Supply Contract on 11 March, 2020 to sell equipment of one module.

Considering the aforesaid developments, management of the Company is confident that RBLPL will be able to execute the project and the Company will be able to realize the proceeds for transfer of one Module in the near future. The proceeds from the sale of module 1 will be sufficient to repay a major portion of the outstanding loan.

Having regard to the above plans, and the continued financial support from the Parent Company, the 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) Status of Dadri Project

The Parent Company proposed to develop a 7,480 MW gas-based power project to be located at Dadri, District Hapur, Uttar Pradesh in the year 2003. The Government of Uttar Pradesh (the GoUP) in the year 2004 acquired 2,100 acres of land and conveyed the same to the Parent Company in the year 2005. However, certain land owners challenged the acquisition of land by the GoUP for the project before the Hon'ble Allahabad High Court. The Hon'ble Allahabad High Court quashed a part of land acquisition proceedings. Subsequently, in the appeals filed by the Parent Company and land owners against the findings of the Hon'ble Allahabad High Court, the Hon'ble Supreme Court held the land acquisition proceedings as lapsed but upheld the right of the Parent Company to recover the amount paid in any other proceeding. Considering the above facts, the Parent Company has classified assets related to the Dadri project under the head 'Non-current assets classified as held for sale'. During the year ended March 31, 2020, out of Prudence of the Parent Company has fully provided for receivables of ₹ 15,005 lakhs against the project. (Refer note 33(a)).

9) Status of RSTEPL Project

Considering accounting policy of capitalisation and on achieving the intended performance of the plant basis the current structure and capital expenditure incurred, RSTEPL has capitalised its plant on October 01, 2018. Leaving DNI (direct normal irradiance) uncertainty aside, in terms of operating performance, for a given level of DNI input (in terms of its quantity and quality), plant is able to generate predictable level of energy.

Post capitalisation, as explained above, the plant has been operating at a sub-optimum level due to various factors such as lower DNI, availability of the experts for the technology, the technology being nascent and very few plants of this size being operating across the world.

10) Exchange differences on foreign currency monetary items

As explained above in note 2.1(n) exchange loss / (gain) of ₹ 56,672 lakhs and ₹ 39,156 lakhs [March 31, 2019: ₹ 28,435 lakhs and (₹ 41,890 lakhs)] on long term borrowings has been added to / reduced from the cost of PPE and Capital-work-in-progress respectively.

In case of RPSCL and VIPL, the Group has accumulated the exchange differences in 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA) of ₹ 7,573 lakhs (March 31, 2019: ₹ 9,580 lakhs) and shall amortize the same over the term of the foreign currency monetary item.

11) Leases

(a) As a lessor-Finance Lease Receivables [Refer note 2.1 (t)]

	₹ in lakhs	
Particulars	March 31, 2020	March 31, 2019
Current finance lease receivables	29,876	49,123
Non-current finance lease receivables	4,24,085	8,00,847
<b>Total</b>	<b>4,53,961</b>	<b>8,49,970</b>
<b>Minimum lease payments</b>		
Particulars	March 31, 2020	March 31, 2019
Not later than one year	85,614	1,55,291
Between one year and five year	2,81,563	5,39,862
Later than five year	4,97,398	10,40,483
<b>Total</b>	<b>8,64,575</b>	<b>17,35,636</b>
Less: Unearned finance income	6,65,437	13,15,214
Less: Expected cash outflows	-	3,151
Less: Uncollectible lease payments	-	(10,048)
Add: Unguaranteed residual value	2,54,823	4,22,651
<b>Total</b>	<b>4,53,961</b>	<b>8,49,970</b>



# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
<b>Present value of minimum lease payments</b>		
Not later than one year	29,876	49,123
Between one year and five year	93,452	1,76,461
Later than five year	75,810	1,94,838
<b>Total</b>	<b>1,99,138</b>	<b>4,20,422</b>

In RPSCL, the finance lease receivables, accounted for as finance lease in accordance with Ind AS 116 "Leases" 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 Pulverised 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 2020 and 2019.

In VIPL, the finance lease receivables, accounted for as finance lease in accordance with Ind AS 116 "Leases", relate to the 25-year power purchase agreement under which VIPL sells all of its electricity output of its coal based generation capacity of 600 MW at Butibori village in Nagpur, Maharashtra. However same is converted to PPE during the year. (Refer note 37)

The effective interest rate Implicit in the finance lease was approximately 13.26% for 2019.

### (b) As a lessee

#### A. Right to use of Assets

Particulars	₹ in lakhs		
	Office Premises	Land	Total
<b>Cost</b>			
Opening balance as on April 01, 2019	-	-	-
Add : Addition	209	2,576	2,784
	<u>209</u>	<u>2,576</u>	<u>2,784</u>
<b>Accumulated Depreciation</b>			
Opening balance as on April 01, 2019	-	-	-
Depreciation for the year	17	58	75
	<u>17</u>	<u>58</u>	<u>75</u>
<b>Carrying amounts</b>			
At April 01, 2019	-	-	-
<b>At March 31, 2020</b>	<b>191</b>	<b>2,518</b>	<b>2,709</b>

#### B. Lease Liability

Particulars	As at	
	March 31, 2020	March 31, 2019
Current	174	-
Non-current	2593	-
	<u>2,768</u>	<u>-</u>
<b>C. Amount recognised in profit and loss</b>		
Expenses recognised during the year	98	-
<b>D. Amounts recognised in the statement of cash flows</b>		
Payments for lease	73	-
Deposit for lease	22	-
Prepayment for lease	4	-
<b>Total</b>	<b>99</b>	<b>-</b>

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

12. Employee Benefit Obligations

The Group has classified various employee benefits as under:

(a) Leave obligations

The leave obligations cover the group's liability for sick and privileged leave.

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
Provision for leave encashment		
Current*	554	260
Non-current	1,873	1,766

\* The Group 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
- (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:

Particulars	₹ in lakhs	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Contribution to defined contribution plans (provident and other funds)	732	767

(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, 2020	March 31, 2019
Discount Rate (per annum)	6.30%	7.10%
Rate of increase in compensation levels	7.50%	7.50%
Rate of return on plan assets	6.30%	7.10%

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

Particulars	₹ in lakhs		
	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2018	2,056	1,039	1,017
Current service cost	314	-	314
Past Service cost	22	26	(4)
Interest cost	121	48	72
Total amount recognised in profit and loss	457	74	382
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	29	(29)

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ in lakhs		
	Present value of obligation	Fair value of plan assets	Net amount
(Gain) / loss from change in demographic assumptions	-	-	-
(Gain) / loss from change in financial assumptions	84	-	84
Experience (gains) / losses	54	-	54
Total amount recognised in other comprehensive income	138	29	109
Employer contributions	-	-	-
Benefit payments	(133)	(133)	-
Amount not recognised due to assets limit	-	-	-
March 31, 2019	2,518	1,009	1,508

Particulars	₹ in lakhs		
	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2019	2,518	1,009	1,508
Current service cost	343	-	343
Past Service cost	-	400	(400)
Interest cost	162	59	103
<b>Total amount recognised in profit and loss</b>	<b>505</b>	<b>459</b>	<b>46</b>
<b>Remeasurements</b>			
Return on plan assets, excluding amount included in interest expense/(income)	-	(16)	16
(Gain) / loss from change in demographic assumptions	38	-	38
(Gain) / loss from change in financial assumptions	110	-	110
Experience (gains) / losses	54	-	54
<b>Total amount recognised in other comprehensive income</b>	<b>202</b>	<b>(16)</b>	<b>218</b>
Employer contributions	-	324	(324)
Benefit payments	(176)	(172)	(4)
Amount not recognised as an assets	-	-	-
<b>March 31, 2020</b>	<b>3049</b>	<b>1,604</b>	<b>1,445</b>

The net liability disclosed above relates to funded and unfunded plans is as follows:

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
Present value of obligations	2,877	2,354
Fair value of plan assets	1,533	931
<b>(Surplus) / Deficit of funded plan</b>	<b>1,344</b>	<b>1,423</b>
Present value of obligations	172	162
Fair value of plan assets	72	79
<b>(Surplus) / Deficit of unfunded plan</b>	<b>100</b>	<b>83</b>
<b>(Surplus) / Deficit of funded / unfunded plan</b>	<b>1,445</b>	<b>1,506</b>
Current Portion	16	25
Non-Current Portion	1,429	1,481

### (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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount rate	0.50%	0.50%	(2.56%)	(2.45%)	2.70%	2.24%
Rate of increase in compensation levels	0.50%	0.50%	2.65%	1.69%	(2.55%)	(2.46%)

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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 plans are administrated by Life Insurance Corporation of India (LIC) and Reliance Nippon Life Insurance Company Limited (RLIC).

- (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 recognise 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.

13. Group's assets pledged as security

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
<b>Non – current</b>		
<b>First charge</b>		
<b>Financial assets</b>		
Finance lease receivable	4,24,085	800,847
Other financial assets	9,256	13,024
Investments	23	23
Loans	1,314	-
<b>Non financial assets</b>		
Property, plant and equipment	27,78,317	25,80,699
Capital work-in-progress	1,99,947	172,393
Other intangible assets	3,347	3,703
Other non-current assets	57,875	78,896
<b>Total Non-current assets pledged as security (A)</b>	<b>34,74,163</b>	<b>36,49,585</b>
<b>Current</b>		
<b>First charge</b>		
Financial assets		
Investment	3,021	22,366
Trade receivable	2,36,476	2,73,811
Cash and bank balance	18,673	25,917
Loans	10,433	282
Finance lease receivable	29,876	49,123
Other financial assets	41,990	53,385
<b>Non-financial assets</b>		
Inventories	1,01,156	1,00,911
<b>Other current assets</b>	<b>10,004</b>	<b>13,782</b>
<b>Total current assets pledged as security (B)</b>	<b>4,51,629</b>	<b>5,39,577</b>
<b>Total assets pledged as security (A+B)</b>	<b>39,25,792</b>	<b>41,89,162</b>

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

### 14. 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 (RInfra) (Upto January 09, 2020)

##### (ii) Individual

Shri Anil D. Ambani (Chairman)

#### 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 influence.

- (a) Reliance Communications Limited (RCOM)
- (b) Reliance Infocom Infrastructure Private Limited (RIIL)
- (c) Reliance Capital Limited (RCAP)
- (d) Reliance Commercial Finance Limited (RCFL)
- (e) Reliance General Insurance Company Limited (RGICL)
- (f) Reliance Big Entertainment Private Limited (RBEPL)
- (g) BSES Rajdhani Power Limited (BRPL)
- (h) BSES Yamuna Power Limited (BYPL)
- (i) Reliance Infrastructure Limited (R Infra) (w.e.f. January 10, 2020)
- (j) Reliance Corporate Advisory Services Limited (RCASL)
- (k) Reliance Home Finance Limited (RHFL)

##### (ii) Key Managerial Personnel

###### For Parent Company

- (a) Shri N. Venugopala Rao (Whole-time Director – upto June 30, 2018) (Chief Executive Officer) (Chief Financial Officer) (upto May 01, 2018)
- (b) Shri K. Raja Gopal (Chief Executive Officer w.e.f., May 02, 2018) and (Whole-time-Director w.e.f., July 01, 2018)
- (c) Shri Murli M. Purohit – Company Secretary
- (d) Shri Shrenik Vaishnav (Chief Financial Officer) (Upto March 31, 2020)
- (e) Shri Sandeep Khosla (Chief Financial Officer) (w.e.f April 01, 2020)

##### (iii) Entities over which parent/ group is having significant influence

- (a) RPL Sun Power Private Limited (RSUNPPPL)
- (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, 2020

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 Group directly or indirectly [14 A(i)]	Key managerial personnel [14 B(ii)]	Enterprises over which Companies/ individual described in clause (A) above have control/ significant influences [14 B(i)]	Associates [14 B (iii)]	Total
<b>Transactions during the year</b>						
1	Sale of energy (net of Rebate)	<b>4,492</b>	-	<b>42,558</b>	-	<b>47,050</b>
		54,415	-	41,825	-	96,240
2	Interest on delayed payment	-	-	-	-	-
		3,242	-	-	-	3,242
3	Interest income on inter corporate deposits	<b>1,323</b>	-	-	-	<b>1,323</b>
		1,995	-	1,126	-	3,121
4	Remuneration to key managerial personnel	-	<b>451</b>	-	-	<b>451</b>
	Short Term employee benefits	-	459	-	-	459
5	Reimbursement of expenses	-	-	-	-	-
		239	-	3	-	242
6	Rent expenses	<b>422</b>	-	-	-	<b>422</b>
		267	-	-	-	267
7	Interest expenses towards Intercorporate deposits and non-convertibles debentures	<b>9,966</b>	-	<b>14,390</b>	-	<b>24,356</b>
		7,842	-	8,289	-	16,131
8	Insurance premium	-	-	<b>6,760</b>	-	<b>6,760</b>
		-	-	6,063	-	6,063
9	Insurance claim received / accrued	-	-	<b>1,737</b>	-	<b>1,737</b>
		-	-	1,839	-	1,839
10	Refund of Advances given against EPC/ other contract	-	-	-	-	-
		12,628	-	-	-	12,628
11	Assets purchased	-	-	-	-	-
		11	-	-	-	11
12	Material and services received	<b>504</b>	-	-	-	<b>504</b>
		1,530	-	-	-	1,530
13	Short term borrowing received	<b>9,296</b>	-	-	-	<b>9,296</b>
		1,61,699	-	32,177	-	1,93,876
14	Short term borrowing refunded	<b>15,280</b>	-	<b>500</b>	-	<b>15,780</b>
		80,366	-	23,168	-	1,03,534
15	Inter corporate deposit given	<b>1,282</b>	-	-	-	<b>1,282</b>
		2,753	-	-	-	2,753
16	Trade receivables written off	<b>1,589</b>	-	<b>1,512</b>	-	<b>3,101</b>
		-	-	-	-	-
17	Payment of Retention balance	-	-	-	-	-
		2,200	-	-	-	2,200
18	Written off of ICD given to (including interest accrued thereon)	-	-	-	-	-
		-	-	1,43,037	-	1,43,037
19	Assignment of ICD taken (incl. interest)	<b>41,031</b>	-	-	-	<b>41,031</b>
		-	-	-	-	-
20	Assignment of ICD given (Incl interest)	<b>21,964</b>	-	-	-	<b>21,964</b>
		-	-	-	-	-

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

₹ in lakhs

SN	Nature of transactions	Investing parties having significant influence on the Group directly or indirectly [14 A(i)]	Key managerial personnel [14 B(ii)]	Enterprises over which Companies/ individual described in clause (A) above have control/ significant influences [14 B(i)]	Associates [14 B (iii)]	Total
21	Assignment of trade receiver	<b>19,258</b>	-	-	-	<b>19,258</b>
		-	-	-	-	-
22	Provision for capital advances	<b>2,127</b>	-	-	-	<b>2,127</b>
		-	-	-	-	-
22	Assignment of other liabilities	<b>191</b>	-	-	-	<b>191</b>
		-	-	-	-	-
<b>Outstanding Closing Balances :</b>						
23	Financial liabilities	<b>2,78,049</b>	-	<b>43,812</b>	-	<b>3,21,861</b>
		2,60,882	-	2,950	-	2,63,832
24	Other current liability	-	-	-	-	-
		-	-	3	-	3
25	Retention payable towards EPC contract	<b>3,765</b>	-	-	-	<b>3,765</b>
		3,529	-	-	-	3,529
26	Advances against EPC and other contracts	<b>1,24,677</b>	-	-	-	<b>1,24,677</b>
		1,26,925	-	-	-	1,26,925
27	Short term borrowing - ICD	<b>74,948</b>	-	<b>74,177</b>	-	<b>1,49,125</b>
		1,10,448	-	57,677	-	1,68,125
28	Receivables -financial assets	<b>1,13,504</b>	-	<b>7,388</b>	-	<b>1,20,892</b>
		1,36,661	-	7,852	-	1,44,513
29	Inter corporate deposits receivable	<b>4,035</b>	-	-	-	<b>4,035</b>
		21,756	-	-	-	21,756
30	Equity share capital contribution	@	-	-	-	@
		@	-	-	-	@
<b>Capital Commitment :-</b>						
31	Capital commitment	<b>69,855</b>	-	-	-	<b>69,855</b>
		8,85,580	-	-	-	8,85,580

@ 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)

Details of material transactions : Sale of energy (net of rebate) includes ₹ 4,492 lakhs to Rinfra for March 31, 2020 (March 31, 2019 ₹ 54,415 lakhs), provision of ICD given includes Nil to RBEPL and ₹ Nil to RCOM (March 31, 2019 ₹ 15,903 lakhs to RBEPL and ₹ 1,27,134 lakhs to RCOM) and financial liabilities ₹ 2,78,049 lakhs to Rinfra (March 31, 2019: ₹ 2,60,882 lakhs).

### Note

- The above disclosures do not include transactions with public utility service providers, viz, electricity, telecommunications in the normal course of business.
- Transactions and balances with related parties which are in excess of 10% of the total revenue and 10% of the networth respectively of the Group are considered as material transactions.
- During the year 2019-20, the Group has paid sitting fees of ₹ 2 lakhs (March 31, 2019: ₹ 1 lakh) to Individual mentioned in A (ii) above
- Transactions with related parties are made on terms equivalent to those that prevail in case of arm's length transactions.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

15. Earnings per share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Profit available to equity shareholders</b>		
Profit / (Loss) for Basic and Diluted Earning per Share for Continuing Operations		
Before effect of withdrawal from Scheme (A) (₹ in lakhs)	<b>(4,06,048)</b>	(3,93,036)
After effect of withdrawal from Scheme (B) (₹ in lakhs)	<b>(4,06,048)</b>	(2,91,334)
Profit / (Loss) of Discontinued Operations (C) (₹ in lakhs)	<b>(1,611)</b>	(3,847)
Profit / (Loss) of Continued and Discontinued operations		
Before effect of withdrawal from Scheme (D) (₹ in lakhs)	<b>(4,07,659)</b>	(3,96,884)
After effect of withdrawal from Scheme (E) (₹ in lakhs)	<b>(4,07,659)</b>	(2,95,182)
<b>Number of equity shares</b>		
Weighted average number of equity shares outstanding (Basic) (F)	<b>2,80,51,26,466</b>	2,80,51,26,466
Basic and diluted earnings per share for Continued Operations		
Before effect of withdrawal from Scheme (A / F) (₹)	<b>(14.475)</b>	(14.011)
After effect of withdrawal from Scheme (B / F) (₹)	<b>(14.475)</b>	(10.386)
Basic and diluted earnings per share for Discontinued Operations (C/F)(₹)	<b>(0.057)</b>	(0.137)
Basic and diluted earnings per share for Continued and Discontinued Operations		
Before effect of withdrawal from Scheme (D / F) (₹)	<b>(14.532)</b>	(14.149)
After effect of withdrawal from Scheme (E / F) (₹)	<b>(14.532)</b>	(10.523)
Nominal value of an equity share (₹)	<b>10</b>	10

16. 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).

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.

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
<b>Current assets</b>		
Inventories	<b>262</b>	262
Short term loan and advances	-	359
Cash and cash equivalent	-	3
<b>Current liabilities</b>		
Other current liabilities	-	-

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.



# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

### 17. Income Taxes

The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are as under:

<b>(a) Income tax recognised in Statement of Profit and Loss</b>		₹ in lakhs	
<b>Particulars</b>	<b>March 31, 2020</b>	March 31, 2019	
<b>Income tax expense</b>			
Current tax (net of earlier year)	<b>4,494</b>	5,626	
Deferred tax	<b>(2,128)</b>	(3,848)	
Income tax expense	<b>2,366</b>	1,778	

<b>(b) The reconciliation of tax expense and the accounting profit multiplied by tax rate :</b>		₹ in lakhs	
<b>Particulars</b>	<b>March 31, 2020</b>	March 31, 2019	
Profit before income tax expense	<b>(4,24,782)</b>	(2,93,404)	
<b>Income tax expense at tax rates applicable to individual entity</b>	<b>(84,116)</b>	(55,997)	
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :			
Expenses (admissible) / inadmissible under Income Tax Act (net)	<b>82,992</b>	47,871	
Effect of finance lease reduction from lease receivable/ recoverable from beneficiaries	<b>(3,866)</b>	(17,015)	
Effect of tax on account of available tax holiday under section 80IA of the Income tax Act	<b>(9,858)</b>	(4,325)	
Losses of subsidiaries on which no deferred tax asset was recognised / not admissible loss	<b>27,708</b>	32,961	
Minimum alternate tax on which no deferred tax recognised	<b>4,486</b>	5,449	
Deferred tax assets to extent of liability of earlier year recognised in current year	<b>-</b>	(1,252)	
Other items (net)	<b>(14,980)</b>	(5,914)	
<b>Income tax expense</b>	<b>2,366</b>	1,778	

<b>(c) Tax liabilities (net of assets)</b>		₹ in lakhs	
<b>Particulars</b>	<b>March 31, 2020</b>	March 31, 2019	
Provision for income tax (advance tax) – Opening balances	<b>18,514</b>	15,650	
Add: Current tax payable for the year	<b>4,494</b>	5,626	
Less: Taxes paid (net of refund)	<b>(11,892)</b>	(2,762)	
<b>Provision for income tax (advance tax) (net) – Closing balances</b>	<b>11,116</b>	18,514	

<b>(d) Deferred tax assets/ (Liabilities) (Refer note 3.15)</b>		₹ in lakhs		
<b>Particulars</b>	<b>Property, plant and equipment</b>	<b>Government Grant</b>	<b>Finance lease receivables</b>	<b>Total</b>
At April 01, 2018	(1,66,041)	68,614	(1,36,235)	(2,33,662)
(Charged)/credited to profit and loss	10,310	(8,347)	1,885	3,848
At April 01, 2019	(1,55,731)	60,267	(1,34,350)	(2,29,814)
(Charged)/credited to profit and loss	(1,60,973)	(2,315)	1,65,416	2,128
<b>At March 31, 2020</b>	<b>(3,16,704)</b>	<b>57,952</b>	<b>31,066</b>	<b>(2,27,686)</b>

#### Component on which Deferred tax asset not recognised:-

Component on which deferred tax asset has not been recognised by the group for the year ended March 31, 2020 includes unabsorbed depreciation ₹ 2,46,839 lakhs, (March 31, 2019 ₹ 2,24,022 lakhs) business losses ₹ 98,046 lakhs (March 31, 2019 ₹ 70,552 lakhs) and others ₹ 12,004 lakhs (March 31, 2019 ₹ 24,350 lakhs).

The Group also has unutilised unrecognised MAT credit of ₹ 1,23,760 lakhs for the year ended March 31, 2020 (March 31, 2019 ₹ 1,37,029 lakhs).

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(e) Unused tax*		₹ in lakhs	
Particulars	March 31, 2020	March 31, 2019	
Unused tax losses for which no deferred tax asset has been recognised	3,56,889	3,18,924	
Potential tax benefit (includes unabsorbed depreciation)	92,442	96,675	

\*The unused tax losses were incurred which is not likely to generate taxable income in the foreseeable future.

Year wise expiry of such losses as at March 31, 2020 is as under: ₹ in lakhs

Particulars	March 31, 2020
<b>Year wise expiry</b>	
Expiring within 1 year	17,407
Expiring within 1 to 5 years	12,170
Expiring within 5 to 8 years	80,471
Without expiry limit	2,46,841
<b>Total</b>	<b>3,56,889</b>

18. The information as required by para 35 of the Guidance Note on Accounting for Self-generated Certified Emission Reductions (CER relating to certified emission rights issued by Institute of Chartered Accountants of India are as follows:

SN Particulars		₹ in lakhs	
		March 31, 2020	March 31, 2019
a)	No. of CERs held as inventory and the basis of valuation	-	-
b)	No. of CERs under certification	56,156	69,671
c)	Depreciation and operating & maintenance costs of Emission Reduction equipment expensed during the year	-	-

19. Fair value measurements

(a) Financial instruments by category

Particulars	As at March 31, 2020		As at March 31, 2019	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial Assets</b>				
Loans	-	54,696	-	67,707
Finance lease receivable	-	4,53,961	-	8,49,970
Term deposit with more than 12 months maturity	-	14	-	150,445
Non current bank balances	-	2,181	-	1,178
Derivative assets	6,948	-	11,875	-
Investment in mutual funds	3,021	-	22,366	-
Trade receivables	-	2,36,452	-	2,73,811
Unbilled revenue	-	5,231	-	10,916
Cash and cash equivalents	-	12,494	-	2,888
Other bank balances	-	15,949	-	24,225
Government bond	-	23	-	23
Other financial assets	-	61,915	-	66,927
<b>Total financial assets</b>	<b>9,969</b>	<b>8,42,916</b>	<b>34,241</b>	<b>14,48,090</b>
<b>Financial liabilities</b>				
Borrowings	-	30,03,779	-	30,95,837
Retention money payable	-	5,667	-	1,10,835
Creditors for capital expenditure	-	2,71,133	-	2,54,657
Derivative liability	8,270	-	12,268	-
Trade payables	-	43,436	-	42,744
Creditors for supply and services	-	9,293	-	9,508
Security deposit received	-	181	-	151
Unclaimed dividend	-	299	-	299
Other financial liabilities	-	163,074	-	36,819
<b>Total financial liabilities</b>	<b>8,270</b>	<b>34,96,863</b>	<b>12,268</b>	<b>35,50,850</b>

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

### (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 the fair values of financial instruments such as short-term trade receivables, trade payables, cash and cash equivalents, Fixed deposits, Security deposits etc. as carrying value is reasonable approximation of the 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 table.

₹ in lakhs

<b>Financial assets and liabilities measured at fair value measurements as at March 31, 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
<b>Financial Investments at FVPL</b>				
Derivative assets	-	6,948	-	6,948
Investments in mutual funds	-	3,021	-	3,021
<b>Total financial assets</b>	<b>-</b>	<b>9,969</b>	<b>-</b>	<b>9,969</b>
<b>Financial liabilities</b>				
Derivative liability	-	8,270	-	8,270
<b>Total financial liability</b>	<b>-</b>	<b>8,270</b>	<b>-</b>	<b>8,270</b>
<b>Assets and liabilities which are measured at amortised cost for which fair values are disclosed at March 31, 2020</b>				
<b>Financial Assets</b>				
Loans	-	-	40,786	<b>40,786</b>
Finance lease receivable	-	5,00,756	-	<b>5,00,756</b>
Government Bonds	23	-	-	<b>23</b>
Term deposits with more than 12 months maturity	-	14	-	<b>14</b>
Non-current bank balance	-	2,181	-	<b>2,181</b>
Other financial assets	-	-	751	<b>751</b>
<b>Total Financial Assets</b>	<b>23</b>	<b>5,02,951</b>	<b>41,537</b>	<b>5,44,511</b>
Borrowings	-	23,00,829	2,62,707	<b>25,63,536</b>
Retention money payable	-	-	3,765	<b>3,765</b>
Lease Liability	-	-	2,593	<b>2,593</b>
<b>Total financial liabilities</b>	<b>-</b>	<b>23,00,829</b>	<b>2,69,064</b>	<b>25,69,893</b>
₹ in lakhs				
<b>Financial assets and liabilities measured at fair value measurements as at March 31, 2019</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
<b>Financial Investments at FVPL</b>				
Derivative assets	-	11,875	-	11,875
Investments in mutual funds	-	22,366	-	22,366
Government Bond	23	-	-	23
<b>Total financial assets</b>	<b>23</b>	<b>34,241</b>	<b>-</b>	<b>34,264</b>
<b>Financial liabilities</b>				
Derivative liabilities	-	12,268	-	12,268
<b>Total financial liabilities</b>	<b>-</b>	<b>12,268</b>	<b>-</b>	<b>12,268</b>

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Assets and liabilities which are measured at amortised cost for which fair values are disclosed at March 31, 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Finance lease receivable	-	9,10,364	-	9,10,364
Other financial assets	-	-	750	750
<b>Total Financial Assets</b>	-	9,10,364	750	9,11,114
<b>Financial Liabilities</b>				
Borrowings	-	24,42,590	2,43,828	26,86,418
<b>Total financial liabilities</b>	-	24,42,590	2,43,828	26,86,418

(c) **Fair value of financial assets and liabilities measured at amortised cost**

₹ in lakhs

<b>Fair value of financial assets and liabilities measured at amortised cost</b>	<b>March 31, 2020</b>		March 31, 2019	
	<b>Carrying amount</b>	<b>Fair value</b>	Carrying amount	Fair value
<b>Financial assets</b>				
Loans	<b>40,786</b>	<b>40,786</b>	40,870	40,870
Finance lease receivables	<b>4,53,961</b>	<b>5,00,756</b>	8,49,970	9,10,364
Term deposits with more than 12 months maturity	<b>14</b>	<b>14</b>	-	-
Non-current bank balances (including margin money deposits towards bank guarantee)	<b>2,181</b>	<b>2,181</b>	1,178	1,178
Other financial assets	<b>751</b>	<b>751</b>	750	750
Government Bond	<b>23</b>	<b>23</b>	23	27
<b>Total financial assets</b>	<b>4,97,716</b>	<b>5,44,511</b>	8,92,791	9,53,189
<b>Financial Liabilities</b>				
Borrowings	<b>25,63,535</b>	<b>25,63,535</b>	22,01,942	26,86,418
Retention money payable	<b>3,765</b>	<b>3,765</b>	3,965	3,965
Lease liability	<b>2,593</b>	<b>2,593</b>	-	-
<b>Total financial liabilities</b>	<b>25,69,893</b>	<b>25,69,893</b>	22,05,907	26,90,383

(d) **Valuation technique used to determine fair values**

Specific valuation technique used to determine the fair values:

- Investment in mutual 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.
- Interest rate swaps is calculated as the present value of the estimated future cash flows based on observable curves.
- Forward foreign exchange contracts is determined using Bloomberg forward contract pricing model, which determines fair value on a discontinued cash flow basis.
- Foreign currency option contracts is determined using the Black Scholes valuation model.
- Remaining 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 be evaluated for their carrying amounts based on any 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: 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.

## 20. 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 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. 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, 2020

Periodic budgets and rolling forecasts are prepared at the level of operating subsidiaries as regular practice and in accordance with limits specified by the Group. There is default in repayment of loans for ₹ 1,91,413 lakhs as at the end of the financial year. The Group has been pursuing proposed strategic transactions / sale of assets and overall financial restructuring, when executed, would make available the required liquidity for the continuing business and would also provide an extended maturity period for repayment of restructured balance debt.

(ii) **Maturities of financial liabilities**

The amounts disclosed in the table 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, 2020	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
<b>Non-Derivative</b>				
Interest bearing borrowing*	15,27,544	16,51,505	13,89,170	45,68,219
Trade payables	43,436	-	-	43,436
Creditors for supplies and services	5,873	-	-	5,873
Creditors for capital expenditure	2,71,133	-	-	2,71,133
Retention money payable	5,667	-	-	5,667
Others	1,63,552	-	-	1,63,552
<b>Total Non-Derivative</b>	<b>20,17,206</b>	<b>16,51,505</b>	<b>13,89,170</b>	<b>50,57,882</b>
<b>Derivative liability</b>				
Forward exchange contract use for hedging:				
Outflow	-	-	98,501	98,501
Inflow	-	-	(90,231)	(90,231)
<b>Total Derivative Liabilities</b>	<b>-</b>	<b>-</b>	<b>8,270</b>	<b>8,270</b>
<hr/>				
March 31, 2019	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
<b>Non-Derivative</b>				
Interest bearing borrowing*	14,93,316	12,88,800	15,61,639	43,43,755
Trade payables	42,744	-	-	42,744
Creditors for supplies and services	9,508	-	-	9,508
Creditors for capital expenditure	2,54,657	-	-	2,54,657
Retention money payable	1,10,835	-	-	1,10,835
Others	37,269	-	-	37,269
<b>Total Non-Derivative</b>	<b>19,48,329</b>	<b>12,88,800</b>	<b>15,61,639</b>	<b>47,98,768</b>
<b>Derivative liability</b>				
Forward exchange contract use for hedging:				
Outflow	323	76,029	22,472	98,824
Inflow	(282)	(63,385)	(19,001)	(82,668)
<b>Total Derivative Liabilities</b>	<b>41</b>	<b>12,644</b>	<b>3,471</b>	<b>16,156</b>

\*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.

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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.

- **Foreign currency risk exposure**

The Group exposure to foreign currency risk (all in USD) at the end of the reporting period expressed in Rupees, are as follows:

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
<b>Financial liabilities</b>		
Borrowings	<b>10,08,428</b>	10,00,227
Other	<b>2,30,214</b>	3,10,999
<b>Gross foreign currency exposure</b>	<b>12,38,642</b>	13,11,226
<b>Covered by hedging instruments</b>		
Forward contracts	<b>75,386</b>	71,523
Call spread	<b>73,878</b>	159,163
<b>Total Covered by hedging instruments</b>	<b>1,49,264</b>	2,30,686
<b>Net foreign currency exposure</b>	<b>10,89,378</b>	10,80,540

- **Sensitivity of foreign currency exposure**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	₹ in lakhs			
	Impact on profit / (loss) before tax / CWIP/ PPE**		Impact on equity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>USD sensitivity</b>				
FX rate - increase by 6% on closing rate on reporting date *	<b>(65,561)</b>	(66,152)	<b>(3,591)</b>	(5,971)
FX rate - decrease by 6% on closing rate on reporting date*	<b>61,113</b>	64,601	<b>3,591</b>	5,971

\*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(n) 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 to interest rate risk.

The Group's fixed rate borrowings and inter corporate deposits 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 borrowings to interest rate changes at the end of the reporting period is as follows:

Particulars	₹ in lakhs	
	March 31, 2020	March 31, 2019
Borrowings with variable rate	<b>14,08,926</b>	15,38,106

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

● **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 / Loss before tax / CWIP	
	March 31, 2020	March 31, 2019
Interest cost-increased by 5% on existing Interest Cost*	<b>(7,307)</b>	(7,494)
Interest cost-decreased by 5% on existing Interest Cost*	<b>7,307</b>	7,494

\* Holding all other variables constant

**21. Capital 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, 2020	March 31, 2019
Equity (excluding other reserves)	<b>1,300,175</b>	1,720,675
Debt	<b>2,880,351</b>	3,045,620
<b>Total</b>	<b>4,180,526</b>	4,766,295

**22. 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, 2020 and March 31, 2019 were from customers located in India. Customers include private distribution entities. Revenue to specific customers exceeding 10% of total revenue for the year ended March 31, 2020 and March 31, 2019 were as follows:

₹ in lakhs

Customer Name	For the Year ended			
	March 31, 2020		March 31, 2019	
	Revenue	Percent	Revenue	Percent
Uttar Pradesh Power Corporation Limited	<b>2,76,783</b>	<b>37%</b>	2,41,462	30%
MP Power Management Company Limited	<b>1,79,068</b>	<b>24%</b>	1,73,477	21%
<b>Total</b>	<b>4,55,851</b>	<b>61%</b>	4,14,939	51%

**23. Government grants**

- SPL is eligible for exemption of certain duties and taxes levied by GoI, which has been recognised in the books as government grant. [Refer note 2.1(z) for further details]
- 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 GoUP, RPSCL is eligible for grant of a moratorium period of 9 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.
- 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 the Government grant. [Refer note 2.1(z) for further details]



# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Given below are details of the movement of Government grant

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
Opening balance	1,94,349	2,00,256
Released to profit and loss	(5,908)	(5,907)
<b>Closing balance</b>	<b>1,88,441</b>	<b>1,94,349</b>

### 24. Provision for Mine closure obligation (in case of SPL)

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
Balance as at beginning of the year	1,496	1,202
Additions	81	125
Amount used/reversed	-	-
Unwinding of interest	181	169
<b>Balance as at the end of the year</b>	<b>1,758</b>	<b>1,496</b>

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.

25. The Hon'ble Bombay High Court, had vide its order dated March 26, 2019, granted liberty to Rosa Power Supply Company Limited (RPSCL) and Vidarbha Industries Power Limited (VIPL) to revise the respective Financial Statements for the financial year 2017-18 and seek the approvals of the National Company Law Tribunal (NCLT) under Section 131 of the Companies Act, 2013. NCLT, at the hearing on March 20, 2020 approved the revision of Financial Statements of RPSCL for the financial year 2017-18. In case of VIPL, the NCLT, at the hearing held on February 13, 2020, has reserved the final order. For VIPL, the management expects a similar kind of Order that it received in RPSCL. RPSCL is in the process of preparing the revised financial statements for the financial year 2017-18.
26. 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 possession of SMPL through Memorandum of Understanding. SMPL has obtained an affirmation from R Infra that the assets on the land is the property of SMPL.
27. During the year, Reliance Power Holding FZC (RPHF), a wholly owned subsidiary of the Parent Company entered into an agreement with Jera Power International B.V. (JERA), towards divestment of Reliance Bangladesh LNG & Power Limited (RBLPL) incorporated to develop 750 MW GAS based combined cycle power project (Phase-1) at Meghnaqhat in Bangladesh. Accordingly, RPHF received ₹ 4,948 lakhs (USD 7 Mn) towards advance against acquisition of shares from JERA.
28. SMPL has signed restructuring agreement with the Bank on June 28, 2019. Under the restructuring arrangement, principal outstanding will be payable in 3 equal annual installments. First installment is payable in June 2020 and the last installment shall be payable in June 2022. The existing corporate guarantee of the Parent Company has been appropriately amended and restated.
29. SMPL had entered into an Erection, Procurement and Construction Contract with RInfra in the year 2010. As a part of Contract, R Infra was procuring and supplying certain offshore equipment by importing from out of India considering that, 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, including duty of customs. However, Customs authorities and Customs, Excise and Service Tax Appellate Tribunal have not considered the exemption of custom duty and SMPL has filed an appeal before the Hon'ble Supreme Court of India claiming the benefits of Mega project. The Engineering Procurement and Construction (EPC) contract entered into with R Infra, is inclusive of all taxes and duties and hence such custom duty benefit, if granted under the aforesaid scheme will be passed on to R Infra.
- Basis developments as detailed in note 7, during the year, SMPL has filed an appeal with Honorable Supreme Court praying for grant of extension for warehousing of goods, to R Infra, on behalf of SMPL without submission of Bank Guarantee as R Infra has already furnished adequate bond under Section 59 of Customs Act, 1962. Further, SMPL has requested the Court to permit SMPL or R Infra (on behalf of Company) to sell the goods out of India as per the provisions of Customs Act, 1962.
30. The Group is required to spend ₹ 1,644 lakhs (March 31, 2019: ₹ 2,286 lakhs) towards Corporate Social Responsibility based on the profitability of respective subsidiaries and Parent Company. Against the said amount, the Group has spent ₹ 386 lakhs (March 31, 2019: ₹ 684 lakhs), towards promotion of education, healthcare and sanitation during the year in the respective entities.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

**31. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006**

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined based on the information available with the Group and the required disclosure are given below.

₹ in lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) The principal amount remaining unpaid to supplier as at the end of the accounting year	2,565	176
(b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	@	@
(c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
(d) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	@	@
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

@ Amount is below the rounding off norms adopted by the group

**32.** Ind AS Transition Facilitation Group (ITFG) of Ind AS implementation Committee of the Institute of the Chartered Accountants of India (the "ICAI") has issued clarification on July 31, 2017 and has inter alia made observations regarding method of estimating depreciation adopted for preparing standalone financial statements of the subsidiaries and for preparing consolidated financial statements. The Parent Company has received opinions from reputed legal and accounting firms stating that clarification issued by ITFG will not be applicable to it, as the Parent Company has been following different depreciation methods in subsidiaries and in Consolidated Financial Statements since inception and as required by Ind AS 101 read with Ind AS 16 has continued the methods of providing depreciation even under Ind AS regime. The Parent Company accordingly continued to provide depreciation in its Consolidated Financial Statements by straight line method, which is different as compared to the written down value method considered appropriate by two of its subsidiaries. This has been referred by the auditors in their report as a qualification.

**33. Exceptional items**

- During the year, the Parent Company has carried out impairment testing of its receivables and provided for impairment aggregating to ₹ 19,456 lakhs.
- During the year, VIPL carried out impairment testing of Property, plant and equipment and other assets considering overall situations as stated in Note no. 37 and accordingly, as required, based on the valuation exercise carried out by the independent experts, provided for the impairment amounting to ₹ 1,09,419 lakhs in the Statement of Profit and Loss for year ended March 31, 2020.
- During the year, SMPL has written down the value of asset held for sale by ₹ 86,265 lakhs being the difference of the value carried in the books of account and the value agreed by the Company to sell the said asset based on binding sale agreement of Module 1 of the power plant.
- During the year, PT Sriwijaya Bintang Tiga & PT Brayan Bintang Tiga have made provision of certain receivables aggregating to ₹ 1,48,046 lakhs and also provided for impairment of Capital Work in Progress (CWIP) of ₹ 11,848 lakhs, Kalai Power Private Limited has written off CWIP of ₹ 11,160 lakhs, Reliance Bangladesh LNG Terminals Limited has written-off pre-operative expenses of ₹ 1,225 lakhs, Reliance Power Netherlands B.V. created provision against certain receivables of ₹ 6,865 lakhs, Chitrangi Power Private Limited has written off bid bond deposit of ₹ 3,986 lakhs and Rajasthan Sun Technique Energy Pvt. Ltd has created provision against capital advance of ₹ 2,151 lakhs.
- During the previous year, the Parent Company had provided for impairment on its receivables amounting to ₹ 1,43,037 lakhs and out of the above withdrawn ₹ 1,01,702 lakhs from General reserve pursuant to the composite scheme of arrangement. RPSCL has written off certain receivables of ₹ 49,205 lakhs and RNRL Singapore provided for impairment of receivables aggregating to ₹ 55,237 lakhs. RSTEPL and SMPL carried out impairment testing of Property, plant and equipments and other assets considering overall situations and accordingly, as required, provided for the impairment to the Statement of Profit and Loss for year ended March 31, 2019. RSTEPL and SMPL based on the valuation exercise carried out by independent experts, have provided ₹ 1,41,900 lakhs and ₹ 27,640 lakhs respectively for impairment of PPE on March 31, 2019, as a result of gas based power projects being stranded due to non-availability of gas, in line with a large number of gas based power projects.

The aforesaid provisions, write offs and impairment of assets have been considered as exceptional items for the year ended March 31, 2020 and March 31, 2019.

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

### 34. Delay / Default in repayment of Borrowings (Non-current) and Interest

The Group has delayed / defaulted in the payment of borrowing. The lender wise details are as under:

SN	Name of Lender	Borrowings				Interest			
		Delay in repayment during the year ended March 31, 2020		Default as at March 31, 2020		Delay in repayment during the year ended March 31, 2020		Default as at March 31, 2020	
		Amount (₹ in lakhs)	Period (Maximum days)	Amount (₹ in lakhs)	Period (Maximum days)	Amount (₹ in lakhs)	Period (Maximum days)	Amount (₹ in lakhs)	Period (Maximum days)
<b>I Banks</b>									
1	Axis Bank	9,373	276	5,465	367	3,707	337	3,383	367
2	Yes Bank	105	136	50,325	426	117	106	10,206	426
3	Lakshmi Vilas Bank	170	37	-	-	986	40	-	-
4	State Bank of India	6,000	276	7,000	367	11,966	337	12,968	367
5	Syndicate Bank	1,800	276	2,100	367	3,409	337	3,668	367
6	IDBI Bank	-	-	-	-	-	-	54	1
7	ICICI Bank	-	-	17,213	440	-	-	4,211	426
8	Bank of Maharashtra	2,400	276	2,800	367	4,359	337	4,705	367
9	Vijaya bank	1,200	276	1,400	367	2,038	337	2,211	367
10	State Bank of Travancore	355	276	414	367	802	337	861	367
11	Oriental Bank of Commerce	1,061	276	1,237	367	1,924	337	2,077	367
12	Axis Bank Dubai	16,491	276	20,193	367	1,488	337	180	426
13	Axis Bank - Gift City	1,192	89	23	1	370	59	-	-
14	US Exim	705	172	6,650	431	565	371	1,534	372
15	Asian development bank (ADB)	1,193	156	7,397	449	1,000	371	3,921	372
16	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO) Sr Debt	855	156	5,743	449	793	267	2,256	268
17	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO) Sub-debt	-	-	857	419	-	-	1,093	419
<b>II Financial Institutions</b>									
1	Reliance Commercial Finance Ltd.	-	-	52,049	366	-	-	10,682	366
2	Reliance Home Finance Ltd.	-	-	4,048	203	-	-	845	203
3	Dewan Housing Finance Limited	-	-	6,500	183	-	-	9,573	548
<b>III Non-convertible Debenture</b>									
1	Yes Bank	-	-	-	-	2,641	117	6,761	186
2	Other Corporate entity	-	-	-	-	-	-	1,718	159
<b>Total</b>		<b>42,899</b>		<b>1,91,413</b>		<b>36,165</b>		<b>84,537</b>	

As at March 31, 2020 the Group has overdue of ₹ 1,91,413 lakhs included in current maturities of long term debt in note no. 3.17 (c) and ₹ 84,537 lakhs included in interest accrued in note no. 3.17(c).

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

35. (a) VIPL has incurred an operating loss during the year ended March 31, 2020. VIPL's ability to meet its obligations is dependent on material uncertain events including outcome of an Appeal challenging the Order of Hon'ble Maharashtra Electricity Regulatory Commission (MERC) dated December 16, 2019 relating to the notice of termination of Power Purchase Agreement (PPA), before Ld. Appellate Tribunal for Electricity (APTEL). Final hearing in the matter is scheduled on May 22, 2020, however, in the last hearing on March 6, 2020, VIPL sought adjournment stating that the PPA termination Order passed by Hon'ble MERC was based on its findings on the pendency of Civil Appeal (CA) No. 372 of 2017 before the Hon'ble Supreme Court (SC), which Hon'ble MERC has filed on the Order/Judgment received from Ld. Appellate Tribunal of Electricity (APTEL) partially setting aside the Hon'ble MERC Order dated June 20, 2016. Final hearing in CA No. 372 of 2017 is expected to be scheduled soon. Further in light of the ratio determined in the Hon'ble SC Judgment in Civil Appeal 5399-5400 of 2016 (Energy Watchdog Vs. CERC) and Hon'ble MERC Order dated 07.03.2018 in APML vs. MSEDCL matter, VIPL filed a revised Mid-Term Review (MTR) seeking full recovery of coal costs in the variable charge for the period starting from COD till date and for the future period. However, after reserving the order on 8<sup>th</sup> January 2019, Hon'ble MERC has not issued the same till date. To expedite the MTR Order, VIPL has filed an interim application in CA 372 of 2017 before the Hon'ble Supreme Court seeking direction to Hon'ble MERC for releasing the Mid-Term Review (MTR) order, which would entail recovery of coal cost by VIPL in terms of the change in law relief from MERC in its MTR petition and securitisation of such receivables would provide with necessary liquidity to make the debt service current and support sustained plant operations moving forward. Pursuant to its successful participation in auction carried out by Coal India Limited under SHAKTI Policy, VIPL has received a Letter of Intent (LoI) for long-term supply of coal for its Unit 1 from Western Coal Fields Limited (WCL) and has taken steps towards execution of Fuel Supply Agreement for Unit 1, thereby extending long-term security of fuel supply to Unit 1, that is already available for Unit 2. However, WCL has issued a letter cancelling the LoI for Unit 1 on the assumption that PPA has been terminated by AEML, which VIPL is contesting at the appropriate forum. With this, both 300 MW units of VIPL will have long-term security of fuel supply. Subsequent to the quarter ended on December 31, 2019, one of the lenders of VIPL has filed an application under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) seeking debt resolution of VIPL. VIPL has been in discussion with all its lenders for a resolution outside the Corporate Insolvency resolution process (CIRP). In view of the above, the financial statements of the VIPL have been prepared on a going concern basis.
- (b) RSTEPL is actively engaged with the lenders to restructure the terms of loan and is confident of achieving the debt resolution and further since there exist support from Parent Company to repay the debt and other obligations, the financial statement of RSTEPL have been prepared on going concern.
36. As at March 31, 2020, the current liabilities of the Group exceed the current assets. The Group is confident of restructuring the loans consequent to which there would be no mismatch in the cash flows. Even otherwise the Group expects to generate sufficient and timely cash flows through time bound monetisation of gas based power plant equipments and other assets of certain subsidiaries as also realize amount from regulatory/ arbitration claims. Notwithstanding the dependence on material uncertain events including finalisation of restructuring of lending arrangements, sale of equipment and favourable and timely outcome of various claims, the Group is confident that such cash flows would enable it to service its debt, realize its assets and discharge its liabilities in the normal course of its business. Accordingly, the consolidated financial statements of the Group have been prepared on a going concern basis.
37. During the year, Adani Electricity (Mumbai) Limited terminated the Power Purchase Agreement (PPA) with VIPL as the plant was un-operational since January 15, 2019. The termination was considered as valid by the Maharashtra Electricity Regulatory Commission (MERC) vide its Order dated December 16, 2019. VIPL has challenged the termination order before the Appellate Tribunal of Electricity (APTEL). As per the terms of the PPA, the entire output of the plant was to be supplied to AEML and the PPA was also entered for the significant part of the life of the plant, VIPL had considered the contract as Finance Lease. Since, the PPA stands terminated the requirements of maintaining the finance lease receivables under Ind AS 116 "Leases" does not arise and hence, VIPL reinstated the value of Property Plant and Equipment at its fair value based on the value determined by the independent expert. As per the valuation, after giving effect of the finance lease receivable carrying in the books there was an impairment provision of ₹ 1,09,419 lakhs which was charged off to Statement of Profit and Loss as an exceptional item.
38. Pursuant to the approval of the scheme of Amalgamation by NCLT Mumbai on August 30, 2018 and NCLT Chandigarh on March 04, 2020, the transferor companies i.e. Amulin Hydro Power Private Limited, Emini Hydro Power Private Limited, Mihundon Hydro Power Private Limited, Lara Sumta Hydro Power Private Limited, Sumte Kothang Hydro Power Private Limited and Purthi Hydro Power Private Limited have been amalgamated with Reliance Cleangen limited, a wholly owned subsidiary of the Parent Company with effect from March 26, 2020. The said amalgamation will not have impact on the Consolidated Financials of Reliance Power Limited.
39. During the year ended March 31, 2020, 12,73,21,500 equity shares, constituting 30% of Share capital, of RPSCL, a subsidiary of the Parent Company, held as pledge for term loan facility to the Parent Company were invoked by a lender. No impact of the said invocation has been given in the books of account except for the share holding of the Parent Company, which stands reduced by 30% to 70%.

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

40. COVID-19 Pandemic has caused unprecedented economic disruption globally and in India. The Group is sensitive about the impact of the Pandemic, not only on the human life but on businesses and industrial activity across the globe, which will be ascertained only over next few months. The Group has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government and local bodies to ensure safety of workforce across all its plants and offices. The Group has made initial assessment of the likely adverse impact on economic environment in general and operational and financial risks on account of COVID-19. Vide notification dated March 24 2020 issued by Ministry of Home Affairs a nation-wide lockdown was announced to contain COVID-19 outbreak and the same has been progressively extended later. However, Power generation, transmission & distribution units, being essential services, are allowed to continue operation during the period of lockdown. So far, the Company has been able to sustain its power plant operations and honour commitments under the various Power Purchase Agreements. There has been a sharp decline in the electricity demand, by 20 to 25%, primarily from industrial and commercial consumer segments, arising from lockdown measures announced by the Government. The Power Ministry has clarified on April 6, 2020 that despite lower power offtake due to sharp reduction in demand, Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. Further, the Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal installments falling due to Indian banks and financial institutions till May 31, 2020. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, evolving impact on Discoms in terms of demand for electricity; consumption mix; resultant average tariff realisation; bill collections from consumers; and support from respective State Governments and banks & financial institutions, including those focused on power sector financing.

### 41. Discontinuing operations

Discontinuing operations represent Dadri Project, Maharashtra Energy Generation Limited (MEGL), Chitrangi Power Private Limited (CPPL) and Reliance Bangladesh LNG Terminals Limited (RBLTL). Details of discontinuing operations are as under:-

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Income	-	413
Expenses	1611	4257
Profit before tax	(1,611)	(3,844)
Tax expenses	-	3
Profit after tax	(1,611)	(3,847)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Assets	8,584	27,845
Liabilities	3	14

a) The Parent Company, through its subsidiary 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, 2013, 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 projects under head 'Assets classified as held for sale' and profit / (loss) of MEGL has been classified as profit / (loss) from discontinued operations.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

- b) RBLTL has received a letter dated December 09, 2018 from Rupantarita Prakritik Gas Company Limited to stop the construction activities of the Entity, all the operations of business carried out by the Company has been discontinued, considering this, the Group has classified assets related to projects under head 'Assets classified as held for sale' and profit/ (Loss) of RBLTL has been classified as profit/ (loss) from discontinued operations.
- c) CPPL was setting up a 6x660 MW (3,960 MW) super critical coal-fired thermal power project at Chitrangi Tehsil in Singrauli District of Madhya Pradesh. It had received all the major clearances and approvals required for implementation of the project. The company proposed to use coal for this project from the surplus coal up to 9 MTPA from the Moher, Moher- Amlohri Extention and Chatrasal coal Blocks allocated to Sasan Power Limited, allowed by Ministry of Coal (MoC) vide its Gazette notification No.335 dated February 17, 2010 and balance from other sources. The Company had participated in bid for supply of power of Uttar Pradesh Power Corporation Limited and Madhya Pradesh Power Management Company Limited.

Based on Hon'ble Supreme Court's order dated August 25, 2014, MoC cancelled its earlier notification dated February 17, 2010 permitting use of surplus coal from Sasan UMPP for this project resulting in frustration of the bids due to non availability of coal.

Considering the above facts, the Group has classified assets related to the project under head 'Assets classified as held for sale' and profit/ (Loss) of CPPL has been classified as profit/ (loss) from discontinued operations.

**42. Offsetting of financial assets and financial liabilities**

The following table presents the derivative financial instruments that are offset as at March 31, 2020 and March 31, 2019 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 as net amount in the balance sheet.

₹ in lakhs

Particulars	Gross amounts	Gross amount set-off in balance sheet	Net balance presented in balance sheet
<b>As at March 31, 2020</b>			
<b>Financial Liabilities</b>			
Derivative Liabilities	8,309	39	8,270
<b>Total</b>	<b>8,309</b>	<b>39</b>	<b>8,270</b>
<b>Financial Assets</b>			
Derivative Assets	8,710	1,762	6,948
<b>Total</b>	<b>8,710</b>	<b>1,762</b>	<b>6,948</b>
<b>As at March 31, 2019</b>			
<b>Financial liabilities</b>			
Derivative liabilities	12,588	(320)	12,268
<b>Total</b>	<b>12,588</b>	<b>(320)</b>	<b>12,268</b>
<b>Financial assets</b>			
Derivative assets	12,195	(320)	11,875
<b>Total</b>	<b>12,195</b>	<b>(320)</b>	<b>11,875</b>

# Reliance Power Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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

Particulars	₹ in lakhs	
	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>Long term Borrowings</b>		
Opening Balance		
- Non Current	<b>17,84,137</b>	23,92,655
- Current	<b>3,42,628</b>	3,67,322
Availed during the year/period	-	1,080
Long term borrowings reclassified under short term	-	(3,72,785)
Short term borrowings reclassified under long term	<b>3,74,881</b>	-
<b>Impact of Non Cash Item</b>		
- Impact of Effective Rate of Interest	<b>3,141</b>	4,587
Repaid During the year/period	<b>(1,86,700)</b>	(3,37,109)
Foreign Exchange Adjustment	<b>92,710</b>	71,014
Closing Balance	<b>24,10,797</b>	21,26,765
- Non Current	<b>19,51,835</b>	17,84,136
- Current	<b>4,58,962</b>	3,42,628
<b>Short term Borrowings</b>		
Opening Balance	<b>8,93,895</b>	3,82,214
Availed during the year/period *	-	1,48,896
Long term borrowings regrouped under short term	-	3,72,785
Short term borrowings reclassified under long term	<b>(3,87,970)</b>	-
Write back of short term borrowings	<b>(6,830)</b>	-
Repaid/ Assignment during the year**	<b>(63,762)</b>	(10,000)
Closing Balance	<b>4,35,333</b>	8,93,895
<b>Interest Expenses</b>		
Interest Accrued-Opening Balance	<b>50,217</b>	21,132
Interest charge as per statement of Profit & Loss	<b>3,06,872</b>	3,20,849
Interest Included in CWIP	<b>2,728</b>	7,061
<b>Changes in Fair Value</b>		
- Unwinding and EIR Adjustment	<b>(5,418)</b>	(7,422)
- Fair Value Adjustment	<b>(928)</b>	1,674
- Gain on Derivative assets (net)	<b>(7,698)</b>	(6,328)
Interest assignment/ paid to lenders ***	<b>(2,22,347)</b>	2,86,749
Interest Accrued-Closing Balance	<b>1,23,426</b>	50,217

\* Includes encashment of bank guarantee of ₹ Nil (March 31, 2019: ₹ 17,783 lakhs)

\*\* Includes assignment of ₹ 29,516 lakhs (March 31, 2019: ₹ Nil)

\*\*\* Includes assignment of ₹ 11,515 lakhs (March 31, 2019: ₹ Nil)

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

44. Non Controlling interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before eliminations and after policy difference adjustments.

a) Summarised balance sheet

₹ in lakhs								
Entities	Current assets	Current liabilities	Net current assets/ (liabilities)	Non-current assets	Non-current liabilities	Net non-current assets/ (liabilities)	Net assets	Accumulated NCI (after elimination)
<b>Rosa Power Supply Company Limited</b>								
March 31, 2020	4,25,041	2,23,089	2,01,952	4,29,220	2,04,615	2,24,605	4,26,557	1,27,839
March 31, 2019	4,53,947	2,32,486	2,21,461	5,01,757	2,68,727	2,33,030	4,54,491	-
<b>Reliance Bangladesh LNG &amp; Power Limited</b>								
March 31, 2020	278	367	(89)	10,649	2,593	8,055	7,967	7,440
March 31, 2019	63	633	(570)	1,035	-	1,035	465	-

b) Summarised Statement of Profit and Loss

₹ in lakhs						
Entities	Revenue	Profit/ (Loss) for the year	Other comprehensive income / (Loss)	Total comprehensive income / (Loss)	Profit/ (Loss) allocated to NCI	
<b>Rosa Power Supply Company Limited</b>						
March 31, 2020	2,77,158	(28,874)	(130)	(29,004)	(19,385)	
March 31, 2019	2,42,033	21,114	(23)	21,091	-	
<b>Reliance Bangladesh LNG &amp; Power Limited</b>						
March 31, 2020	@	(293)	-	(293)	(143)	
March 31, 2019	-	-	-	-	-	

@ Amount is below the rounding norms adopted by the Group

c) Summarised Statement of Cash flows

₹ in lakhs				
Entities	Cash flow from operating activities	Cash flow from / (used in) investing activities	Cash flow from / (used in) financing activities	Net increase / (decrease) in cash and cash equivalents
<b>Rosa Power Supply Company Limited</b>				
March 31, 2020	1,18,356	(6,393)	(1,11,996)	(33)
March 31, 2019	1,18,787	4,544	(1,23,033)	298
<b>Reliance Bangladesh LNG &amp; Power Limited</b>				
March 31, 2020	(215)	(7,390)	7,810	205
March 31, 2019	-	(135)	128	(7)

45. The figures for the previous year are re-casted / re-grouped, wherever necessary.



Notes to the Consolidated Financial Statements for the year ended March 31, 2020

46. Additional information, as required under Schedule III to the Act.

SN	Name of Company	Net assets i.e. total assets minus total liabilities		Share in profit or (loss) (PAT)		Share in other comprehensive Income / (Loss)		Share in total comprehensive Income / (Loss)									
		March 31, 2020		March 31, 2019		March 31, 2020		March 31, 2019									
		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)							
	<b>Parent Company:</b>																
1	Reliance Power Limited	31.75%	880,694	35.51%	1,285,565	8.06%	(38,882)	20.77%	(60,165)	99.93%	(365,987)	103.81%	(325,563)	48.61%	(404,869)	62.69%	(385,728)
	<b>Indian Subsidiaries:</b>																
2	RPSCL	15.38%	426,556	12.56%	454,491	5.99%	(28,874)	-7.29%	21,115	0.04%	(130)	0.01%	(23)	3.48%	(29,002)	-3.43%	21,092
3	DSPPL	2.03%	56,420	1.61%	58,134	0.36%	(1,713)	0.08%	(236)	0.00%	-	0.00%	1	0.21%	(1,714)	0.04%	(235)
4	VIPL	0.26%	7,296	4.33%	156,869	31.20%	(150,487)	2.16%	(6,243)	0.01%	(26)	-0.01%	26	18.07%	(150,513)	1.01%	(6,217)
5	SPL	60.12%	1,667,626	44.66%	1,616,745	-10.57%	51,008	-10.32%	29,890	0.03%	(126)	0.02%	(71)	-6.11%	50,882	-4.85%	29,819
6	JPL	0.00%	0	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
7	CAPL	-0.17%	(4,717)	-0.02%	(807)	0.81%	(3,910)	0.33%	(956)	0.00%	-	0.00%	-	0.47%	(3,910)	0.16%	(956)
8	CPPL	-0.33%	(9,166)	-0.10%	(3,569)	1.16%	(5,596)	1.47%	(4,256)	0.00%	-	0.00%	-	0.67%	(5,596)	0.69%	(4,256)
9	RCGL	-0.11%	(3,129)	0.09%	3,207	1.30%	(6,280)	1.27%	(3,690)	0.00%	-	0.00%	-	0.75%	(6,280)	0.60%	(3,690)
10	MPL	0.00%	(16)	0.00%	(2)	0.00%	(14)	0.00%	(0)	0.00%	-	0.00%	-	0.00%	(14)	0.00%	(0)
11	RSRPL	0.00%	(4)	0.00%	(3)	0.00%	(0)	0.00%	(0)	0.00%	-	0.00%	-	0.00%	(0)	0.00%	(0)
12	SMPL	-0.09	(256,024)	-0.04%	(162,491)	19.39%	(93,532)	12.24%	(35,457)	0.00%	(1)	0.00%	13	11.23%	(93,533)	5.76%	(35,444)
13	RSTPL	-0.98%	(27,188)	-0.40%	(14,593)	2.61%	(12,606)	51.26%	(148,479)	0.00%	11	0.00%	2	1.51%	(12,595)	24.13%	(148,478)
14	RWPPL	0.00%	1	0.00%	1	0.00%	(0)	0.00%	(0)	0.00%	-	0.00%	-	0.00%	(0)	0.00%	(0)
15	RCRL	0.47%	13,135	0.36%	13,088	-0.01%	42	-0.11%	307	5.00%	5	0.00%	3	-0.01%	47	-0.05%	310
16	RNRL	-0.50%	(13,757)	-0.20%	(7,324)	1.33%	(6,433)	1.80%	(5,207)	0.00%	-	0.00%	-	0.77%	(6,433)	0.85%	(5,207)
17	RGTPPL	0.00%	(51)	0.00%	(51)	0.00%	(0)	0.00%	(0)	0.00%	-	0.00%	-	0.00%	(0)	0.00%	(0)
18	MEGL	0.05%	1,463	0.04%	1,464	0.00%	(1)	0.00%	10	0.00%	-	0.00%	-	0.00%	(1)	0.00%	10
19	SHPL	0.00%	103	0.00%	119	0.00%	(16)	0.22%	(636)	0.00%	-	0.00%	-	0.00%	(16)	0.10%	(634)
20	THPL	-0.01%	(379)	-0.01%	(400)	0.00%	21	1.32%	(3,816)	0.00%	-	0.00%	-	0.00%	21	0.62%	(3,817)
21	KPPL	-0.35%	(9,657)	0.17%	6,131	3.27%	(15,788)	1.59%	(4,601)	0.00%	-	0.00%	-	1.90%	(15,788)	0.75%	(4,601)
22	USHPL	0.02%	482	0.01%	483	0.00%	(1)	0.00%	(1)	0.00%	-	0.00%	-	0.00%	(1)	0.00%	(1)
23	AHPPL	0.00%	-	0.00%	(36)	0.00%	-	0.00%	(0)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0)
24	EHPPL	0.00%	-	0.00%	(17)	0.00%	-	0.00%	(0)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0)
25	MHPPL	0.00%	-	0.00%	2	0.00%	-	0.00%	0	0.00%	-	0.00%	-	0.00%	-	0.00%	0
26	PHPL	0.00%	-	0.16%	5,950	0.00%	-	0.00%	0	0.00%	-	0.00%	-	0.00%	-	0.00%	0
27	TPPL	0.07%	1,855	0.05%	1,855	0.00%	(0)	0.00%	(0)	0.00%	-	0.00%	-	0.00%	(0)	0.00%	(0)
28	SPPL	0.03%	865	0.02%	866	0.00%	(0)	0.00%	(0)	0.00%	-	0.00%	-	0.00%	(0)	0.00%	(0)
29	LHPPL	0.00%	-	0.06%	2,060	0.00%	-	0.00%	(0)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0)
30	SKHPPL	0.00%	-	0.07%	2,578	0.00%	-	0.00%	(0)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0)
31	CAPL	-0.02%	(626)	-0.02%	(628)	0.00%	2	0.27%	(795)	0.00%	-	0.00%	-	0.00%	2	0.13%	(795)

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

SN	Name of Company	Net assets i.e. total assets minus total liabilities				Share in profit or (loss) (PAT)				Share in other comprehensive income / (Loss)				Share in total comprehensive income / (Loss)			
		March 31, 2020		March 31, 2019		March 31, 2020		March 31, 2019		March 31, 2020		March 31, 2019		March 31, 2020		March 31, 2019	
		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
32	RPInma	0.00%	0	0.00%	0	0.00%	(4)	0.00%	-	0.00%	(0)	0.00%	(0)	0.00%	(4)	0.00%	(4)
33	ATPL	0.01%	355	0.01%	355	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)
34	AMPL	0.00%	(73)	0.00%	(73)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)
35	RGPPPL	0.02%	626	0.02%	635	0.00%	(9)	0.01%	(30)	0.00%	(9)	0.00%	(9)	0.00%	(30)	0.00%	(30)
36	Associates:	0.00%	0	0.00%	(3)	0.00%	(3)	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
37	RSUNPPL	0.00%	(3)	0.00%	(3)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)
38	RPHOTONPL	0.00%	(3)	0.00%	(3)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)	0.00%	(0)
39	Foreign Subsidiaries:	0.32%	(8,445)	4.13%	149,563	30.30%	(146,263)	22.72%	(65,816)	0.00%	-	-3.83%	11,998	17.55%	(146,263)	10.70%	(53,818)
40	RNRL-Singapore	0.00%	84	0.00%	90	0.00%	(7)	0.00%	(8)	0.00%	(7)	0.00%	(7)	0.00%	(8)	0.00%	(8)
41	PTH	0.40%	11,143	0.30%	10,772	0.02%	(84)	0.02%	(49)	0.00%	(84)	0.00%	(84)	0.01%	(49)	0.01%	(49)
42	PTA	0.17%	4,744	0.13%	4,696	0.02%	(119)	0.03%	(92)	0.00%	(119)	0.00%	(119)	0.01%	(92)	0.02%	(92)
43	SBE	0.03%	881	0.29%	10,488	1.68%	(8,086)	0.02%	(45)	0.00%	(8,086)	0.00%	(8,086)	0.01%	(45)	0.01%	(45)
44	BBE	0.00%	(135)	0.13%	4,676	0.83%	(3,988)	0.03%	(85)	0.00%	(3,988)	0.00%	(3,988)	0.01%	(86)	0.01%	(86)
45	RFZC	-0.17%	(4,735)	0.04%	1,600	1.19%	(6,141)	0.01%	(42)	0.00%	(6,141)	0.00%	(6,141)	0.69%	(1,411)	0.01%	(42)
46	RBPL	0.29%	7,967	0.01%	465	0.06%	(293)	0.00%	(465)	0.00%	(293)	0.00%	(293)	0.05%	(465)	0.00%	(465)
47	RBTL	0.00%	(31)	0.00%	78	0.02%	(105)	0.00%	-	0.00%	(105)	0.00%	(105)	0.05%	(105)	0.00%	(105)
48	RCPL	0.00%	38	0.00%	34	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.05%	-	0.00%	-
49	RPN	0.44%	12,182	0.47%	16,912	0.99%	(4,513)	0.08%	(245)	0.00%	(4,513)	0.00%	(4,513)	0.03%	(245)	0.04%	(245)
	<b>Sub Total</b>	<b>100.00%</b>	<b>27,73,766</b>	<b>100.00%</b>	<b>36,19,969</b>	<b>100.00%</b>	<b>(4,82,397)</b>	<b>100.00%</b>	<b>(2,89,632)</b>	<b>100.00%</b>	<b>(3,66,254)</b>	<b>100.00%</b>	<b>(3,13,612)</b>	<b>100.00%</b>	<b>(8,48,925)</b>	<b>100.00%</b>	<b>(6,03,245)</b>
	Inter Company elimination and Consolidation adjustments		<b>(14,34,207)</b>		<b>(18,82,222)</b>		<b>55,522</b>		<b>(5,550)</b>		<b>3,68,881</b>		<b>325,574</b>		<b>4,24,404</b>		<b>3,20,025</b>
	<b>Grand Total</b>		<b>13,22,166</b>		<b>17,37,747</b>		<b>(427,148)</b>		<b>(295,182)</b>		<b>2,627</b>		<b>11,962</b>		<b>(4,24,521)</b>		<b>(2,83,220)</b>

@ Amount is below the rounding off norms adopted by the Group.

As per our attached report of even date

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

Chartered Accountants

Firm Registration No: 107783W/W100593

**Vishal D. Shah**

Partner

Membership No: 119303

Place : Mumbai

Date : May 08, 2020

For and on behalf of the Board of Directors

**Anil D Ambani**

Chairman

**Sateesh Seth**

**K. Ravikumar**

Director

**D. J. Kakalia**

**Rashna Khan**

**K. Raja Gopal**

**Sandeep Khosla**

**Murti Manohar Purohit**

Place : Mumbai

Date : May 08, 2020

Whole-time Director & CEO  
Chief Financial Officer  
Company Secretary

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Consolidated Financial Results -**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	SN	Particulars	Audited Figures (as reported before adjusting for qualifications) (₹ in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) quoted in II(a)(i) (₹ in lakhs)
	1.	Total income	820,241	820,241
	2.	Total Expenditure (including exceptional items)	1,243,412	1,321,696
	3.	Net Profit/(Loss) after tax	(407,659)	(461,518)
	4.	Earnings Per Share	(14.533)	(16.453)
	5.	Total Assets	5,334,290	5,256,006
	6.	Total Liabilities	4,012,124	4,012,124
	7.	Net Worth	1,322,166	1,268,307
	8.	Depreciation and amortisation expense	83,630	161,914
<b>II. Audit Qualification (each audit qualification separately):</b>				
a. <b>Details of Audit Qualification:</b>				
<p>We refer to Note 32 to the consolidated annual accounts, regarding method of depreciation adopted by the Parent Company for the purpose of preparing its consolidated financial results being different from the depreciation method adopted by its subsidiaries which is a departure from the requirements of Ind AS 8 Accounting Policies, Changes in accounting estimates and errors since selection of the method of depreciation is an accounting estimate and depreciation method once selected in the standalone financial statements is not changed while preparing consolidated financial statements in accordance with Ind AS 110 Consolidated Financial Statements. Management's view in this regard has been set out in the aforesaid note.</p> <p>Had the method of depreciation adopted by the subsidiaries of the Parent Company, been considered for the purpose of preparation of consolidated financial statements of the Parent Company, the loss after tax in the consolidated annual financial results would have increased by ₹ 53,859 lakhs and other equity and property, plant and equipment would have reduced by ₹ 53,859 lakhs and ₹ 78,284 lakhs respectively.</p>				
b. <b>Type of Audit Qualification :</b> Qualified Opinion				
c. <b>Frequency of qualification:</b> coming since March 31, 2019				
d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b>				
<p>Management views is set out in the Note 32 to the Consolidated annual accounts, which is reproduced below:</p> <p>Ind AS Transition Facilitation Group (ITFG) of Ind AS implementation Committee of the Institute of the Chartered Accountants of India (the "ICAI") has issued clarification on July 31, 2017 and has interalia made observations regarding method of estimating depreciation adopted for preparing standalone financial statements of the subsidiaries and for preparing consolidated financial statements. The Parent Company has received opinions from reputed legal and accounting firms and technical experts from the power sector stating that clarification issued by ITFG will not be applicable to it, as the Parent Company has been following different depreciation methods in subsidiaries and in Consolidated Financial Statements since inception and as required by Ind AS 101 read with Ind AS 16 has continued their respective methods of providing depreciation even under Ind AS regime. The Parent Company accordingly continued to provide depreciation in its Consolidated Financial Statements by straight line method, which is different as compared to the written down value method considered appropriate by two of its subsidiaries.</p>				

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Consolidated Financial Results -**

- e. **For Audit Qualification(s) where the impact is not quantified by the auditor: Nil**
- (i) Management's estimation on the impact of audit qualification: NA
  - (ii) If management is unable to estimate the impact, reasons for the same: NA
  - (iii) Auditors' Comments on above: NA

**III. Signatories:**

**K Rajagopal**

(Whole Time Director & CEO)

**Sandeep Khosla**

(Chief Financial Officer)

**K Ravikumar**

Audit Committee Chairman

**Statutory Auditors**

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

Chartered Accountants

Firm's Registration No: 107783W/W100593

**Vishal D Shah**

Partner

Membership No: 119303

UDIN: 20119303AAAABQ3122

Place: Mumbai

Date: May 08, 2020

[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 / associate companies / joint ventures

PART "A" - Summary of Financial Information of Subsidiary Companies

SN	Name of Subsidiaries	Date from which they became subsidiary company	Share Capital	Reserve and Surplus	Total Assets (Non-current + Current) except Investments	Total Liabilities (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	432,737	382,430	2,550,590	1,714,865	3,021	456,159	(1,753)	7,559	(9,312)	-	100
2	Rosa Power Supply Company Limited	01.11.2006	42,482	384,073	854,260	427,706	1	276,763	(21,708)	(7,165)	(28,872)	-	70
3	Vidarbha Industries Power Limited	30.08.2007	1,492	5,804	377,627	370,537	206	468	(159,293)	8,806	(150,487)	-	100
4	Dhursar Solar Power Private Limited	08.09.2010	180	27,852	79,726	51,698	3	10,208	(3,128)	-	(3,128)	-	100
5	Rajasthan Sun Technique Energy Private Limited	29.06.2010	315	(96,199)	135,558	231,443	-	7,277	(12,544)	-	(12,544)	-	100
6	Coastal Andhra Power Limited	29.01.2008	60,307	(65,024)	25,540	30,257	-	-	(3,910)	-	(3,910)	-	100
7	Chitrangi Power Private Limited	10.09.2007	11	(9,177)	98,389	107,555	-	-	(5,596)	(0)	(5,596)	-	100
8	Reliance CleanGen Limited	05.06.2010	3,695	(6,824)	86,814	91,892	1,949	-	(6,280)	-	(6,280)	-	100
9	Moher Power Limited	08.06.2010	5	(21)	50	66	-	-	(14)	-	(14)	-	100
10	Reliance Solar Resources Power Private Limited	10.11.2010	1	(5)	0	4	-	-	(0)	-	(0)	-	100
11	Samakot Power Limited	29.07.2010	4,062	(260,085)	355,376	611,399	-	-	(93,578)	47	(93,532)	-	100
12	Reliance Wind Power Private Limited	11.11.2010	1	(0)	2	2	-	-	(0)	-	(0)	-	100
13	Reliance Coal Resources Private Limited	14.03.2008	210	12,925	46,214	49,922	16,843	5,550	97	(55)	(6,433)	-	100
14	Reliance Natural Resources Limited	12.11.2010	5	(13,762)	26,719	40,475	-	-	(6,433)	-	(6,433)	-	100
15	Reliance Geothermal Power Private Limited	17.01.2015	1	(52)	3	54	-	-	(0)	-	(0)	-	75
16	Maharashtra Energy Generation Limited	28.08.2007	10	1,453	1,463	0	-	-	(1)	-	(1)	-	100
17	Siyom Hydro Power Private Limited	10.09.2007	46	57	334	231	-	-	(16)	(0)	(16)	-	100
18	Tato Hydro Power Private Limited	10.09.2007	21	(400)	33	412	-	-	21	(0)	(0)	-	100
19	Kalai Power Private Limited	26.09.2007	39	(9,697)	24,135	33,793	-	-	(15,788)	(0)	(15,788)	-	100
20	Urthing Sobla Hydro Power Private Limited	14.09.2007	3	479	557	75	-	-	(1)	-	(1)	-	89
21	Amulim Hydro Power Private Limited	07.07.2009	-	-	-	-	-	-	-	-	-	-	100
22	Ermini Hydro Power Private Limited	07.07.2009	-	-	-	-	-	-	-	-	-	-	100
23	Mihundon Hydro Power Private Limited	07.07.2009	-	-	-	-	-	-	-	-	-	-	100
24	Purthi Hydro Power Private Limited	19.05.2011	-	-	-	-	-	-	-	-	-	-	100
25	Teling Hydro Power Private Limited	19.05.2011	12	1,843	1,880	25	-	-	(0)	-	(0)	-	100
26	Shangling Hydro Power Private Limited	19.05.2011	6	859	880	15	-	-	(0)	-	(0)	-	100
27	Lara Sumta Hydro Power Private Limited	19.05.2011	-	-	-	-	-	-	-	-	-	-	100
28	Sumte Kothang Hydro Power Private Limited	19.05.2011	-	-	-	-	-	-	-	-	-	-	100
29	Coastal Andhra Power Infrastructure Limited	23.04.2008	16	(642)	263	890	-	-	2	-	2	-	100
30	Reliance Prima Limited	30.06.2010	5	(5)	1	1	-	-	(0)	-	(0)	-	100
31	Atos Trading Private Limited	30.06.2010	1	354	358	3	-	-	(0)	-	(0)	-	100
32	Atos Mercantile Private Limited	30.06.2010	1	(75)	0	73	-	-	(0)	-	(0)	-	100
33	Reliance Green Power Private Limited	11.08.2012	5	621	1,012	386	-	-	(9)	-	(9)	-	100
34	Reliance Natural Resources (Singapore) Pte Limited S	15.10.2010	189,869	(198,196)	8,932	17,378	118	4,826	(146,145)	-	(146,145)	-	100
35	PT Sumukha Coal Services S	15.10.2010	118	(34)	125	91	50	-	(7)	-	(7)	-	99.6

SN	Name of Subsidiaries	Date from which they became subsidiary company	Share Capital	Reserve and Surplus	Total Assets (Non-current + Current) except Investments	Total Liabilities (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 %)
36	Reliance Power Netherlands BV \$	09.07.2010	16,817	(4,635)	66,992	70,480	15,670	4,565	(4,777)	-	(4,777)	-	100
37	PT Awanesh Coal Resources \$	02.08.2010	5,360	(616)	2,728	180	2,196	-	(119)	-	(119)	-	100
38	PT Heramba Coal Resources \$	02.08.2010	11,168	(26)	5,202	3	5,944	-	(84)	-	(84)	-	100
39	PT Brayan Bintang Tiga Energi #	04.10.2010	4,674	(4,809)	58	194	-	0	(3,988)	-	(3,988)	-	100
40	PT Sriwijaya Bintang Tiga Energi #	04.10.2010	10,782	(9,901)	1,091	210	-	0	(8,086)	-	(8,086)	-	100
41	Reliance Power Holding FZC, Dubai ##	15.05.2016	1,922	(6,657)	21	5,274	518	17,761	(5,722)	-	(5,722)	-	100
42	Reliance Bangladesh LNG & Power Limited **	21.09.2016	7,967	58	10,927	2,960	-	1	(293)	-	(293)	-	51
43	Reliance Bangladesh LNG Terminals Limited **	17.04.2017	73	1	1	1,960	-	-	(105)	-	(105)	-	100
44	Reliance Chittagong Power Company Limited **	13.05.2018	41	(3)	41	1	-	-	-	-	-	-	100

**PART "B" - Summary of Financial Information of Associate Companies**

SN	Name of Associates	RPL Sun Power Private Limited	RPL Photon Private Limited	RPL Sun Technique Private Limited
1	Latest audited Balance Sheet Date	31.03.2020	31.03.2020	31.03.2020
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.	5,000	5,000	5,000
	Amount of Investment in Associates or Joint Venture (₹)	50,000	50,000	50,000
	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 attributable to shareholding as per latest audited Balance Sheet	@	@	@
7	Profit or Loss for the year considered in consolidation	@	@	@

\* Represents other income also

S Reporting currency in USD

# Reporting currency in IDR

\*\* Reporting currency in BDT

## Reporting currency in AED

Exchange rate as on March 31, 2020 : 1 IDR = 0.0046, USD = 75.3859, AED = 20.536, BDT = 0.84006

@ amount is below the rounding off norm adopted by the Group

For and on behalf of the Board of Directors

Anil D Ambani

Sateesh Seth

K. Ravikumar

D. J. Kakalia

Rashna Khan

K. Raja Gopal

Sandeep Khosla

Murti Manohar Purohit

Place : Mumbai

Date : May 08, 2020

Chairman

Director

Director

Director

Whole-time Director & CEO

Chief Financial Officer

Company Secretary

Company Secretary







