

M.S. Sethi & Associates

Chartered Accountants

Manoj Sethi
B.Com., F.C.A.

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FIT FOR CONSOLIDATION

We have audited the accompanying financial statements of **Reliance Natural Resources (Singapore) Pte. Ltd** (the "Company") which comprises the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss for the year ended on that date and a summary of significant accounting policies and other explanatory information.

The financial statements have been prepared by the management of the Company in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and accounting policies generally accepted in India only to enable their incorporation in the consolidation financial statements of Reliance Power Limited and not to report on the Company as a separate entity. We have conducted our audit in accordance with the auditing standards generally accepted in India.

The financial statements are the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

Management of the Company is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position and financial performance 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 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 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.

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined above.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.

On this basis of information and explanations given to us and in our opinion, the accompanying financial statements of the Company, together with the notes thereon and attached thereto, fairly present, in all material respects, in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2021 and its Loss for the year ended on that date.

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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

This report is intended solely for information and use of the Company, Reliance Power Limited, for the express purpose of completion of consolidated accounts of Reliance Power Limited for the year ended March 31, 2021 and not to be used for any other purpose.

For **M.S. Sethi & Associates**
Chartered Accountants
Regn.No.109407W

Manoj Sethi
Proprietor
Membership No.039784

Place: Mumbai
Date: May 04, 2021
UDIN: 21039784AAAAWW5099

Reliance Natural Resources (Singapore) Pte Ltd.
Balance Sheet as at March 31, 2021

| Particulars | Note No. | As at March 31, 2021 | Rupees in '000 As at March 31, 2020 |
|-------------------------------------|----------|-------------------------|---|
| ASSETS | | | |
| Non-current assets | | | |
| Investments | 3.1 | - | - |
| Current assets | | | |
| Financial assets: | | | |
| Cash and cash equivalents | 3.2 | 116 | 8,91,412 |
| Loans | 3.3 | 53,068 | 1,688 |
| Current tax assets | 3.4 | - | 119 |
| Total Assets | | 53,184 | 8,93,219 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 3.5 | 4,217 | 4,217 |
| Preference Share | 3.5 | 189,82,670 | 189,82,670 |
| Other equity | 3.6 | (216,27,340) | (198,31,420) |
| Liabilities | | | |
| Non-current liabilities | | | |
| Current liabilities | | | |
| Other current liabilities | 3.7 | 26,93,637 | 17,37,752 |
| Total Equity and Liabilities | | 53,184 | 8,93,219 |

Significant Accounting Policies

2

The notes are an integral part of these financial statements

As per our Report of even date

For M.S.Sethi & Associates
Chartered Accountants
Regn. No:109407W

For Reliance Natural Resources (Singapore) Pte Ltd.

Manoj Sethi
Proprietor
Membership No.039784

Ashok Kumar Pal
Authorised Signatory

Place: Mumbai
Date : May 04, 2021

Place: Mumbai
Date : May 04, 2021

Reliance Natural Resources (Singapore) Pte Ltd.
Statement of Profit and Loss for the Year ended March 31, 2021

| Particulars | Note No. | Year Ended March 31, 2021 | Rupees in '000 Year Ended March 31, 2020 |
|--|----------|---------------------------|---|
| Revenue: | | | |
| Other income | 3.8 | - | 4,82,576 |
| Total income | | <u>-</u> | <u>4,82,576</u> |
| Expenses: | | | |
| Finance cost | 3.9 | 45 | 1,561 |
| Other expenses | 3.10 | 8,22,885 | 3,02,823 |
| Total expenses | | <u>8,22,930</u> | <u>3,04,384</u> |
| Profit / (Loss) before tax and exceptional expenses | | (8,22,930) | 1,78,192 |
| Less : Exceptional Expenses | | - | 148,04,489 |
| Profit / (Loss) before tax | | (8,22,930) | (146,26,297) |
| Tax expense: | | | |
| Current tax | | - | - |
| Profit / (Loss) for the Year | | <u>(8,22,930)</u> | <u>(146,26,297)</u> |

Significant Accounting Policies 2

The notes are an integral part of these financial statements

As per our Report of even date

For M.S.Sethi & Associates
Chartered Accountants
Regn. No:109407W

For Reliance Natural Resources (Singapore) Pte Ltd.

Manoj Sethi
Proprietor
Membership No.039784

Ashok Kumar Pal
Authorised Signatory

Place: Mumbai
Date : May 04, 2021

Place: Mumbai
Date : May 04, 2021

Reliance Natural Resources (Singapore) Pte Ltd.
Notes to the financial statements for the year ended March 31, 2021

1. General Information :

The Company is incorporated in Singapore and it is a wholly owned subsidiary of Reliance Power Limited. The Principal activity of the company is that of investment holding.

2. Significant Accounting Policies :

Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of Preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the following :

Certain financial assets and financial liabilities at fair value

b) Investments and other financial assets

Classification

The Company classifies its financial assets in the following measurement category :

- those to be measured subsequently at fair value through profit or loss
- those measured at amortised cost

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 off tax, from the proceeds.

c) Provisions and Contingent Liabilities/Assets

Provisions:

Provisions are recognised when there is present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of reporting period. The discount rate used to determine the present value is 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 expenses.

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 occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events 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

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

e) Cash and Cash equivalents :

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

Reliance Natural Resources (Singapore) Pte Ltd.
Notes to the financial statements for the year ended March 31, 2021

| Particulars | As at March 31, 2021 | Rupees in '000 As at March 31, 2020 |
|---|-------------------------|---|
| 3.1 Investments | | |
| Equity instruments (unquoted, fully paid-up, at amortised cost) | | |
| In Subsidiary | | |
| PT Sumukha Coal Services 249,000 (March 31, 2020: 249,000) shares of USD 1 each | 11,775 | 11,775 |
| Less : Impairment | (11,775) | (11,775) |
| | <u>-</u> | <u>-</u> |
| 3.2 Cash and cash equivalents | | |
| Bank balance in current account | 116 | 8,91,412 |
| | <u>116</u> | <u>8,91,412</u> |
| 3.3 Non-current loans | | |
| (Unsecured and considered good) | | |
| Loans and advances | 211,26,841 | 210,75,419 |
| Less : Provision for expected credit loss | (210,75,419) | (210,75,419) |
| Security deposits | 1,646 | 1,688 |
| | <u>53,068</u> | <u>1,688</u> |
| 3.4 Current tax assets | | |
| Advance income tax (net of provisions) | - | 119 |
| | <u>-</u> | <u>119</u> |

Reliance Natural Resources (Singapore) Pte Ltd.
Notes to the financial statements for the year ended March 31, 2021

Rupees in '000

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| 3.5 Equity share capital | | |
| Authorised | | |
| Equity Shares | | |
| 100,000 (March 31, 2020: 100,000) shares of USD 1 each fully paid up | | |
| Preference Shares | | |
| 274,900,000 (March 31, 2020 : 274,900,000) shares of USD 1 each fully paid up | | |
| Issued, Subscribed and paid up | | |
| Equity Shares | | |
| 100,000 (March 31, 2020: 100,000) shares of USD 1 each fully paid up | 4,217 | 4,217 |
| Preference Shares | | |
| 274,900,000 (March 31, 2020 : 274,900,000) shares of USD 1 each fully paid up | 189,82,670 | 189,82,670 |
| | <u>189,86,887</u> | <u>189,86,887</u> |

Reliance Natural Resources (Singapore) Pte Ltd.

Notes to the financial statements for the year ended March 31, 2021

| Particulars | Rupees in '000 | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| 3.6 Other equity | | |
| 3.6(a) Retained earnings | | |
| Balance at the beginning of the year | (205,15,138) | (58,88,841) |
| Profit /(loss) for the year | (8,22,930) | (146,26,297) |
| Earlier period adjustment | (296) | - |
| Net surplus/(deficit) in the Statement of Profit and Loss | <u>(213,38,364)</u> | <u>(205,15,138)</u> |
| 3.6(b) Foreign currency translation reserve | | |
| Balance at the beginning of the year | 24,21,093 | 18,58,240 |
| Addition during the year | (16,799) | 5,62,853 |
| Balance at the end of the year | <u>24,04,294</u> | <u>24,21,093</u> |
| 3.6(c) Preference Share Conversion Premium | <u>(26,93,270)</u> | <u>(17,37,375)</u> |
| Total (a + b + c) | <u>(216,27,340)</u> | <u>(198,31,420)</u> |
| 3.7 Other current liabilities | | |
| (Unsecured) | | |
| Other liabilities | 367 | 377 |
| Preference Share Conversion Premium Payable | 26,93,270 | 17,37,375 |
| | <u>26,93,637</u> | <u>17,37,752</u> |

Reliance Natural Resources (Singapore) Pte Ltd.
Notes to the financial statements for the year ended March 31, 2021

| Particulars | As at March 31, 2021 | Rupees in '000 Year Ended March 31, 2020 |
|--------------------------------|-------------------------|--|
| 3.8 Other income | | |
| Interest income - others | - | 3,20,598 |
| Write back of Loan/Advance | - | 1,61,978 |
| | <u>-</u> | <u>4,82,576</u> |
| 3.9 Finance cost | | |
| Interest | - | 1,518 |
| Bank and other finance charges | 45 | 43 |
| | <u>45</u> | <u>1,561</u> |
| 3.10 Other expenses | | |
| Legal and Professional Charges | 8,21,110 | 2,50,003 |
| Statutory audit fees | 1,076 | 1,169 |
| Loss on Investment | - | 39,833 |
| Miscellaneous expenses | 699 | 43 |
| Impairment of Investment | - | 11,775 |
| | <u>8,22,885</u> | <u>3,02,823</u> |