

FINANCIAL STATEMENT

2014-15

**RELIANCE NATURAL RESOURCES
LIMITED**

Independent Auditors' Report

To the Members

Reliance Natural Resources Limited

I. Report on the Financial Statements

We have audited the attached financial statements of Reliance Natural Resources Limited (hereinafter referred to as the Company), comprising of the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year ended along with the Significant Accounting Policies and other explanatory information forming an integral part thereof.

II. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 (hereinafter referred to as the Act), read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

III. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

IV. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2015;
- (b) In the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash flows of the Company for the year ended on that date.

V. Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in the Annexure a statement on the matters specified in paragraph 3 of the said Order, to the extent applicable to the Company during the year under review.
- 2. Further to our comments in the Annexure referred to in 1. above as per the requirements of Section 143(3) of the Act, we report as follows:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the respective directors as on 31st March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;
- (f) 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 does not have any pending litigations which would impact its financial position;
 - ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Shyam Malpani & Associates
Chartered Accountants
Firm Registration No. 120438W

Shyam Malpani
Proprietor
Membership No. F-34171

Mumbai, dated 23rd May 2015.

Annexure to the Auditors' Report

(Referred to in paragraph V(1) of our report of even date)

In terms of the information and explanations given to us and the books and records examined by us and on the basis of such checks as we considered appropriate, we further report as under:

(i) **Fixed Assets:**

- a. In our opinion, the Company has maintained proper records pertaining to fixed assets showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, during the year, the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. During the year, the Company has not disposed off any portion of its Fixed Assets.
- (ii) There were no inventories lying with the Company as at the close of the year and hence the provisions of this clause are not applicable to the Company during the year under review.
- (iii) During the year, the Company has not granted any loans, secured or unsecured to the parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the provisions of services. During the course of the audit, we have not come across any major weakness in the internal controls prevailing in the Company.
- (v) According to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) As explained to us, maintenance of cost records has not been prescribed by the Central Government for the Company under Section 148(1) of the Act.
- (vii) a) According to the information and explanations given to us and as per the records verified by us, the Company has been regular in depositing undisputed statutory dues involving Income Tax and Service Tax with the appropriate authorities and there were no arrears under the above heads which were due for more than six months from the date they become payable as at the close of the year. Keeping in view the present operations of the Company, statutes relating to Provident Fund, employees' State Insurance, Profession Tax, Sales-tax, Custom Duty, Excise Duty and Cess are not applicable to the Company during the year under review.

- b) As per the records, no statutory dues have been disputed and lying pending with the Company as at the close of the year under review.
 - c) According to the information and explanations given to us, there are no dues of Investor Education and Protection Fund and rules made thereunder which is required to be transferred.
- (viii) As per the accounts verified by us, the Company has no accumulated losses as at the end of the current financial year. Also the Company has not incurred any cash losses in the current financial year (Previous Year - Rs. 977.63 Lacs).
- (ix) As per the records verified by us, the Company has not availed any loan/facility from banks/financial institutions and hence the question of default in repayment of the same does not arise. Further, no amounts were borrowed by the Company through Debentures.
- (x) As explained to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) No term loans were obtained by the Company during the year.
- (xii) 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 fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management

For Shyam Malpani & Associates
Chartered Accountants
Firm Registration No. 120438W

Shyam Malpani
Proprietor
Membership No. F-34171

Mumbai, dated 23rd May, 2015.

Reliance Natural Resources Limited

Balance Sheet as at March 31, 2015

Particulars	Note	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3.1	500,000	500,000
Reserves and Surplus	3.2	183,944,615	224,995,953
Current liabilities			
Other Current liabilities	3.3	435,761,450	318,570,527
Total		620,206,065	544,066,480
Assets			
Non-current assets			
Fixed assets			
Tangible Assets	3.4	281,338,903	333,812,221
Other non-current assets	3.5	21,346,408	20,943,708
Current assets			
Cash and Bank balances	3.6	626,093	1,994,483
Short term loans and advances	3.7	316,894,661	187,316,068
Total		620,206,065	544,066,480

Notes form an integral part of these financial statements.

Significant accounting policies	2
Notes to financial statements	4 to 13

As per our attached report of even date

For Shyam Malpani & Associates
Chartered Accountants
Firm Registration No: 120438W

For and on behalf of the Board

Shyam Malpani
Proprietor
Membership No. 34171

Sunil Agarwal
Director
DIN :03636810

Ashwin Purohit
Director
DIN :07062599

Place: Mumbai
Date: May 23, 2015

Place: Mumbai
Date: May 23, 2015

Reliance Natural Resources Limited

Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
Other Income	3.8	1,546,907	1,346,395
Total Revenue		1,546,907	1,346,395
Expenses:			
Administration and other expenses	3.9	1,497,612	99,110,000
Depreciation (net)		479,440	27,366,177
Total Expenses		1,977,052	126,476,177
Profit / (Loss) before taxation		(430,145)	(125,129,782)
- Provision for Current Tax			
Profit/(Loss) for the period		(430,145)	(125,129,782)
Earnings per equity share: (Face value of Rs. 5 each)			
Basic and Diluted (refer note 5)		(4.30)	(1,251.30)

Notes form an integral part of these financial statements.

Significant accounting policies	2
Notes to financial statements	4 to 13

As per our attached report of even date

For Shyam Malpani & Associates
Chartered Accountants
Firm Registration No: 120438W

For and on behalf of the Board

Shyam Malpani
Proprietor
Membership No. 34171

Sunil Agarwal
Director
DIN :03636810

Ashwin Purohit
Director
DIN :07062599

Place: Mumbai
Date : May 23, 2015

Place: Mumbai
Date : May 23, 2015

RELIANCE NATURAL RESOURCES LIMITED

Cash Flow Statement for the year ended March 31, 2015

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
A. Cash Flow from Operating Activities		
Net Profit before tax as per Profit and Loss Account	(430,145)	(125,129,782)
Adjustments for :		
Depreciation	12,743,792	27,366,177
Investment income	(1,464,240)	(1,346,395)
	<u>11,279,552</u>	<u>26,019,782</u>
Operating Profit before Working Capital Changes	10,849,407	(99,110,000)
Adjustments for :		
Trade payables	117,190,922	102,539,895
Trade and other receivables	(129,578,593)	(2,568,822)
	<u>(12,387,670)</u>	<u>99,971,073</u>
Income Taxes paid	(402,700)	(382,383)
Net Cash flow (used in) / generated from Operating Activities	(1,940,964)	478,690
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(891,666)	(425,025)
Investment income received	1,464,240	1,346,395
Net Cash flow (used in) / generated from Investing Activities	572,574	921,370
Net Increase/(Decrease) in Cash and Cash Equivalents (A)+(B)	<u>(1,368,390)</u>	<u>1,400,060</u>
Opening Balance of Cash and Cash Equivalents	1,994,483	594,424
Closing Balance of Cash and Cash Equivalents	626,093	1,994,483
Net Increase/(Decrease) in Cash and Cash Equivalents	<u>(1,368,390)</u>	<u>1,400,059</u>

Previous year figures have been regrouped / recasted wherever necessary to the current year classification

As per our attached report of even date

For Shyam Malpani & Associates
Chartered Accountants
Firm Registration No: 120438W

For and on behalf of the Board

Shyam Malpani
Proprietor
Membership No. 34171

Sunil Agarwal
Director
DIN : 03636810

Ashwin Purohit
Director
DIN : 07062599

Place: Mumbai
Date : May 23, 2015

Place: Mumbai
Date : May 23, 2015

RELIANCE NATURAL RESOURCES LIMITED

Notes to the financial statements for the year ended 31 March, 2015 (Continued)

1 General information and Background

The Company was originally formed pursuant to the demerger of Coal-based / Gas-based Energy Undertaking of Reliance Industries Ltd (RIL). All the properties, investments, assets and liabilities relating to Gas based energy undertaking of RIL were transferred and vested into the Company on a going concern basis. In consideration of the demerger, the Company allotted 122,31,30,422 shares of Rs. 5/- amounting to share capital of Rs. 611,56,52,110 as share capital. The deficit of net assets over the amount of share capital issued had been treated as Goodwill.

During the year 2010-11 the Board of Directors at its meeting held on July 4, 2010 approved the Composite Scheme of Arrangement between the Company and Reliance Power Limited and its subsidiaries namely Atos Trading Private Limited, Atos Mercantile Private Limited, Coastal Andhra Power Infrastructure Limited, Reliance Prima Limited and Reliance Futura Limited, which has been sanctioned by the Hon'ble High Court of Judicature at Bombay vide its order dated October 15, 2010 and the same has been filed with the Registrar of Companies on October 29, 2010. Pursuant to the Scheme, the Business Undertaking of the Company has been demerged and transferred to Reliance Power Limited with effect from the appointed date i.e October 15, 2010.

2) Significant accounting policies:

(a) Basis of accounting

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the relevant provisions of the Companies Act, 2013 (The "Act") and the Accounting Standards notified under the Act. The Financial Statements are prepared on accrual basis under the historical cost convention.

(b) Use of estimates

The preparation and presentation of Financial Statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as on the date of the Financial Statements and reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised.

(c) Tangible assets and Capital work-in-progress:

Tangible assets are stated at cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment of loss, if any. The cost of Tangible Assets comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, including any cost directly attributable to bringing the assets to their working condition for their intended use. Subsequent expenditure related to an item of Tangible assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standards of performance.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

(d) Intangible assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use and adjustment arising from exchange rate variation attributable to the intangible assets.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under capital work-in-progress.

(e) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.

RELIANCE NATURAL RESOURCES LIMITED

Notes to the financial statements for the year ended 31 March, 2015 (Continued)

(f) Depreciation / Amortisation:

Depreciation on Tangible Assets is provided to the extent of depreciable amount on Straight Line Method (SLM) based on useful life of the assets as prescribed in Part C of Schedule II to the Companies Act, 2013.

(g) Investments

Long term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined of value of long-term investments and made for each investment individually. Current investments are valued at lower of cost and fair value.

(h) Provisions, Contingent Liabilities & Contingent Assets:

Provisions: Provisions are recognised when there is present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is termed as contingent liability.

Where there is a possible obligation or a present obligation but the likelihood of outflow of resources is remote, no provision or disclosure is made as specified in Accounting standard 29 – "Provisions, Contingent Liability and Contingent Assets".

Contingent Assets: A contingent asset is neither recognised nor disclosed in the Financial Statements.

(i) Borrowing costs

Borrowing costs include cost that are ancillary and requires as per the terms of agreement. Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(j) Foreign currency transactions:

(i) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

(ii) All exchange differences arising on reporting of short term foreign currency monetary items other than derivative contracts at rates different from those at which they were initially recorded are recognised in the Statement of Profit and Loss.

(iii) In respect of foreign exchange differences arising on revaluation or settlement of long term foreign currency monetary items, the Company has availed the option available in the Companies (Accounting Standards) (Second Amendment) Rules 2011, wherein:

- Foreign exchange differences on account of depreciable asset, is adjusted in the cost of depreciable asset and would be depreciated over the balance life of asset.
- In other cases, foreign exchange difference is accumulated in "foreign currency monetary item translation difference account" and amortised over the balance period of such long term asset / liabilities.
- An asset or liability is designated as a long term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of twelve months or more at the date of origination of the asset or the liability, which is determined taking into consideration the terms of the payment/settlement as defined under the respective agreement/memorandum of understanding.

(iv) Non-monetary items denominated in foreign currency are stated at the rates prevailing on the date of the transactions / exchange rate at which transaction is actually effected.

RELIANCE NATURAL RESOURCES LIMITED

Notes to the financial statements for the year ended 31 March, 2015 (Continued)

(k) Revenue recognition:

- (i) Revenue from sale of goods is recognised when significant risk and reward of ownership is transferred to the buyer as per the terms of contract.
- (ii) Profit on sale/redemption of investments is accounted on sale/redemption of such investments. Interest income on fixed and inter-corporate deposit is recognised on time proportionate basis. Dividend is recognised when the right to receive is established in Company's favour.

(l) Accounting for taxes on income

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflects the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

(m) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash Equivalents are short-term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(n) Earnings per share

Basic earnings per share are computed by dividing the net profit or loss by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the net profit for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(o) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.1 Share Capital

Authorised Share Capital

138,68,69,578 (138,68,69,578) Equity Shares of Rs.5 each
1,000,000,000 (1,000,000,000) unclassified Equity Shares of Rs.5 each

As at
March 31, 2015
Rupees

As at
March 31, 2014
Rupees

6,634,347,890 6,634,347,890
5,000,000,000 5,000,000,000

11,834,347,890 11,834,347,890

Issued, subscribed and fully paid up capital

100,000 (100,000) Equity Shares of Rs.5 each fully paid-up

500,000 500,000

Total

500,000 500,000

3.1.1 Reconciliation of number of shares

Equity shares

Balance at the beginning of the year

100,000 (Previous Year: 100,000) shares of Rs. 5 each

500,000 500,000

Balance at the end of the year - 100,000 (Previous year: 100,000) shares of Rs. 5 each

500,000 500,000

3.1.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.5 per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3.1.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	Percentage of share holding	As at March 31, 2015 No. of Shares	As at March 31, 2014 No. of Shares
Reliance Power Limited	100	100,000	100,000
	100	100,000	100,000

Reliance Natural Resources Limited

Notes to the financial statements for the year ended March 31, 2015 (Continued)

3.2 Reserves and Surplus

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Surplus in the Statement of Profit and Loss		
Balance as per last Balance Sheet	224,995,953	350,125,735
Profit / (Loss) for the year	(430,145)	(125,129,782)
Less : Amount transferred from Tangible assets	40,621,193	-
Net surplus in the Statement of Profit and Loss	183,944,615	224,995,953
Total Reserve and Surplus	183,944,615	224,995,953

3.3 Other Current Liabilities

Dues to Related Parties	425,192,363	310,423,285
Other Liabilities	10,325,481	7,939,986
Security Deposit	100,000	100,000
Statutory dues	143,606	107,256
	435,761,450	318,570,527

Reliance Natural Resources Limited

Notes to the financial statements for the year ended March 31, 2015 (Continued)

3.4 Tangible Assets

Particulars	Gross Block (at cost)		Adjustments / Transfer*	Depreciation		Net Block	
	As at April 01, 2014	Addition during the year		As at March 31, 2015	For the year	Upto March 31, 2015	As at March 31, 2015
Building	637,209,459	-	-	637,209,459	12,264,352	391,932,427	245,287,932
Electrical Installation	185,804,846	-	17,516,798	168,283,048	226,282	159,128,098	9,081,950
Equipments	193,651,108	891,686	13,327,041	121,225,733	251,146	113,902,159	7,323,574
Furnitures and Fixtures	393,325,912	-	9,777,354	383,645,558	-	363,883,211	19,666,347
Total	1,350,002,325	891,686	40,621,193	1,310,272,798	12,743,792	1,028,933,895	281,338,903
Previous Year	1,349,577,300	425,025	-	989,623,927	27,366,177	1,016,190,104	333,812,221

Note:

1. Out of the total Depreciation of Rs. 12,743,792 Rs. 479,440 (being net of recovery) has been charged to Profit & Loss account.

Reliance Natural Resources Limited

Notes to the financial statements for the year ended March 31, 2015 (Continued)

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
3.5 Other Non-current Assets		
Non-current bank balances (Fixed Deposits)	20,438,693	20,438,693
Advance Income Tax (Net of Provision)	907,716	505,016
	<u>21,346,408</u>	<u>20,943,708</u>
3.6 Cash and Bank Balances		
Cash and Cash equivalents		
Balance with banks in current account	626,093	1,994,483
	<u>626,093</u>	<u>1,994,483</u>
3.7 Short term loans and advances		
(Unsecured and considered good unless stated otherwise)		
Advance Recoverable in Cash or Kind	312,780,701	184,376,539
Security Deposits	3,745,270	2,512,090
Interest Accrued on Deposits	388,090	188,150
Prepaid Expenses	-	235,000
Balance with Govt/ Statutory authorities	-	4,289
	<u>316,894,061</u>	<u>187,316,068</u>

Reliance Natural Resources Limited

Notes to the financial statements for the year ended March 31, 2015 (Continued)

	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
3.8 Other income		
Interest Income		
Bank Deposits	1,464,240	1,346,395
Other non-operating income	82,667	
Total	1,546,907	1,346,395
3.9 Administration and other expenses		
Rent Expenses		31,236,446
Repairs and Maintenance		19,632,885
Legal and Professional Charges	844,945	536,919
Rates and Taxes		5,978,114
Insurance	652,667	235,227
Electricity Expenses		39,380,517
Miscellaneous Expenses		1,909,891
Total	1,497,612	99,110,000

RELIANCE NATURAL RESOURCES LIMITED

Notes to the financial statements for the year ended 31 March, 2015 (Continued)

4. Under the Micro, Small and Medium Enterprises Development Act, 2006 ('Act') which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small & Medium enterprises. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of this Act is not expected to be material.

5. Earnings per share:

Particulars	Amount in Rupees	
	Year ended March 31, 2015	Year ended March 31, 2014
(a) (Loss) / Profit after taxation	(430,145)	(125,129,782)
(b) Weighted average number of equity shares outstanding during the period	100,000	100,000
(c) Earnings per share (Face value Rs 10 per share) (a)/(b) (Rupees.)	(4.30)	(1251.30)

6. Details of Remuneration to Statutory Auditors

Particulars	Amount in Rupees	
	Year ended March 31, 2015	Year ended March 31, 2014
Audit Fees (Included In Legal and Professional Charges)	25,000	25,000

7. Related Party Transaction:

As per Accounting Standard-18 as prescribed by Companies (Accounting Standard) Rules, 2006, the Group's related parties and transactions are disclosed below:

a) Parties where control exists:

- (i) Holding Company Reliance Power Limited (R-Power)
- (ii) Fellow Subsidiaries Sasan Power Limited (SPL)
Rajasthan Sun Technique Energy Private Limited (RSTEPL)

b) Details of transactions and closing balance.

Particulars	Amount in Rupees		
	RPower	SPL	RSTEPL
Transactions during year			
Expenses incurred on our behalf	18,030,922		
	71,906,445	-	-
Sundry Advances taken (net)	132,800,000		
	170,000,000	-	-
Reimbursement of expenses	-	117,657,416	10,685,630
	-	-	-
Closing Balance:-			
Outstanding Payable	425,192,363	117,657,416	10,685,630
	310,423,285	-	-

Figures in italics represent previous period figures

The above disclosures do not include transactions with public utility service providers Viz. Electricity, telecommunications etc. in the normal course of business

RELIANCE NATURAL RESOURCES LIMITED

Notes to the financial statements for the year ended 31 March, 2015 (Continued)

8. Balances appearing under the heads Loans & Advances and Current Liabilities are as per books of accounts and as such are subject to consequential adjustments, if any which may arise on receipts of confirmations and/or completion of reconciliations.
9. As there are no employees, provision towards gratuity and leave encashment has not been considered in the accounts as per the recommendations of Accounting Standard 15 – Employee Benefits.
10. There are no reportable segments under Accounting Standard 17 'Segment Reporting' issued as prescribed by Companies (Accounting Standard) Rules, 2006.
11. In the opinion of the Board, Current as well as Non-current Assets have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated.
12. Pursuant to the enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortized carrying value is being depreciated over the revised/remaining useful life. The Written Down Value of Fixed Assets whose lives have expired as at 1st April 2014 has been adjusted in the opening balance of Profit and Loss amounting to Rs. 40,621,193.
13. Previous year's figures have been regrouped and recast wherever necessary to the current year classification.

For and on behalf of the Board

Sunil Agarwal
Director
DIN: 03636810

Ashwin Purohit
Director
DIN: 07062599

Place: Mumbai
Date: May 23, 2015