

**Independent Auditors' Report**

**To the Members of Reliance Power Transmission Limited**

**Report on the Financial Statements**

**Opinion**

1. We have audited the Financial Statements of **Reliance Power Transmission Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Other Information**

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.
5. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements**

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

8. Our objectives are to obtain reasonable assurance about whether the 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 financial statements.
9. 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 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 system 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 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 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 financial statements, including the disclosures, and whether the 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.

#### **Report on Other Legal and Regulatory Requirements**

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 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.
11. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;

# Pathak H.D. & Associates

Chartered Accountants

- f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”;
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to any of its directors during the year. Hence, the requirements of the Company for compliance under this section are not applicable.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its financial statements- Refer Note 18 on contingent liabilities to the financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

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

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

Place : Mumbai  
Date : May 30, 2019

**Annexure A to Independent Auditors' Report**

**Referred to in our Independent Auditors' Report of even date to the members of Reliance Power Transmission Limited on the financial statements for the year ended March 31, 2019**

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- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
- (b) As informed to us, the Property, Plant and Equipment have 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) The Company does not have any immovable property, hence the reporting requirements under clause (i) (c) of paragraph 3 of the Order is not applicable.
- (ii) As explained to us, there is no physical inventory in existence and hence, paragraph 3(ii) of the Order is 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 loan, secured or unsecured, to any company, firm limited liability partnerships or other parties covered in the register maintained under section 189 of Act. Accordingly, provisions stated in paragraph 3 (iii) (a), (b) and (c) of the Order are not applicable.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186(1) of the Act. Further, as the Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186[except for sub-section (1)] are not applicable to it.
- (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 or any other relevant provisions of the Act and rules framed there under.
- (vi) In our opinion and according to the information and explanations given to us, no cost records have been prescribed by the Central Government of India under sub- section (1) of section 148 of the Act.
- (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 including provident fund, employees' state insurance, income-tax, goods and service tax, customs duty, cess and other material statutory dues as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, customs duty, cess and other material statutory dues as applicable were outstanding, at the period end, for a period of more than six months from the date they became payable.

(c) 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 as at March 31, 2019 which has not been deposited on account of dispute as under :

Name of Statute	Nature of Dues	Amount (Rupees in Thousand)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act , 1961	Income Tax	1,505	A.Y 2015-2016	Commissioner of Income Tax (Appeals) Mumbai
Income Tax Act , 1961	Income Tax	97	A.Y 2016-2017	Deputy Commissioner of Income Tax Mumbai

- (viii) According to the records of the Company examined by us and the information and explanation given to us, during the year the Company has not availed loan from financial institution or bank or debenture holders. Accordingly paragraph 3 (viii) of the Order is not applicable.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly paragraph 3 (ix) of the Order is not applicable.
- (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) The Company has not paid managerial remuneration. Therefore, provision of clause 3(xi) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to the provision of Clause 3(xiii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and section 188 of the Act where applicable.

The details of related party transactions as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, have been disclosed in the financial statements.

# Pathak H.D. & Associates

Chartered Accountants

- (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 provision of clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected to its directors. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company 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.

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

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

**Place:** Mumbai  
**Date:** May 30, 2019

**Annexure – B to Independent Auditor’s report**

**Annexure to the Independent Auditor’s Report referred to in paragraph “11(f)” under the heading “Report on other legal and regulatory requirements” of our report of even date on the financial statements of Reliance Power Transmission Limited for year ended March 31, 2019.**

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**Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to the financial statements of Reliance Power Transmission Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the 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 with reference to the Financial Statements 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 the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to Financial Statements (the “Guidance Note”) and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, 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 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 system with reference to the financial statements.



### **Meaning of Internal Financial Controls with reference to the Financial Statements**

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

### **Inherent Limitations of Internal Financial Controls with reference to the Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the 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 the financial statements to future periods are subject to the risk that the internal financial control with reference to the 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 Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to the 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 with reference to the Financial Statements issued by the ICAI.

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

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

Place: Mumbai  
Date: May 30, 2019

**Reliance Power Transmission Limited**  
**Balance Sheet as at March 31, 2019**  
(All amounts in INR Thousand, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a. Property, Plant and Equipment	3	56.31	505.93
b. Intangible Assets	4	1.71	7.10
c. Financial Assets			
- Investments	5	1,99,950.00	1,96,550.00
d. Income Tax Assets (net)	6	1,831.90	1,831.97
<b>Total Non-Current Assets (A)</b>		<b>2,01,839.92</b>	<b>1,98,895.00</b>
<b>Current Assets</b>			
a. Financial Assets			
(i) Cash and Cash Equivalents	7	681.96	7,479.56
(ii) Other Financial Assets	8	1,97,148.40	2,07,281.45
b. Other Current Assets	9	2,088.95	280.28
<b>Total Current Assets (B)</b>		<b>1,99,919.31</b>	<b>2,15,041.29</b>
<b>Total Assets (A+B)</b>		<b>4,01,759.23</b>	<b>4,13,936.29</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a. Equity Share Capital	10 (a)	500.00	500.00
b. Other Equity	10 (b)	4,01,212.68	4,02,908.76
<b>Total Equity (C)</b>		<b>4,01,712.68</b>	<b>4,03,408.76</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
- Provisions	11	-	1,634.84
<b>Total Non-Current Liabilities (D)</b>		<b>-</b>	<b>1,634.84</b>
<b>Current Liabilities</b>			
a. Financial Liabilities			
- Trade Payables	12	18.37	96.06
- Total outstanding dues to small and medium enterprises			
- Total outstanding dues to creditors other than micro enterprise and small enterprise			
b. Other Current Liabilities	13	28.18	4,529.49
c. Provisions	11	-	4,267.14
<b>Total Current Liabilities (E)</b>		<b>46.55</b>	<b>8,892.69</b>
<b>Total Liabilities (F=D+E)</b>		<b>46.55</b>	<b>10,527.53</b>
<b>Total Equity and Liabilities (C+F)</b>		<b>4,01,759.23</b>	<b>4,13,936.29</b>

The above Balance Sheet should be read in conjunction with the accompanying notes (1-27).

As per our attached Report of even date

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

**For and on behalf of the Board**

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

**Alok Kumar Roy**  
**Director**  
**DIN: 01952393**

**Sandeep Bandekar**  
**Director**  
**DIN: 08236773**

**Place: Mumbai**  
**Date : May 30, 2019**

**Place: Mumbai**  
**Date : May 30, 2019.**

Reliance Power Transmission Limited  
**Statement of Profit and Loss for the year ended March 31, 2019**  
(All amounts in INR Thousand, unless otherwise stated)

Particulars	Note	For the Year ended	For the Year ended
		March 31, 2019	March 31, 2018
(I) Other Income	14	3,132.34	626.15
<b>Total Income (I)</b>		<b>3,132.34</b>	<b>626.15</b>
(II) Expenses			
Employee Benefits Expense	15	4,276.69	6,243.81
Depreciation and Amortisation Expense	3 & 4	29.91	184.39
Other Expenses	16	500.82	1,837.30
<b>Total Expenses (II)</b>		<b>4,807.42</b>	<b>8,265.50</b>
(III) Profit / (Loss) before Tax (I-II)		(1,675.08)	(7,639.35)
(IV) Income Tax Expense			
- Current Tax	17	21.00	75.00
		21.00	75.00
(V) Profit/(Loss) for the Year (III-IV)		(1,696.08)	(7,714.35)
(VI) Other Comprehensive Income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of Net Defined Benefit Plans : (Loss) / Gains		-	1,971.20
Less : Recoverable from / (Payable to) Related Parties		-	(1,428.41)
Income tax relating to above		-	(65.00)
<b>Total Other Comprehensive Income/(Loss) (VI)</b>		<b>-</b>	<b>477.79</b>
(VII) Total Comprehensive Income/(Loss) (V + VI)		(1,696.08)	(7,236.56)
<b>Earnings per equity share of Rs . 10/- each:</b>	24	INR	INR
Basic earnings per share		(33.92)	(144.73)
Diluted earnings per share		(33.92)	(144.73)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes (1-27).

As per our attached Report of even date

For Pathak H.D.& Associates  
Chartered Accountants  
Firm Registration No.107783W

For and on behalf of the Board

Vishal D. Shah  
Partner  
Membership No. 119303

Alok Kumar Roy  
Director  
DIN: 01952393

Sandeep Bandekar  
Director  
DIN: 08236773

Place: Mumbai  
Date : May 30, 2019

Place: Mumbai  
Date : May 30, 2019,

**Reliance Power Transmission Limited**  
**Statement of Cash Flows for the year ended March 31, 2019**  
(All amounts in INR Thousand, unless otherwise stated)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
<b>Cash Flow from Operating Activities</b>		
<b>Profit/(Loss) before Tax</b>	(1,675.08)	(7,236.55)
<b>Adjustments for:</b>		
Depreciation	29.91	184.38
Loss on Sale / Discard of Assets	218.33	374.91
Liabilities Written Back	-	(38.47)
Excess Provision of Leave Encashment and Gratuity written back	(3,052.91)	-
Interest Income	(79.43)	(533.68)
<b>Cash used in operations before working capital changes</b>	<b>(4,559.18)</b>	<b>(7,249.41)</b>
<b>Working Capital Adjustments for:</b>		
(Increase) / Decrease in Other Financial Assets	10,100.00	21,045.70
(Increase) / Decrease in Other Current Assets	(1,866.75)	51.17
Increase / (Decrease) in Other Current Liabilities	(4,501.26)	(320.15)
Increase / (Decrease) in Provisions	(2,849.06)	(1,209.20)
Increase / (Decrease) in Trade Payables	(77.69)	(216.91)
<b>Cash generated from operations</b>	<b>(3,753.94)</b>	<b>12,101.20</b>
Income Tax paid (net of refund)	(0.06)	(1,672.15)
<b>Net cash flow generated from / (used in) Operating Activities (a)</b>	<b>(3,754.00)</b>	<b>10,429.05</b>
<b>Cash Flows from Investing Activities</b>		
Payments for acquisition of Property, Plant and Equipment	-	(24.28)
Proceeds from sale of Property, Plant and Equipment	243.91	71.12
Investment in Subsidiaries	(3,400.00)	(6,000.00)
Interest Income	112.49	541.89
<b>Net cash used in Investing Activities (b)</b>	<b>(3,043.60)</b>	<b>(5,411.27)</b>
<b>Cash Flows from Financing Activities (C)</b>	<b>-</b>	<b>-</b>
Net increase / (decrease) in Cash and Cash Equivalents (a+b+c)	(6,797.60)	5,017.78
Cash and cash equivalents at the beginning of the Year	7,479.56	2,461.78
Cash and Cash Equivalents at end of the Year	681.96	7,479.56
<b>Net Increase / (decrease) as disclosed above</b>	<b>(6,797.60)</b>	<b>5,017.78</b>
<b>Components of Cash and Cash Equivalents (Refer Note 6)</b>	<b>681.96</b>	<b>7,479.56</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes (1 -27).

As per our attached Report of even date  
**For Pathak H.D.& Associates**  
Chartered Accountants  
Firm Registration No.107783W

For and on behalf of the Board

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

**Alok Kūmar Roy**  
Director  
DIN: 01952393

**Sandeep Bandekar**  
Director  
DIN: 08236773

Place: Mumbai  
Date : May 30, 2019

Place: Mumbai  
Date : May 30, 2019

**Reliance Power Transmission Limited**  
**Statement of Changes in Equity**  
(All amounts in INR Thousand, unless otherwise stated)

**EQUITY**

**A. Equity Share Capital (Refer Note 10(a))**

Particulars	Balance at the beginning of the Year	Changes in equity share capital during the Year	Balance at the end of the Year
As at March 31, 2018	500.00	-	500.00
As at March 31, 2019	500.00	-	500.00

**B. Other Equity (Refer note 10(b))**

Particulars	Reserves and Surplus			
	Securities Premium	Equity Component of financial Instruments (Subordinate Debts)	Retained Earnings	Total
Balance as at April 01, 2017	1,58,522.30	5,46,300.00	(2,94,676.98)	4,10,145.32
Profit / (Loss) for the Year	-	-	(7,714.35)	(7,714.35)
<b>Other Comprehensive Income/(Loss)</b>				
Remeasurement Gain / (Loss) on Defined Benefit Plan (Net of Tax)	-	-	477.79	477.79
<b>Total Comprehensive Income / (Loss)</b>	-	-	(7,236.56)	(7,236.56)
Balance as at March 31, 2018	1,58,522.30	5,46,300.00	(3,01,913.54)	4,02,908.76
Balance as at April 01, 2018	1,58,522.30	5,46,300.00	(3,01,913.54)	4,02,908.76
Profit / (Loss) for the year	-	-	(1,696.08)	(1,696.08)
<b>Other Comprehensive Income/(Loss)</b>				
Remeasurement Gain / (Loss) on Defined Benefit Plan (Net of Tax)	-	-	-	-
<b>Total Comprehensive Income / (Loss)</b>	-	-	(1,696.08)	(1,696.08)
Balance as at March 31, 2019	1,58,522.30	5,46,300.00	(3,03,609.62)	4,01,212.68

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes (1 -27).

As per our attached Report of even date

For Pathak H.D.& Associates  
Chartered Accountants  
Firm Registration No.107783W

For and on behalf of the Board

Vishal D. Shah  
Partner  
Membership No. 119303

Alok Kumar Roy  
Director  
DIN: 01952393

Sandeep Bandekar  
Director  
DIN: 08236773

Place: Mumbai  
Date : May 30, 2019

Place: Mumbai  
Date : May 30, 2019

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Financial Statements**

**Note 1: Corporate Information**

Reliance Power Transmission Limited (RPTL) is a company limited by shares, incorporated and domiciled in India. The registered office of the company is located at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710.

Reliance Power Transmission is a wholly owned subsidiary of Reliance Infrastructure Limited with main objectives as establishing, commissioning, setting up, operating and maintaining electric power transmission systems/networks, power systems, generating stations based on conventional/ non- conventional resources for evacuation, transmission, distribution or supply of power through establishing or using stations, timelines, sub-stations and transmission or distribution lines in any manner including build, own and transfer (BOT), and/or build, own and operate (BOO) and/or build, own, lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) basis.

These financial statements of the Company for the year ended March 31, 2019 were authorised for issue by the board of directors on May 30, 2019. Pursuant to the provisions of section 130 of the Act the Central Government, income tax authorities, other statutory regulatory body and section 131 of the Act the board of directors of the Company have powers to amend / re-open the financial statements approved by the board / adopted by the members of the Company.

**Note 2: Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of Preparation**

**(i) Compliance with Indian Accounting Standard (Ind AS)**

The standalone financial statements of the Company comply in all material aspects with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with relevant rules and other accounting principles.

These financial statements are presented in 'Indian Rupees', which is also the Company's functional currency and all amounts, are rounded to the nearest **Thousand**, unless otherwise stated.

The financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III to the Act, applicable Ind AS, other applicable pronouncements and regulations.

**(ii) Basis of Measurement - Historical Cost Convention**

The financial statements have been prepared on a historical cost convention on accrual basis, except for certain assets and liabilities measured at fair value.

**(iii) Recent accounting pronouncements**

**Ind AS 116 Leases:**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

There is no impact on the application of the above standard.

**Reliance Power Transmission Limited**  
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**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition-

- i) Full retrospective approach—Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8—Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The Company is currently evaluating the effect of this amendment on the Ind AS financial statements.

**Amendment to Ind AS 12 Income taxes:**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

There is no impact on the application of the above standard.

**Amendment to Ind AS 19— Plan amendment, curtailment or settlement-**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after 1 April 2019.

The Company is currently evaluating the effect of this amendment on the Ind AS financial statements.

- (iv) Financial statements have been prepared on a going concern basis in accordance with the applicable accounting standards prescribed in the Companies (Indian Accounting Standards), Rules, 2015 issued by the Central Government.

**(b) Current versus Non-Current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
  - Expected to be realised within twelve months after the reporting period, or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
  - Held primarily for the purpose of trading.
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
  - It is due to be settled within twelve months after the reporting period, or
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
  - Held primarily for the purpose of trading.
- All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Financial Statements**

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**(c) 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 entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

**(d) Revenue from Contracts with Customers and other Income**

Effective April 1, 2018 the Company has applied Ind AS 115 – "Revenue from Contracts with Customers" , which establish a comprehensive framework for determining whether, how and when revenue is to be recognized. Ind AS -115 replace Ind AS-18 " Revenue" and Ind AS -11 " Construction Contracts". The Company recognises revenue when it transfers control over a product or service to a customer. The Company has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under Ind AS 18 and Ind AS 11.

There is no impact on application of Ind AS 115 on the financial statements.

**Others:**

Interest Income is recognized using Effective Interest Rate Method.

Dividend on Investment is recognized when the right to receive payment is established.

All the items of Income and Expense are recognized on accrual basis of accounting.

**(e) 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 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 country where the Company generate 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, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 and when the deferred tax balances relate to the same taxation authority. 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.

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized in 'Other comprehensive income' or directly in equity, in which case the tax is recognized in 'Other comprehensive income' or directly in equity, respectively.

**(f) Operating Leases**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.



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**(g) Segment Information**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Chief operating decision maker's function is to allocate the resources of the entity and access the performance of the operating segment of the entity.

The Board assesses the financial performance and position of the Company and makes strategic decisions. It is identified as being the chief operating decision maker for the Company.

**(h) Impairment of Non-Financial Assets**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss recognized for goodwill is not reversed in subsequent periods.

**(i) Cash and Cash Equivalents**

Cash and Cash Equivalent in the balance sheet comprise cash at Bank and Short Term Deposits with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(j) 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 financial activities of the Company are segregated based on the available information.

**(k) Financial Instruments**

The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values on initial recognition, except for trade receivables which are initially measured at transaction price.

**(A) 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 Statement of Profit and 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, this will depend on whether 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**

**Initial**

At initial recognition, the Company 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 of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

## **Reliance Power Transmission Limited**

### **Notes annexed to and forming part of the Financial Statements**

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### **Subsequent 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 two 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 and is not part of a hedging relationship is recognised in Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through profit or loss:**

Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

#### **Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in Statement of Profit and Loss.

#### **Investments in Subsidiaries**

The Company has accounted for its equity instruments in Subsidiaries at cost.

#### **(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 measures the expected credit loss associated with its trade receivables based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### **(iv) De recognition of Financial Assets**

A financial asset is derecognised only when:

- Right to receive cash flow from assets have expired or
- 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 received cash flows in full without material delay to a 3<sup>rd</sup> party under a "pass through" arrangement.

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 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.

## **(B) Financial Liabilities**

#### **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 payable,

#### **Subsequent measurement**

Financial liabilities at amortized cost: After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

#### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the Statement of Profit and Loss.

## **Reliance Power Transmission Limited**

### **Notes annexed to and forming part of the Financial Statements**

#### **Trade and Other Payable**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### **(l) 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 at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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  
For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Disclosures for valuation methods, significant estimates and assumptions of Financial instruments (including those carried at amortised cost) (**Refer note 21A(a)**) and disclosures of fair value measurement hierarchy (**Refer note 21A(b)**).

#### **(m) 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.

#### **(n) Property, Plant and Equipment**

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.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount are included in Statement of Profit and Loss.

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When significant parts of the property, plant and equipment are required to be replaced, the Company derecognises the replaced parts and recognise the new part with its own associated useful life and it is depreciated accordingly. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

***Depreciation methods, estimated useful lives and residual value***

Depreciation on the assets is provided on straight line method following the rates and methodology notified by the Companies Act.

Depreciation on additions to/deductions from Property, Plant and Equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Once the individual asset is depreciated over the useful life of the asset, as provided in the Act. The residual values are not more than 5% of the cost of the assets.

The assets' residual values, useful life and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(o) Intangible Assets**

Intangible assets are stated at cost of acquisition net of tax/duty credits availed, if any, less accumulated amortization/depletion. Cost includes expenditure directly attributable to the acquisition of assets.

Amortization Method:

Software are amortised over the period of three years.

**(p) Borrowing Costs**

Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized 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 capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

**(q) Provisions**

Provisions for legal claims and returns 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 can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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 in finance cost.

**(r) Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A Contingent asset is neither disclosed nor recognized in financial statements.

**(s) Employee Benefits**

**(i) 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

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current employee benefit obligations in the balance sheet.

**(ii) 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 profit or 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.

**(iii) Post-Employment Obligations**

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund, superannuation fund etc.

*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 INR 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 Statement of Profit and Loss as past service cost.

*Defined Contribution plans*

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 recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India. The Company makes annual contributions based on a specified percentage of each eligible employee's salary.

**(t) 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.

**(u) Earnings per Share**

**(i) Basic Earnings per Share (BEPS)**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**(ii) Diluted Earnings per Share (DEPS)**

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.

Both BEPS and DEPS have been calculated considering Income in the Net Profit attributable to Equity Shareholders.

**(v) Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest **thousand** as per the requirement of Schedule III, unless otherwise stated.

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**(aa) Critical Estimates and Judgements**

The preparation of 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 judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**(a) Income taxes**

There are transactions and calculations for which the ultimate tax determination is uncertain and would be finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

**(b) 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.

**(c) Estimation of non recognition of deferred tax assets on unabsorbed business loss:**

The Company has not recognized deffered tax asset on the business loss incurred by the Company as there is no reasonable certainty that sufficient taxable profit would be generated in the near future.

**(d) Impairment of Non Financial Assets**

The impairment provisions for non financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 3: Property, Plant and Equipment (At Cost)**

Particulars	Vehicles	Office Equipment	Computers	Total
<b>Year ended March 31, 2018</b>				
<b>Gross carrying amount</b>				
Opening gross carrying amount	1,536.23	164.68	49.42	1,750.33
Additions	-	24.28	-	24.28
Deletion / Other Adjustments	820.67	29.47	49.42	899.56
<b>Closing Gross carrying amount as at March 31, 2018</b>	<b>715.56</b>	<b>159.49</b>	<b>-</b>	<b>875.05</b>
<b>Accumulated depreciation</b>				
Opening accumulated depreciation	580.38	68.68	-	649.06
Depreciation charge during the year	142.96	30.63	-	173.59
Deletion / Other Adjustments	432.88	20.65	-	453.53
<b>Closing Accumulated Depreciation as at March 31, 2018</b>	<b>290.46</b>	<b>78.66</b>	<b>-</b>	<b>369.12</b>
<b>Net Carrying amount as at March 31, 2018</b>	<b>425.10</b>	<b>80.83</b>	<b>-</b>	<b>505.93</b>
<b>Year ended March 31, 2019</b>				
<b>Gross carrying amount</b>				
Opening gross carrying amount	715.56	159.49	-	875.05
Additions	-	-	-	-
Deletion / Other Adjustments	715.56	-	-	715.56
<b>Closing Gross Carrying amount as on March 31, 2019</b>	<b>-</b>	<b>159.49</b>	<b>-</b>	<b>159.49</b>
<b>Accumulated depreciation</b>				
Opening accumulated depreciation	290.46	78.66	-	369.12
Depreciation charge during the year	-	24.52	-	24.52
Deletion / Other Adjustments	290.46	-	-	290.46
<b>Closing Accumulated Depreciation as on March 31, 2019</b>	<b>-</b>	<b>103.18</b>	<b>-</b>	<b>103.18</b>
<b>Net Carrying amount as on March 31, 2019</b>	<b>-</b>	<b>56.31</b>	<b>-</b>	<b>56.31</b>

**Reliance Power Transmission Limited**

**Notes annexed to and forming part of the Standalone Financial Statements**

(All amounts in INR Thousand, unless otherwise stated)

**Note 4. Intangible assets**

<b>Particulars</b>	<b>Softwares</b>
<b>Year ended March 31, 2018</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	34.08
Additions	-
Deletion / Other Adjustments	-
<b>Closing Gross carrying amount as at March 31, 2018</b>	<b>34.08</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation	16.19
Amortised during the year	10.79
Deletion / Other Adjustments	-
<b>Closing Accumulated Depreciation as at March 31, 2018</b>	<b>26.98</b>
<b>Net Carrying amount as at March 31, 2018</b>	<b>7.10</b>
<b>Year ended March 31, 2019</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	34.08
Additions	-
Deletion / Other Adjustments	-
<b>Closing Gross Carrying amount as at March 31, 2019</b>	<b>34.08</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation	26.98
Amortised during the year	5.39
Deletion / Other Adjustments	-
<b>Closing Accumulated Depreciation as at March 31, 2019</b>	<b>32.37</b>
<b>Net Carrying amount as at March 31, 2019</b>	<b>1.71</b>

**Note:**

- (1) The above Intangible Assets are other than internally generated.
- (2) Remaining amortisation Year of computer software is between 0 to 1 year.



**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 5: Non-Current Investments**

Particulars	Face value in INR unless otherwise	As at March 31, 2019		As at March 31, 2018	
		Number of shares	Value in Rs. Thousand	Number of shares	Value in Rs. Thousand
<b>Investment in Equity Instruments</b> (fully paid-up, unless otherwise stated) <i>In Subsidiary Companies at cost</i> <i>Unquoted</i>					
North Karanpura Transmission Company Limited	10	6,38,000	59,300.00	6,38,000	59,300.00
Talcher-II Transmission Company Limited	10	7,36,500	69,150.00	7,36,500	69,150.00
<b>Total (equity instruments)</b>		<b>13,74,500</b>	<b>1,28,450.00</b>	<b>13,74,500</b>	<b>1,28,450.00</b>
<b>Other Investments</b> <b>Subordinate Debts considered as Equity Instruments in Subsidiaries at Cost</b> (unless otherwise stated) <i>Unquoted</i>					
North Karanpura Transmission Company Limited	-	-	39,000	-	37,300.00
Talcher-II Transmission Company Limited	-	-	32,500	-	30,800.00
<b>Total</b>			<b>71,500.00</b>		<b>68,100.00</b>
<b>Total Non-Current Investments</b>					
Aggregate amount of quoted investments and market value thereof			-		-
Aggregate amount of unquoted investments			1,99,950.00		1,96,550.00

**Note 6 : Income Tax Assets (Net) - Non Current**

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Income Tax Paid	114.50	101.51
Tax Deducted at Source	8,738.40	8,730.46
Provision for Income Tax	(7,021.00)	(7,000.00)
	<b>1,831.90</b>	<b>1,831.97</b>

**Note 7 : Cash and Cash Equivalents**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Balances with Banks in -</b>		
Balances in current account	31.96	284.56
Bank Deposit with original maturity of less than 3 months	650.00	7,195.00
<b>Total</b>	<b>681.96</b>	<b>7,479.56</b>

**Note 8: Other Financial Assets**

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured and Considered good unless otherwise stated)		
Receivables from Holding Company	11,057.55	21,157.55
Advance to Subsidiaries Company		
- Considered Good	1,86,088.25	1,86,088.25
- Considered Doubtful	1,97,534.55	1,97,534.55
	<b>3,83,622.80</b>	<b>3,83,622.80</b>
Less :Provision for doubtful advance	(1,97,534.55)	(1,97,534.55)
	<b>1,86,088.25</b>	<b>1,86,088.25</b>
Interest accrued on Bank Deposits	2.60	35.66
<b>Total</b>	<b>1,97,148.40</b>	<b>2,07,281.45</b>

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 9: Other Current Assets**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Advance to Employees	-	36.26
Gratuity Fund	<b>2,088.95</b>	152.39
Balances with Government Authorities	-	84.39
Prepaid Expenses	-	7.24
<b>Total</b>	<b>2,088.95</b>	<b>280.28</b>

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 10: Equity Share Capital and Other Equity**

**Note 10(a): Equity Share Capital**

Authorised Equity Share Capital	As at March 31, 2019	As at March 31, 2018
200,00,00,000 (200,00,00,000) Equity Shares of INR 10 each	2,00,00,000.00	2,00,00,000.00
<b>Total Authorised Equity Share Capital</b>	<b>2,00,00,000.00</b>	<b>2,00,00,000.00</b>

Issued, Subscribed & Paid-up Equity Share Capital	As at March 31, 2019	As at March 31, 2018
50,000 (50,000) Equity Shares of INR 10 each	500.00	500.00
<b>Total Issued, Subscribed &amp; Paid-up equity share capital</b>	<b>500.00</b>	<b>500.00</b>

**(i) Reconciliation of the Equity Share outstanding at the beginning and at the end of the Year**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Rs. in thousand	No. of shares	Rs. in thousand
Equity Shares -				
At the beginning of the Year	50,000	500.00	50,000	500.00
Outstanding at the end of the Year	50,000	500.00	50,000	500.00

**(ii) Shares of the Company held by Holding Company and its nominees**

Name of the Holding Company	As at March 31, 2019	As at March 31, 2018
Reliance Infrastructure Limited and its nominees	500.00	500.00

**(iii) Details of shareholders holding more than 5% shares in the company**

Name of the Shareholders	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% held	No. of Shares	% held
Reliance Infrastructure Limited and its nominees	50,000	100	50,000	100

**(iv) Terms/Rights attached to Equity Shares**

a. The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares 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 remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. The Company declares and pays dividend in Indian Rupees. The Dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**Reliance Power Transmission Limited****Notes annexed to and forming part of the Standalone Financial Statements**

(All amounts in INR Thousand, unless otherwise stated)

**Note 10(b): Other Equity**

Particulars	As at March 31, 2019	As at March 31, 2018
Securities Premium	1,58,522.30	1,58,522.30
Equity Component of financial instruments (Subordinate Debts)	5,46,300.00	5,46,300.00
Retained Earning	(3,03,609.62)	(3,01,913.54)
<b>Total</b>	<b>4,01,212.68</b>	<b>4,02,908.76</b>

**(i) Securities Premium**

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	1,58,522.30	1,58,522.30
<b>Closing balance</b>	<b>1,58,522.30</b>	<b>1,58,522.30</b>

**(ii) Equity Component of financial instruments -Subordinate Debts (Refer Note Below)**

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	5,46,300.00	5,46,300.00
<b>Closing balance</b>	<b>5,46,300.00</b>	<b>5,46,300.00</b>

Note : - (The 0% sub ordinate debt is taken from the Holding Company M/s Reliance Infrastructure Limited. This sub ordinate debt to be repaid by mutual

consent of the parties only after primary lenders are paid in full and in installments as may be mutually agreed between the issuer and investor.)

**(iii) Retained Earnings**

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	(3,01,913.54)	(2,94,676.98)
Add: Net Profit / (Loss) for the Year	(1,696.08)	(7,714.35)
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurements of post-employment benefit obligation, net of tax	-	477.79
<b>Closing balance</b>	<b>(3,03,609.62)</b>	<b>(3,01,913.54)</b>

**Securities Premium:**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 11: Provisions**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non-Current	Current	Non-Current
<b>Provision for Employee Benefits:</b>				
Leave Encashment	-	-	4,267.14	1,634.84
<b>Total</b>	-	-	4,267.14	1,634.84

**Note 12: Trade Payables**

Particulars	As at March 31, 2019	As at March 31, 2018
- Total outstanding dues to small and medium enterprises	-	-
- Total outstanding dues to creditors other than micro enterprise and small enterprise	18.37	96.06
<b>Total</b>	18.37	96.06

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

**Disclosure requirement under MSMED Act, 2006**

Particulars	As at March 31, 2019	As at March 31, 2018
Principal amount due to suppliers under MSMED Act, 2006	-	-
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	-	-
Payment made to suppliers (other than interest) beyond the appointed day/due date during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
<b>Total</b>	-	-

**Note 13: Other Current Liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018
Employee Payables	-	4,319.15
Statutory Dues Payable	27.57	210.34
Other Payables	0.61	-
<b>Total</b>	28.18	4,529.49

**Reliance Power Transmission Limited**

**Notes annexed to and forming part of the Standalone Financial Statements**

(All amounts in INR Thousand, unless otherwise stated)

**Note 14: Other Income**

<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Interest on Bank Deposits	79.43	533.68
Miscellaneous Income	-	54.00
Liabilities Written Back	-	38.47
Excess Provision of Leave Encashment & Gratuity written back	3,052.91	-
<b>Total</b>	<b>3,132.34</b>	<b>626.15</b>

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 15: Employee Benefit Expense**

<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Salaries and Wages	3,755.50	20,392.53
Contribution to Provident and Other Funds	521.19	1,334.65
Gratuity Expense	-	345.20
Leave Encashment Expenses	-	602.57
Less: Expenses Reimbursed by Related Parties	-	16,431.14
<b>Total</b>	<b>4,276.69</b>	<b>6,243.81</b>

**Note 16: Other Expenses**

<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Repairs and Maintenance-Office Building	10.26	688.21
Travelling and Conveyance Expense	4.71	291.60
Telephone Expenses	54.64	333.22
Entertainment / Hospitality Expense	-	200.23
Hire Charges	-	34.68
Insurance Expense	-	2.71
Electricity Expense	-	3.24
	<b>69.61</b>	<b>1,553.89</b>
Less: Expenses Reimbursed by Related Parties	-	1,384.38
	<b>69.61</b>	<b>169.51</b>
Auditors Remuneration	15.00	15.00
Membership and Subscription Expense	21.00	157.93
Repairs and Maintenance - Other Assets	23.01	38.58
Legal and Professional Expense	115.90	61.68
Postage and Courier Expense	-	49.16
Water Expenses	-	26.50
Printing and Stationery Expense	-	31.08
Books and Periodicals Expense	-	16.58
Entertainment and Hospitality Expense	14.37	33.31
Directors' Sitting Fees	23.60	53.00
Advertisement Expenses	-	587.71
Miscellaneous Expenses	-	222.35
Loss on Sale/Discard of Fixed Assets	218.33	374.91
<b>Total</b>	<b>500.82</b>	<b>1,837.30</b>

**Reliance Power Transmission Limited**

**Notes annexed to and forming part of the Standalone Financial Statements**

(All amounts in INR Thousand, unless otherwise stated)

**Note 17: Income Taxes**

**Note 17(a): Income Tax Expense**

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the Year	21.00	140.00
<b>Total current tax expense (A)</b>	<b>21.00</b>	<b>140.00</b>
<b>Deferred tax</b>		
Decrease/(increase) in deferred tax assets	-	-
(Decrease)/increase in deferred tax liabilities	-	-
<b>Total Deferred Tax Expense/(Benefit) (B)</b>	<b>-</b>	<b>-</b>
<b>Income Tax Expense (A+B)</b>	<b>21.00</b>	<b>140.00</b>

**Note 17(b): Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:**

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Profit / (Loss) before Tax	(1,675.08)	(7,639.35)
Tax at the Indian tax rate of 26.00% / 25.75%	(436.00)	(1,967.13)
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Incomes not chargeable for tax purpose	-	(23.81)
Expenses not allowable for tax purpose	457.00	2,130.94
<b>Income Tax Expense</b>	<b>21.00</b>	<b>140.00</b>

**Note 17(c): Amounts recognised in respect of current tax / deferred tax directly in Equity**

Particulars	As at March 31, 2019	As at March 31, 2018
Amounts recognised in respect of current tax directly in Equity	-	-

**Note 17(d): Tax Losses and Tax Credits**

Particulars	As at March 31, 2019	As at March 31, 2018
Unused tax losses for which no deferred tax asset has been recognised	1,973.49	1,973.49
Unused tax credit - MAT credit entitlement	-	-

**Note 17 (e): Deferred Tax Balances**

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deferred tax liability on account of:</b>		
<b>Deferred tax asset on account of:</b>		
Unabsorbed business losses	1,973.49	1,973.49
Deferred Tax Assets	1,973.49	1,973.49

Note: The Company has not recognised deferred tax asset on the unabsorbed business losses.



**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 18 : Contingent Liabilities**

Claims against the Company not acknowledged as debts and under litigation

Income tax claims for Assessment Year 2015-2016 amounting to Rs 1,505 thousand (Rs Nil) and for Assessment Year 2016-2017 amounting to Rs 97 thousand (Rs Nil) against which the Company has filed an appeal with Commissioner of Income Tax (Appeals) Mumbai and Deputy Commissioner of Income Tax Mumbai respectively .

**Note 19: Related Party Transactions**

As per Ind AS – 24 "Related Party Disclosure" as prescribed under Section 133 of the Act, the Company's related parties and transactions with them in the ordinary course of business are disclosed below :

**A) Parties where control exists :**

**(A) Holding Company**

' - Reliance Infrastructure Limited (Rinfra)

**(B) Subsidiaries Company**

' - North Karanpura Transmission Company Limited

' - Talcher - II Transmission Company Limited

**(C) Other related parties where transaction have taken place during the year :**

**(i) Parties where the holding company has significant influence / control :**

- Utility Powertech Limited

**(ii) 'Key Management Personnel**

- Sh. Dinesh Navnitlal Modi - Director

- Sh. Sankaran Srinivasan - Director

Following transactions were carried out with the related parties in the ordinary course of business:

**(a) Key Management Personnel :**

Particulars	2018-19	2017-18
<b>Payment of Sitting Fees</b>		
Sh. Dinesh Navnitlal Modi	10.00	30.00
Sh. Sankaran Srinivasan	10.00	20.00
<b>Total</b>	<b>20.00</b>	<b>50.00</b>

**(b) Transactions with Related Parties :**

Particulars	2018-19	2017-18
<b>Statement of profit and loss heads</b>		
<b>Expenses:</b>		
<b>Receiving of services</b>		
- Utility Powertech Limited	-	846.50
<b>Recoverable Expenditure incurred for related party</b>		
- Reliance Infrastructure Limited	-	16,387.11
<b>Recoverable Expenditure incurred on our behalf</b>		
- Reliance Infrastructure Limited	-	374.16
<b>Subordinate Debts given</b>		
- North Karanpura Transmission Company Limited	1,700.00	3,000.00
- Talcher II Transmission Company Limited	1,700.00	3,000.00

**(c) Outstanding balances**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Balance sheet heads (Closing balances):</b>		
<b>Trade payables</b>		
- Utility Powertech Limited	-	76.16
<b>Receivables from Related Parties</b>		
- Reliance Infrastructure Limited	11,057.55	21,157.55
- North Karanpura Transmission Company Limited	97,059.02	97,059.02
- Talcher II Transmission Company Limited	89,029.23	89,029.23
<b>Equity Share Capital (Including Share Premium)</b>		
- Reliance Infrastructure Limited	1,59,022.30	1,59,022.30
<b>Equity Component of financial instruments (Subordinate Debts)</b>		
- Reliance Infrastructure Limited	5,46,300.00	5,46,300.00
<b>Investment in Equity Share (including Subordinate Debts)</b>		
- North Karanpura Transmission Company Limited	98,300.00	96,600.00
- Talcher II Transmission Company Limited	1,01,650.00	99,950.00

Note: The above disclosure does not include transactions with/as public utility service providers, viz, electricity, telecommunications, in the normal course of business.

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 20: Disclosure under Indian Accounting Standard 19 "Employee Benefits".**

The Company has classified various employee benefits as under:

**(A) Defined Contribution Plans**

- a. Provident fund
- b. Superannuation fund
- c. State defined contribution plans  
- Employers' Contribution to 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 Trustees of the Life Insurance Corporation of India Officer's Superannuation Scheme. 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 recognized the following amounts in the Statement of Profit and Loss, for the year:

Sl. No.	Particulars	2018-19	2017-18
(i)	Contribution to Provident Fund	288.17	636.88
(ii)	Contribution to Employee's Superannuation Fund	50.00	191.67
(iii)	Contribution to Employee's Pension Scheme 1995	45.00	74.23

**(B) Defined Benefit Plans**

**Gratuity**

The Company operates a gratuity plan administered by various insurance companies. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Sl. No.	Particulars	Gratuity	
		Funded	
		March 31, 2019	March 31, 2018
<b>(i)</b>	<b>Changes in Defined Benefit Obligation</b>		
	Opening Balance of Present Value of Obligation	5,792.60	5,623.42
	<b>Net Employee Benefit expense recognized in the Statement of Profit and Loss</b>		
	Current Service Cost	-	258.93
	Past Service Cost	-	-
	Interest Cost on Defined Obligations	-	265.55
	(Gain) / Loss on settlement	-	-
	Reversal of Excess Provision	(1,654.06)	-
	<b>Net Benefit Expense</b>	<b>(1,654.06)</b>	<b>524.48</b>
	<b>Amount Recorded in Other Comprehensive Income (OCI)</b>		
	Opening amount recognized in OCI outside Statement of Profit and Loss	-	-
	Remeasurements during the period due to:		
	Changes in Financial assumptions	-	390.23
	Changes in demographic assumptions	-	-
	Experience adjustments	-	(745.53)
	Actual return on plan assets less interest on plan assets	-	-
	Adjustment to recognize the effect of asset ceiling	-	-
	<b>Closing amount recognized in OCI outside Statement of Profit and Loss</b>	<b>-</b>	<b>(355.30)</b>
	Benefits Paid	(4,138.54)	-
	<b>Closing Balance of Present Value of Obligation</b>	<b>-</b>	<b>5,792.60</b>

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

Sl. No.	Particulars	Gratuity	
		Funded	
		March 31, 2019	March 31, 2018
(ii)	<b>Changes in Fair Value of plan assets</b>		
	Opening Balance of Present Value of Plan Assets	5,944.99	4,149.80
	<b>Net Employee Benefit expense recognized in the Statement of Profit and Loss</b>		
	Current Service Cost	-	-
	Interest cost/(income) on plan assets	282.50	179.29
	Actuarial Gain / (Loss) on settlement	-	-
	<b>Net benefit expense</b>	<b>282.50</b>	<b>179.29</b>
	<b>Amount Recorded in Other Comprehensive Income (OCI)</b>		
	Remeasurements during the period due to:		
	Changes in Financial assumptions	-	-
	Changes in demographic assumptions	-	-
	Experience adjustments	-	-
	Actual return on plan assets less interest/(income) on plan assets	-	1,615.90
	Adjustment to recognize the effect of asset ceiling	-	-
	<b>Amount recognized in OCI</b>	<b>-</b>	<b>1,615.90</b>
	Contributions	-	-
	Benefits Paid	(4,138.54)	-
	Assets acquired / settled	-	-
	<b>Closing Balance of Fair Value of Plan Assets</b>	<b>2,088.95</b>	<b>5,944.99</b>

(iii)	<b>The net (Liability) / asset disclosed above relates to funded / unfunded plan is as follows:</b>		
	Present value of Funded Obligation	-	5,792.60
	Fair Value of Plan Assets	2,088.95	5,944.99
	Amount not recognized as asset (asset ceiling)	-	-
	Present value of Unfunded Obligation	-	-
	<b>Net Liability / (asset) is bifurcated as follows:</b>		
	Current	-	-
	Non Current	2,088.95	(152.39)
	<b>Total</b>	<b>2,088.95</b>	<b>(152.39)</b>

(iv)	<b>Expenses Recognised in the Statement of Profit and Loss</b>		
	Current Service Cost	-	258.94
	Net Interest Cost	-	86.26
	Expenses Recognised	-	345.20

(v)	<b>Expenses Recognised in Other Comprehensive Income (OCI)</b>		
	Actuarial Losses on Obligation for the year	-	355.30
	Return on Plan Assets Excluding Interest Income	-	(1,615.90)
	Net Expenses for the year recognised in OCI	-	1,971.20

(vi)	<b>Actuarial Assumptions:</b>		
1	Discount Rate (Per annum)	-	7.70%
2	Salary Escalation Rate (Per annum)	-	9.75%
3	Expected Avg. remaining working lives of employees in no. of Years	-	40.83
4	Mortality Post retirement Rate During the Employment	-	Indian Assured Lives Mortality (2006-2008)
5	Mortality Post retirement Rate after the Employment	-	NA

(vii)	<b>Sensitivity Analysis:</b>		
A	<b>Sensitivity Level- Discount Rate</b>		
	Impact on Defined Benefit Obligation in 50 bps increase	-	-2.33%
	Impact on Defined Benefit Obligation in 50 bps decrease	-	2.56%
B	<b>Sensitivity Level- Salary Escalation Rate</b>		
	Impact on Defined Benefit Obligation in 50 bps increase	-	2.50%
	Impact on Defined Benefit Obligation in 50 bps decrease	-	-2.30%

(viii)	<b>The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:</b>		
1	Expected benefit for 1 year	-	3,887.07
2	Expected benefit for 2 year	-	48.05
3	Expected benefit for 3 year	-	53.52
4	Expected benefit for 4 year	-	56.52
5	Expected benefit for 5 year	-	59.94
6	Expected benefit for 6 year	-	75.70
7	Expected benefit for 7 year	-	87.50
8	Expected benefit for 8 year	-	106.81
9	Expected benefit for 9 year	-	112.98
10	Expected benefit for 10 year and above	-	6,476.92
11	The weighted average duration to the payment of these cash flows (Years)	-	4.88

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
 (All amounts in INR Thousand, unless otherwise stated)

Sl. No.	Particulars	Gratuity	
		Funded	
		March 31, 2019	March 31, 2018
(ix)	<b>Plan Asset Composition</b>		
	Non Quoted	2,088.95	5,944.99
	Insurer Managed Funds	2,088.95	5,944.99

(x)	<b>A reconciliation of the asset ceiling during the inter valuation period is given below:-</b>		
	<b>Opening Value of asset ceiling</b>	-	-
	Add: Interest on opening balance on asset ceiling	-	-
	Remeasurement due to:	-	-
	Changes in surplus/deficit	-	-
	<b>Closing Value of asset ceiling</b>	-	-

Note: As at March 31, 2019, the Company does not have any employees, hence no provision for gratuity and leave encashment has been made on the financial statements. The excess provision if any lying at the balance sheet date has been written back in the books of account.

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 21: Fair Value Measurements and Financial Risk Management**  
**A. Fair Value Measurements**

**(a) Financial Instruments by Category**

Set out below is the detail of the carrying amounts and fair values by class of Financial instruments.

Particulars	As at March 31, 2019	As at March 31, 2018
	Amortised cost	Amortised cost
<b>Financial Assets</b>		
Cash and Cash Equivalents	31.96	284.56
Receivable from Related Party	1,97,145.80	2,07,245.80
Bank Deposit with original maturity of less than 3 months	650.00	7,195.00
Interest Accrued on Bank Deposits	2.60	35.66
<b>Total</b>	<b>1,97,830.36</b>	<b>2,14,761.02</b>
<b>Financial Liabilities</b>		
Trade Payables	18.37	96.06
<b>Total</b>	<b>18.37</b>	<b>96.06</b>

**(b) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Assets and liabilities for which fair values are disclosed as at March 31, 2019	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Receivables from related parties	-	-	1,97,145.80	1,97,145.80
<b>Financial Liabilities</b>				
Trade Payables	-	-	18.37	18.37

Assets and liabilities for which fair values are disclosed as at March 31, 2018	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Receivables from related parties	-	-	2,07,245.80	2,07,245.80
<b>Financial Liabilities</b>				
Trade Payables	-	-	96.06	96.06

There were no transfers between any levels during the year.

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have a quoted price.

**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.

The carrying amounts of advances receivable from Related Party, bank deposits and cash and cash equivalents are considered to be the same as their fair values. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
 (All amounts in INR Thousand, unless otherwise stated)

**Note 21: Fair Value Measurements and Financial Risk Management**  
**(B) Financial Risk Management**

**(a) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is engaged in Transmission of Electricity. The Company does not have any significant exposure to credit risk.

**Credit Risk Management**

**(i) Cash and cash equivalents**

The Company held cash and cash equivalents with credit worthy banks aggregating Rs. 681.96 thousand and Rs. 7,479.56 thousand as at March 31, 2019 and March 31, 2018 respectively. The credit worthiness of such banks and other is evaluated by the management on an ongoing basis and is considered to be good.

**(ii) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The Company is not exposed to any significant currency risk and equity price risk.

**(a) 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 is not exposed to any interest rate risk.

**(b) Liquidity Risk**

The table below analyses the Company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual Maturities of Financial Liabilities as at March 31, 2019	Upto 1 year	Between 1 and 5 years	Above 5 years	Total
<b>Non-derivatives</b>				
Trade Payables	18.37	-	-	18.37
<b>Total</b>	<b>18.37</b>	<b>-</b>	<b>-</b>	<b>18.37</b>

Contractual Maturities of Financial Liabilities as at March 31, 2018	Upto 1 year	Between 1 and 5 years	Above 5 years	Total
<b>Non-derivatives</b>				
Trade Payables	96.06	-	-	96.06
<b>Total</b>	<b>96.06</b>	<b>-</b>	<b>-</b>	<b>96.06</b>

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Financial Statements**  
(All amounts in INR in Thousand, unless otherwise stated)

**Note 22: Project Status of Subsidiary Companies (NKTCL and TTCL)**

**A. Force Majeure:**

The Subsidiary Company had approached Central Electricity Regulatory Commission (CERC) for allowing tariff revision and Force Majeure due to delay in grant of clearance u/s 164 of Electricity Act (EA). CERC notified an unfavorable order which was later challenged by NKTCL and TTCL in Appellate Tribunal for Electricity (ATE). ATE allowed the appeal filed by subsidiary company and set aside the unfavorable CERC order.

Pursuant to the ATE Order, written requests were sent to the beneficiaries seeking following main reliefs to mitigate effect of Force Majeure in line with the prayers allowed in appeal:

- a) Re-fixation of implementation time of the Project as was originally envisaged considering zero date as issuance of section 68 approval from MoP.
- b) Tariff Increase to the tune of 160%.

Concerned utilities in Tamilnadu, Gujarat and Maharashtra have appealed against the order of ATE in the Supreme Court(Supreme Court) of India. First hearing was held on March 07, 2014 in case of Gujarat and April 21, 2014 in case of Maharashtra. The Tamilnadu petition has been merged with the petition of Gujarat. All the petitions filed by beneficiaries have been clubbed together by Supreme Court. The petition has been admitted and next hearing is awaited.

**B. Revocation of License:**

Meanwhile on March 04, 2014, CERC reopened Power Grid Corporation of India Limited's (PGCIL) petition nos. 19 and 20 seeking revocation of license of the Company and transferring the project to PGCIL on cost plus model at the risk and cost of Reliance Power Transmission Limited (the Holding Company). CERC vide its Order dated September 02, 2015, stated that the Subsidiaries Companies shall comply with certain conditions stated in the Order within a stipulated time frame or else its license would be revoked. Based on the Order of CERC, the Subsidiaries Companies filed an Appeal No. 200 of 2015 & IA-337 of 2015 in ATE challenging the CERC order. ATE rejected the IA meant for stay but allowed the appeal. The Subsidiaries Companies filed a Civil Appeal number 9291 of 2015, in Supreme Court against ATE's rejection of IA meant for stay. Based on the appeal filed by the Subsidiaries Companies, the Supreme Court has given a stay order directing no coercive action to be taken by CERC. Supreme Court on August 12, 2016 has disposed of the appeal and directed ATE to decide on the appeal. During the course of hearing in ATE the issue rose at the outset as to whether after passage of time the projects were at all required or not. Since the beneficiaries themselves do not want the projects to be implemented any more, the Subsidiaries Companies, in law and also under contract, should be relieved from its execution. During the year, the Subsidiaries Companies has also obtained an opinion from the former member of APTEL on whether the Company is entitle to receive the acquisition cost and /or expenditure incurred by the Company. Based on opinion obtained and management judgment, the Subsidiaries Companies is confident of receiving favorable order from CERC, hence no provision has been made by the Subsidiaries Companies in the books of accounts.

The ATE via its order dated February 1, 2019 directed to approach CERC so that CERC may seek necessary advice from the CEA (u/s 73(n) of EA), as to whether the project is required or not. If required, CERC may also adjudicate on the monetary compensation. Subsidiaries Companies filed a petition in CERC (40 of 2019) and an order for no coercive action against the Bank Guarantees (BGs) against the IA has been granted by the CERC. A petition has been filed in CERC as directed by ATE. Date of hearings in CERC is awaited.

C. As the approval by Ministry of Power (MoP) u/s 68 of Electricity Act 2003 to the project have already expired, the Subsidiary Company has filed a letter on January 14, 2014 requesting extension of the same, but MoP's response is still awaited. Pending the said approval, the Transmission Service Agreement (TSA) would not become operative and implementation of the Project could not be commenced.

Considering the above matters, which are pending with concerned authorities, the management of subsidiaries companies is confident of recovering the cost incurred on acquiring the project amounting to Rs.3,76,851.22 thousand which is shown under Capital work in Progress in the books of account.

As per the evaluation of above facts of Subsidiaries Companies, the Company is confident of recovering its entire investment in the above Subsidiaries Companies.

**Reliance Power Transmission Limited**  
**Notes annexed to and forming part of the Standalone Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**Note 23 : Payment to Auditors (excluding goods and service tax)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) As Auditors :		
Audit Fee	15.00	15.00
<b>Total</b>	<b>15.00</b>	<b>15.00</b>

**Note 24 : Earnings per share**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Basic and Diluted earnings per share</b>		
Loss attributable to the equity holders of the Company (Rs in Thousand) (A)	(1,696.08)	(7,236.56)
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (B)	50,000	50,000
Earning / (Loss) per share (Basic and Diluted) (Rs.) (A / B)	(33.92)	(144.73)
Nominal value of equity shares (Rs.)	10	10

**Note 25: Segment Information**

The Company is engaged in "Transmission of Electrical Energy" which in the context of Ind AS 108 "Operating Segment" is considered as the only segment. The Company activities are restricted within India and hence, no separate geographical segment disclosure is considered necessary.

**Note 26 : Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Statement of Cash Flows**

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Sub Ordinate Debt (Equity Component of financial instruments)</b>		
Opening Balance	5,46,300.00	5,46,300.00
Received during the year	-	-
Changes in Fair Value (Impact of Effective Rate of Interest)	-	-
Repaid During the year	-	-
<b>Closing Balance</b>	<b>5,46,300.00</b>	<b>5,46,300.00</b>

**Note 27 :**

Figures for the previous year have been regrouped / rearranged wherever necessary to make them comparable to those for the current year.

As per our attached Report of even date

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

**For and on behalf of the Board**

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

**Alok Kumar Roy**  
**Director**  
**DIN: 01952393**

**Sandeep Bandekar**  
**Director**  
**DIN: 08236773**

**Place: Mumbai**  
**Date : May 30, 2019**

**Place: Mumbai**  
**Date : May 30, 2019**