

# ***Shridhar & Associates***

## ***Chartered Accountants***

### **INDEPENDENT AUDITORS' REPORT**

**To the Members of RELIANCE COAL RESOURCES PRIVATE LIMITED**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of **RELIANCE COAL RESOURCES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information ("hereinafter referred to as Financial Statements").

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 ("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, 2023, and Loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date

##### **Basis for Opinion**

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

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the auditors' responsibilities for the Financial Statements section of our report including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the financial statement of the Financial Statements. The result of our audit procedures, including the

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procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements

Sr.No.	The key audit matter	How the matter was addressed in our audit
1.	<b><u>Inter corporate deposit to subsidiary</u></b>  Other Income consists of Interest income on Inter-corporate deposit given to subsidiary Reliance Power Netherlands BV of Rs. 6002716 thousand on which interest booked of Rs. 390794 thousand (last year 228234 thousand).	<p>The term sheet signed between the two companies provides for interest at 9% PA to be charged on ICD.</p> <p>Exchange gain is accounted as gain foreign exchange Rs. 437016 thousand based on arms lengths of international lending.</p>
2.	<b><u>Investment and Loan status as on March 31, 2023</u></b> Reliance Coal Resources Limited has wholly owned subsidiary in Netherland and made an investment of Rs. 1684296 thousand investment as equity and also to meet the investment plan has provided loan of Rs. 6002716 thousand including interest up to March, 2023. Subsidiary in Netherland has given advance which is fully secured by arbitration award of Rs. 6291400 thousand as on March 31, 2023 is in company favor.  Accordingly, the advance given by Reliance Coal Resources Limited to the Company is also considered good for recovery. Arbitration award in under process of implementation in Indonesia, Chairman of Central District Court, Jakarta has to issue attachment order.  Subsidiary Company of Netherland has an asset and coal mine license in Indonesia which fully covers the investment and loan given to subsidiary.	<p>Our Procedure included the following: We have obtained the audited financials of Reliance Power Netherlands BV for the year ended 31<sup>st</sup> March 2023.</p> <p>We have obtained the balance confirmation letter from the subsidiary company</p> <p>The company has shared the Arbitration award letter dated 27<sup>th</sup> August 2018 against Prestige Capital Holding Ltd of Rs 6,291,400 thousand and the same is under process of implementation.</p>

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### **Information Other than the Financial Statements and Auditors' Report Thereon**

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

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.

### **Responsibility of Management and those charged with Governance for the Financial Statements**

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

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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.

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

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- 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should

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not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the matter to be included in the Auditors' Report under section 197(16): As no remuneration has been paid by the Company to the Directors during the current year Under Section 197 (16) does not apply and required to be commented by us.
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its financial statements.
    - ii. The Company does not have any derivative contracts hence no provision is required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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- iii. There has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31st 2023
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries,  
  
(b) The management has represented to us that, to the best of it's knowledge and belief no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise that the company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf, of the Ultimate Beneficiaries, and  
  
(c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement,
- v. The company has not declared or paid any dividend during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

**For SHRIDHAR & ASSOCIATES**

Chartered Accountants

Firm's Registration No 134427W

Jitendra Sawjany

Partner

(Membership No. 050980)

Place: Mumbai,

Date: 18<sup>th</sup> April 2023

UDIN: 23050980BGXYXV4106

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### **Annexure "A" to Independent Auditors' Report**

**Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of RELIANCE COAL RESOURCES PRIVATE LIMITED on the Ind AS financial statements as of and for the year ended March 31, 2023**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant & Equipment.
- (b) The Property, Plant & Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable
- (c) The Company does not have immovable property. Therefore the provision of clause 3 (i) (c) of the order is not applicable.
- (d) The company does not have any proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,
- (ii) The Company does not have any inventory. Therefore the provision of clause 3 (ii) of the order is not applicable.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, limited liability partnerships or other party covered in the register maintained under Section 189 of the Act.
- (iv) Based on the information and explanations given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) According to the information and explanations given to us, provisions relating to maintenance of cost records as prescribed under sub section (1) of section 148 of the act, are not applicable to the company.
- (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 undisputed statutory dues in respect of tax deducted at source, goods and service tax, and is regular in depositing undisputed statutory dues, including provident fund, income tax, and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and

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services tax and cess as at March 31, 2023 which were outstanding 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, there are not any dues of income tax, as at March 31, 2023 and which have been deposited on account of a dispute.

- (viii) According to the information and explanations given to us and based on examination of the records of the Company, no income has been surrendered or disclosed as income during the year
- (ix) (a) According to the information and explanations given to us and based on examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or dues to debenture holders except for the following instances of defaults in repayment of principal and interest amount. The Company did not have any loans or borrowings from government during the year.  
(b) The Company is not declared a willful defaulter by any Bank or Financial Institution or other lender.  
(c) The Company did not raise any money by way of initial public offer or further public Offer (including debt instruments) and in our opinion and according to the information and  
(d) Explanations given to us, the term loans have been applied for the purpose for which they were raised as explained t us no funds were raised on short term basis have been utilized for long term purposes. Except for ICD for investment and loans to subsidiary company  
(e) As explained to us the company has taken ICD funds from its holding company on account of or to meet the obligations of its subsidiaries, associates or joint ventures.  
(f) As explained to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and in our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised.  
(b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xi) According to the information and explanations given to us, in respect of whom we are unable to comment on any potential implications for the reasons described therein, no fraud by the Company or fraud on the Company by its officers and employees has been noticed or reported during the course of our audit.
- (xii) The Company has not paid managerial remuneration during the current year and therefore, the provisions clause (ix) of the order is not applicable to the Company.



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- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of clause 3(xii) of the Order are not applicable.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of related party transactions as required by the applicable accounting standards have been disclosed in the financial statements.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company in respect of which we are unable to comment on any potential implications for the reasons described therein, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us, 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.
- (xvii) According to the information and explanations given to us, the company has not incurred cash losses in the financial year but incurred cash losses of and Rs 198079 Thousand in the immediately preceding financial year.
- (xviii) There has not been any resignation of the statutory auditors during the year.
- (xix) According to the explanation and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans, we are of the opinion that a material uncertainty does not exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) The company is not required to constitute a CSR committee as section 135 is not applicable.
- (xxi) The company is a holding company and but reporting under this clause is not applicable as this report is on standalone financial.

**For SHRIDHAR & ASSOCIATES**

Chartered Accountants

Firm's Registration No 134427W

Jitendra Sawjany

Partner

(Membership No. 050980)

Place: Mumbai,

Date: 18<sup>th</sup> April 2023

UDIN: 23050980BGXYXV4106

# ***Shridhar & Associates***

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### **Annexure B to the Independent Auditor's Report on the financial statements of RELIANCE COAL RESOURCES PRIVATE LIMITED for year ended March 31, 2023**

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#### **Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph 2 (h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

We were engaged to audit the internal financial controls with reference to financial statements of **RELIANCE COAL RESOURCES PRIVATE LIMITED** as of March 31, 2023 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 Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Because of the matter described in the Disclaimer of Opinion section below, we were able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to the financial statements of the Company.

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

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

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

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **For SHRIDHAR & ASSOCIATES**

Chartered Accountants

Firm's Registration No 134427W

Jitendra Sawjany

Partner

(Membership No. 050980)

Place: Mumbai,

Date: 18<sup>th</sup> April 2023

UDIN: 23050980BGXYXV4106

**Reliance Coal Resources Private Limited**  
**Balance Sheet as at March 31, 2023**

Particulars	Note	Rupees in '000	
		As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3.1	8	8
Financial Assets			
Investments	3.2	16,84,296	16,84,296
Other Non-Current Assets	3.3	14	-
<b>Total Non-Current Assets</b>		<b>16,84,318</b>	<b>16,84,304</b>
<b>Current Assets</b>			
Financial Assets			
Cash and Cash Equivalents	3.3(a)	3,599	21
Loans	3.3(b)	60,02,717	51,57,538
<b>Total Current Assets</b>		<b>60,06,316</b>	<b>51,57,559</b>
<b>Total Assets</b>		<b>76,90,634</b>	<b>68,41,863</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	3.4	20,993	20,993
Other Equity	3.5	8,80,426	6,20,920
<b>Total Equity</b>		<b>9,01,419</b>	<b>6,41,913</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	3.6(a)	37,93,480	37,55,729
Other Financial Liabilities	3.6(b)	29,95,703	24,44,221
Other Current Liabilities	3.6(c)	32	-
<b>Total Current Liabilities</b>		<b>67,89,215</b>	<b>61,99,950</b>
<b>Total Equity &amp; Liabilities</b>		<b>76,90,634</b>	<b>68,41,863</b>
Significant accounting policies	2		
Notes to financial statements	3-21		
The accompanying notes are an integral part of these financial statements.			

**Reliance Coal Resources Private Limited**

As per our attached report of even date

**For Shridhar and Associates**

Chartered Accountants

Firm Registration Number: 0134427W

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

**Jitendra Sawjani**

Partner

Membership Number: 050980

**Manoj Pongde**

Director

DIN: 07728913

**Ajit Verma**

Director

DIN: 07422834

Place: Mumbai

Date: April 18, 2023

Place: Mumbai

Date: April 18, 2023

Reliance Coal Resources Private Limited  
Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note	Rupees in '000	
		Year ended March 31, 2023	Year ended March 31, 2022
Other Income	3.7	8,27,810	3,49,141
<b>Total Income</b>		<b>8,27,810</b>	<b>3,49,141</b>
<b>Expenses</b>			
Finance Costs	3.8	5,51,828	5,46,885
Other Expenses	3.9	16,476	335
<b>Total Expenses</b>		<b>5,68,304</b>	<b>5,47,220</b>
<b>Profit/ (Loss) before exceptional items and tax</b>		<b>2,59,506</b>	<b>(1,98,079)</b>
Exceptional Items		-	-
<b>Profit/ (Loss) before tax</b>		<b>2,59,506</b>	<b>(1,98,079)</b>
<b>Income tax expense</b>			
Excess Income tax of earlier years		-	-
<b>Profit/ (Loss) for the year (A)</b>		<b>2,59,506</b>	<b>(1,98,079)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of net defined benefit plans (net)		-	-
<b>Other Comprehensive Income for the year (B)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year (A+B)</b>		<b>2,59,506</b>	<b>(1,98,079)</b>
<b>Earnings per equity share: (Face value of Rs. 10 each)</b>			
Basic and Diluted (Rupees)	7	123.61	(94.35)
Significant accounting policies	2		
Notes to financial statements	3-21		
The accompanying notes are an integral part of these financial statements.			

**Reliance Coal Resources Private Limited**

As per our attached report of even date

**For Shridhar and Associates**

Chartered Accountants

Firm Registration Number: 0134427W

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

**Jitendra Sawjiyani**

Partner

Membership Number: 050980

**Manoj Pongde**

Director

DIN: 07728913

**Ajit Verma**

Director

DIN: 07422834

Place: Mumbai

Date: April 18, 2023

Place: Mumbai

Date: April 18, 2023

Reliance Coal Resources Private Limited  
Cash Flow Statement for the Year Ended March 31, 2023

	Rupees in '000	
	Year Ended March 31, 2023	Year ended March 31, 2022
<b>(A) Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before tax	2,59,506	(1,98,079)
Adjusted for:		
Interest Income	(3,90,794)	(2,28,234)
Foreign Exchange (Gain)/Loss	(4,37,016)	(1,20,822)
Interest and finance charges	5,51,828	5,46,885
Operating Loss before working capital changes	(16,476)	(250)
Adjustments for:		
Increase / (decrease) in other current financial liabilities	(176)	250
Increase / (decrease) in other current liabilities	32	(0)
(Increase) / decrease in other non-current financial assets	(14)	200
	(16,634)	200
Taxes (paid)/ refund received (net)	-	-
<b>Net Cash from/ (used in) Operating Activities (A)</b>	<b>(16,634)</b>	<b>200</b>
<b>(B) Cash flow from investing activities</b>		
Inter corporate deposit given to subsidiary	(17,369)	(17,457)
Loan to employees	-	-
<b>Net cash from/ (used in) Investing Activities (B)</b>	<b>(17,369)</b>	<b>(17,457)</b>
<b>(C) Cash flow from Financing Activities</b>		
Inter Corporate Deposit received/(Paid)	37,751	17,359
Interest and finance charges paid	(170)	(141)
<b>Net Cash from Financing Activities (C)</b>	<b>37,581</b>	<b>17,218</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>3,578</b>	<b>(39)</b>
<b>Cash and Cash equivalents at the beginning of the year :</b>		
Bank Balance-Current Account	21	60
<b>Cash and Cash equivalents at the end of the year :</b>		
Bank Balance-Current Account	3,599	21

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



**Reliance Coal Resources Private Limited**

As per our attached report of even date

**For Shridhar and Associates**

Chartered Accountants

Firm Registration Number: 0134427W

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

**Jitendra Sawjany**

Partner

Membership Number: 050980

**Manoj Pongde**

Director

DIN: 07728913

**Ajit Verma**

Director

DIN: 07422834

Place: Mumbai

Date: April 18, 2023

Place: Mumbai

Date: April 18, 2023

**Reliance Coal Resources Private Limited**  
**Statement of changes in equity for the year ended March 31, 2023**

<b>A. Equity Share Capital (Refer note 3.4)</b>	<b>Rupees in '000</b>
Balance as April 01, 2021	20,993
Changes in share capital	-
Balance as at March 31, 2022	20,993
Changes in share capital	-
<b>Balance as at March 31, 2023</b>	<b>20,993</b>

<b>B. Other Equity (Refer note 3.5)</b>	<b>Rupees in '000</b>			<b>Total</b>
	<b>Securities premium</b>	<b>Reserves and Surplus</b>	<b>Retained Earnings</b>	
		<b>Foreign currency monetary item translation difference account</b>		
Balance as at April 1, 2021	20,68,442	-	(12,49,442)	8,19,000
Profit/(Loss) for the year	-	-	(1,98,079)	(1,98,079)
Remeasurements of net defined benefit plans (net)	-	-	-	-
Total Comprehensive Income for the year	-	-	(1,98,079)	(1,98,079)
Balance as at March 31, 2022	20,68,442	-	(14,47,522)	6,20,920
Profit/(Loss) for the year	-	-	2,59,506	2,59,506
Remeasurements of net defined benefit plans (net)	-	-	-	-
Total Comprehensive Income for the year	-	-	2,59,506	2,59,506
<b>Balance as at March 31, 2023</b>	<b>20,68,442</b>	<b>-</b>	<b>(11,88,016)</b>	<b>8,80,426</b>

**Reliance Coal Resources Private Limited**

As per our attached report of even date

**For Shridhar and Associates**

Chartered Accountants

Firm Registration Number: 0134427W

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

**Jitendra Sawjany**

Partner

Membership Number: 050980

**Manoj Pongde**

Director

DIN: 07728913

**Ajit Verma**

Director

DIN: 07422834

Place: Mumbai

Date: April 18, 2023

Place: Mumbai

Date: April 18, 2023

**Reliance Coal Resources Private Limited**  
**Notes to the financial statements as of and for the year ended March 31, 2023**

**1) General information**

Reliance Coal Resources Private Limited ("the Company") is a subsidiary of Reliance Power Limited and has been incorporated under provisions of the Companies Act, 1956. The Company was incorporated with objects to be in the business of trading, manufacturing, producing, mining etc or dealing in fuels required in Industries, household, power plant etc including coal, CBM, lignite, petroleum and to plan, establish, promote and provide infrastructure and to act as consultants/agents for attaining the above objects. Registered address of the company is located at Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai, 400001.

These financial statements were authorised for issue by the board of directors on April 18, 2023.

**2) Significant accounting policies and critical accounting estimate and judgments:**

**2.1 Basis of preparation, measurement and significant accounting policies**

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

**(a) Basis of preparation**

**Compliance with Ind AS**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). The policies set out below have been consistently applied during the year presented.

The financial statements are presented in 'Indian Rupees', which is also the Company's functional currency.

**(b) 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;
- Equity instruments in subsidiaries at fair value.

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

**Current vis-à-vis non-current classification**

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year.

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

**ii. Transactions and balances**

- (i) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.
- (ii) All exchange differences arising on reporting of short term foreign currency monetary items at rates different from those at which they were initially recorded are recognised in the Statement of Profit and Loss.
- (iii) Non-monetary items denominated in foreign currency are stated at the rates prevailing on the date of the transactions / exchange rate at which transaction is actually effected.

**(d) Property, plant and equipment**

All items of property, plant and equipment are stated at cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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

Depreciation 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.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

**(e) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

**Investments and other financial assets**

**i. Classification**

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.
- Equity Investment in subsidiary is measured at cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii. **Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at 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 is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

**Equity investments**

The Company subsequently measures all equity investments (including investment 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.

iv. **Derecognition of financial assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v. **Income recognition:**

**Interest income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(f) Financial liabilities:

i. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include other payables, loans and borrowings.

iii. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

**Borrowings:** Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

**Other payable:** These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are subsequently measured at amortised cost using the effective interest method.

Where guarantees in relation to loans of subsidiaries are provided for no compensation, the fair values are expensed out in the Statement of profit and loss. On transition to Ind AS, the Company has recognised fair value changes as part of the retained earnings.

iv. Derecognition:

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss as other gains/ (losses).

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(g) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.  
Other borrowing costs are expensed in the period in which they are incurred.

**(h) Trade Receivable:**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(i) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, 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 changes in value.

**(j) Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(k) Revenue recognition:**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of discounts, returns; value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of transaction and the specifics of each arrangement

**i. Service income**

Service income represents income from support services recognised as per the terms of the service agreements entered into with the respective parties.

**(l) Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and 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 approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities 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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



**(m) Earnings per share:**

**Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

**Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(n) 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.

**(o) Segment reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief executive officer and the chief financial officer that makes strategic decisions.

**2.2 Critical accounting 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 judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

**Tax Losses**

The Company has unused business loss of Rs 15,44,571 Thousand, which according to the management will expired and may not be used to offset taxable business profit, if any, incurred by the company Refer note no. 8 for amount of such temporary difference on which deferred tax assets are not recognized.

Reliance Coal Resources Private Limited

Notes to the financial statements for the year ended March 31, 2023 (continued)

3.1 Property, Plant and Equipment

Particulars	Rupees in '000 Office equipments
<b>Gross carrying amount</b>	
Balance as at April 01, 2021	8
Additions during the year	-
Carrying amount as at March 31, 2022	8
Additions during the year	-
<b>Carrying amount as at March 31, 2023</b>	<b>8</b>
<b>Accumulated depreciation</b>	
Balance as at April 1, 2021	
For the year	-
Balance as at March 31, 2022	-
For the year	-
<b>Balance as at Mar 31, 2023</b>	<b>-</b>
<b>Net carrying amount</b>	
As at March 31, 2022	8
<b>As at March 31, 2023</b>	<b>8</b>

Reliance Coal Resources Private Limited  
Notes to the financial statements for the year ended March 31, 2023 (continued)

Particulars	As at March 31, 2023 Rupees in '000	As at March 31, 2022 Rupees in '000
<b>3.2 Non-Current Investments (Non-trade)</b>		
Equity Instruments (unquoted, fully paid-up)		
In Subsidiaries-at cost		
Reliance Power Netherlands BV	16,84,296	16,84,296
(Number of shares: 2,40,486 (March 2022: 2,40,486, face value of Euro 100 each) (Refer Note No.5)		
	<u>16,84,296</u>	<u>16,84,296</u>
<b>3.3 Other non-current assets</b> (Unsecured and considered good)		
Balance with statutory authorities (includes VAT recoverable)	14	-
	<u>14</u>	<u>-</u>
<b>3.3(a) Cash and cash equivalents</b>		
Balance with banks:		
in current account	3,599	21
	<u>3,599</u>	<u>21</u>
<b>3.3(b) Current Loans</b> (Unsecured and considered good)		
Inter corporate deposits to subsidiary (Refer note 5)	60,02,717	51,57,538
	<u>60,02,717</u>	<u>51,57,538</u>

	Rupees in '000	
	As at March 31, 2023	As at March 31, 2022

### 3.4 Share capital

#### Authorised share capital

16,000,000 (March 2022 : 16,000,000) equity shares of Rs.10 each

1,60,000 1,60,000

**1,60,000 1,60,000**

#### Issued, subscribed and fully paid up capital

2,099,335 (March 2022 : 20,99,335) equity shares of Rs.10 each fully paid up

20,993 20,993

**20,993 20,993**

### 3.4.1 Reconciliation of number of equity shares

#### Equity shares

Balance at the beginning of the year - 20,99,335 (March 2022 : 20,99,335) shares of Rs. 10 each

20,993 20,993

Balance at the end of the year - 20,99,335 (March 2022 : 20,99,335) shares of Rs. 10 each

**20,993 20,993**

### 3.4.2 Terms/ rights attached to equity shares

#### a) Equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the 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.

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

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding
Equity shares				
Reliance Power Limited (Equity Shares of Rs 10 each fully paid up)	20,99,335	100%	20,99,335	100%
	<b>20,99,335</b>	<b>100%</b>	<b>20,99,335</b>	<b>100%</b>

### 3.4.4 Shares held by Holding Company / Subsidiaries of Holding Company

#### Equity Shares

Reliance Power Limited - 20,99,335 (March 2022 : 20,99,335) shares of Rs 10 each fully paid up

(Of the above 20,99,334 (March 2022 : 20,99,334) shares are held by Reliance Power Limited, holding company and 1 (March 2022: 1) share is jointly held by Reliance Power and its nominee)

	As at March 31, 2023	As at March 31, 2022
	20,99,335	20,99,335
	<b>20,99,335</b>	<b>20,99,335</b>

Reliance Coal Resources Private Limited  
Notes to the financial statements for the year ended March 31, 2023 (continued)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>3.5 Other equity</b>		
Balance at the end of the year		
3.5.1 Securities premium	20,68,442	20,68,442
3.5.2 Other Comprehensive income (OCI)	782	782
3.5.3 Surplus in the Statement of Profit and Loss	(11,88,798)	(14,48,304)
Total other equity	8,80,426	6,20,920
<b>3.5.1 Securities premium</b>		
Balance at the beginning of the year	20,68,442	20,68,442
Balance at the end of the year	20,68,442	20,68,442
<b>3.5.2 Other Comprehensive income (OCI)</b>		
Balance at the beginning of the year	782	782
Remeasurements of net defined benefit plans	-	-
Balance at the end of the year	782	782
<b>3.5.3 Retained Earnings</b>		
Balance at the beginning of the year	(14,48,304)	(12,50,224)
Profit for the year	2,59,506	(1,98,079)
Balance at the end of the year	(11,88,798)	(14,48,304)
	8,80,426	6,20,920
<b>Nature and purpose of other reserves:</b>		
<b>a. Securities premium</b>		
Securities premium account is created with premium issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013		
<b>b. Foreign currency monetary item translation difference account</b>		
The Company has opted to continue the Previous GAAP policy for accounting of foreign exchange differences on long term monetary items. This Reserve represents foreign exchange accumulated on long term monetary items which are for other than depreciable assets. The same is amortized over the balance period of such long term monetary assets.		
<b>3.6(a) Current borrowings</b>		
Secured - at amortised cost		
Unsecured		
Inter corporate deposit received from Holding Company	36,96,241	36,58,490
Inter-corporate deposits from fellow subsidiaries	97,239	97,239
	37,93,480	37,55,729
<b>3.6(b) Other current financial liabilities</b>		
Interest accrued and due on borrowings	29,80,315	24,28,657
Dues to Holding Company (Refer note 5)	15,204	15,204
Other payables	184	360
Others		
	29,95,703	24,44,221
<b>3.6(c) Other current liabilities</b>		
Other payables (Statutory dues)	32	-
	32	-

**Reliance Coal Resources Private Limited**

**Notes to the financial statements for the year ended March 31, 2023 (continued)**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	Rupees in '000	Rupees in '000
<b>3.7 Other income</b>		
Interest income:		
Inter-corporate deposits	3,90,794	2,28,234
Others	-	85
Gain on foreign exchange fluctuations (Net)	4,37,016	1,20,822
	<b>8,27,810</b>	<b>3,49,141</b>
<b>3.8 Finance cost</b>		
Interest on:		
Inter corporate deposits	5,51,658	5,46,735
Other finance charges	170	150
	<b>5,51,828</b>	<b>5,46,885</b>
<b>3.9 Generation, administration and other expenses</b>		
Legal and professional charges	16,468	333
Rates and taxes	9	2
	<b>16,476</b>	<b>335</b>

Reliance Coal Resources Private Limited  
Notes to the financial statements as of and for the year ended March 31, 2023 (Continued)

4) Details of remuneration to auditors:

Particulars	Rupees in '000	
	Year ended March 31, 2023	Year ended March 31, 2022
As auditors		
For statutory audit*	10	10
For Certification	63	39
	<b>73</b>	<b>49</b>

\* Statutory Audit Fee is exclusive of GST.

5) Related party transactions:

A. Parties where control exists:

(i) Holding Company

Reliance Power Limited (R Power)

(ii) Subsidiaries

Reliance Power Netherlands BV (RPNBV)

B. Other related parties with whom transactions have taken place during the year:

Reliance Cleangen Limited (Fellow Subsidiary)

C. Details of transactions during the year and closing balance at the end of the year:

		Rupees in '000	
S. No.	Particulars	2022-23	2021-22
(i)	Transaction during the year:		
	Reimbursement of expenses		
	R Power	21	10
	Inter-corporate deposit received		
	R Power	70,355	17,729
	RCGL	-	10
	Inter-corporate deposit refunded		
	R Power	32,625	330
	RCGL	-	41
	Loan Given		
	RPNBV	17,369	17,457
	Interest earned on loan		
	RPNBV	3,90,794	2,28,234
	Interest expenses on Inter-corporate deposits		
	R Power	5,51,658	5,46,735

		Rupees in '000	
		2022-23	2021-22
(ii)	<b>Closing balance at the end of the year</b>		
	Equity share capital (excluding premium)		
	R Power	20,993	20,993
	<b>Inter-corporate deposits received from</b>		
	R Power	36,96,241	36,58,490
	RCGL	97,239	97,239
	<b>Investment in subsidiaries (Equity)</b>		
	RPNBV	16,84,296	16,84,296
	<b>Loan given including interest accrued</b>		
	RPNBV	60,02,717	51,57,538

The above disclosure does not include transactions with public utility services providers, viz. electricity, and telecommunication in the normal course of business.

6) Earning in foreign currency

		Rupees in '000	
Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
Interest Income		3,90,794	2,28,234

7) Earnings per share:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Profit available to equity shareholders</b>		
Profit after tax (A) (Rupees in '000)	2,59,506	(1,98,079)
<b>Number of equity shares</b>		
Weighted average number of equity shares outstanding (Basic) (B)	20,99,335	20,99,335
Basic and diluted earnings per share (A / B) (Rs.)	123.61	(94.35)
Nominal value of an equity share (Rs.)	10	10

8) Income taxes

a) The reconciliation of tax expense and the accounting profit multiplied by tax rate :

		Rupees in '000	
Particulars		March 31, 2023	March 31, 2022
Profit/ (Loss) before tax		2,59,506	(1,98,079)
<b>Tax at the Corporate Indian tax rate of 25.17% (2021-22: 25.17%)</b>		65,318	(49,856)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		(65,318)	-
Tax losses for which no deferred income tax was recognised		-	49,856
<b>Income tax expense</b>		-	-

b) Tax losses and Tax credits

		Rupees in '000	
Particulars		March 31, 2023	March 31, 2022
Unused losses for which no deferred tax asset has been recognised		(15,45,222)	(12,26,972)
<b>Total</b>		<b>(15,45,222)</b>	<b>(12,26,972)</b>



**Reliance Coal Resources Private Limited**
**Notes to the financial statements as of and for the year ended March 31, 2023 (Continued)**

There is no timing difference other than the unused losses as stated above, between taxable income and accounting income.

**9) Fair value measurements**
**(a) Financial instruments by category**

Particulars	Rupees in '000	
	March 31, 2023 Amortised Cost	March 31, 2022 Amortised Cost
<b>Financial assets</b>		
Inter corporate deposits to subsidiary	60,02,717	51,57,538
Cash and cash equivalents	3,599	21
<b>Total financial assets</b>	<b>60,06,316</b>	<b>51,57,559</b>
<b>Financial liability</b>		
Borrowings	37,93,480	37,55,729
Interest accrued but not due	29,80,315	24,28,657
Other Payables	15,388	15,564
<b>Total financial liability</b>	<b>67,89,183</b>	<b>61,99,950</b>

The Company does not have any financial assets or liabilities which are measured at FVTPL.

**(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.

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2023	Rupees in '000			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>	-	-	-	-
<b>Financial Liabilities</b>				
Borrowings	-	37,93,480	-	37,93,480
<b>Total financial liabilities</b>	-	37,93,480	-	37,93,480

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2022	Rupees in '000			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>	-	-	-	-
<b>Financial Liabilities</b>				
Borrowings	-	37,55,729	-	37,55,729
<b>Total financial liabilities</b>	-	37,38,370	-	37,38,370

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

Particulars	March 31, 2023		March 31, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets</b>	-	-	-	-
<b>Financial Liabilities</b>				
Borrowings	37,93,480	37,93,480	37,55,729	37,55,729
<b>Total financial liabilities</b>	<b>37,93,480</b>	<b>37,93,480</b>	<b>37,55,729</b>	<b>37,55,729</b>

## (d) Valuation technique used to determine fair values

The carrying amount of current financial assets and liabilities are considered to be the same as their fair values, due to their short term nature.

The fair value of security deposits and borrowings has been considered same as carrying value since there have not been any material changes in the prevailing interest rates. Impact on account of changes in interest rates, if any has been considered immaterial.

**Note**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities which are included in level 3.

There were no transfers between any levels during the year.

**10) Financial risk management**

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits, letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

**(a) Credit risk**

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the company. Credit risk arises from cash and cash equivalents and financial assets carried at amortised cost

**Credit risk management**

Credit risk is managed at company level depending on the policy surrounding credit risk management. For banks and financial institutions, only high rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at company level.

**(b) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the company in accordance with practice and limits set by the company.

**Maturities of financial liabilities**

The amounts disclosed in the below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Rupees in '000				
March 31, 2023	Less than 1 years	Between 1 year and 5 years	More than 5 years	Total
<b>Financial liabilities</b>				
Dues to holding company	37,93,480	-	-	37,93,480
Interest accrued and due	29,80,315	-	-	29,80,315
Others	15,388	-	-	15,388
<b>Total financial liabilities</b>	<b>67,89,183</b>			<b>67,89,183</b>

  

March 31, 2022	Less than 1 years	Between 1 year and 5 years	More than 5 years	Total
<b>Financial liabilities</b>				
Dues to holding company	37,55,729	-	-	37,55,729
Interest accrued and due	24,28,657	-	-	24,28,657
Others	15,564	-	-	15,564
<b>Total financial liabilities</b>	<b>61,99,950</b>	-	-	<b>61,99,950</b>

**11) Capital Management****(a) Risk Management**

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on basis of total equity on a periodic basis. Equity comprises all components of equity includes the fair value impact. The following table summarizes the capital of the Group:

	March 31, 2023	March 31, 2022
Equity	9,01,419	6,41,913
Debt	37,93,480	37,55,729
<b>Total</b>	<b>46,94,899</b>	<b>43,97,642</b>

**12) Segment reporting**

The Company is engaged in only one segment viz 'Generation of Power' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Company's operations are predominantly confined in India.

## 13) Disclosure of Loans and Advances to Subsidiaries pursuant to Schedule V Regulation 34(3) of the Companies Act, 2013:

Rupees in '000

Name	Amount outstanding as at		Maximum amount outstanding during the year	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Subsidiary :</b>				
Reliance Power Netherlands B.V.	60,02,717	51,57,538	60,02,717	51,57,538

## 14) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

- 15) The Company, based on the objects given in the Memorandum of Association, its operation through subsidiaries and other considerations, has been legally advised that the Company is not covered under the provisions of Non-Banking Financial Company as defined in Reserve Bank of India Act, 1934 and accordingly is not required to be registered under section 45 IA of the said Act. Further, The Management has been legally advised that the Company would qualify as an Infrastructure Company within the meaning of clause (a) of sub-section 11 of section 186 of the Companies Act, 2013.

## 16) Changes in Liabilities arising from Financing activities:

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

Particulars	Rupees in '000	
	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Short term Borrowings</b>		
Opening Balance	37,55,729	37,38,370
Availed during the year/period	70,376	17,729
Repaid During the year/period	(32,625)	(371)
<b>Closing Balance</b>	<b>37,93,480</b>	<b>37, 55,729</b>
<b>Interest Expenses</b>		
Opening Balance	24,28,657	18,81,912
Interest Charge as per Statement Profit & Loss / Intangible assets under development	5,51,828	5,46,885
Interest paid	(170)	(140)
<b>Closing Balance</b>	<b>29,80,315</b>	<b>24,28,657</b>

- 17) (a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(b) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

**Reliance Coal Resources Private Limited**  
**Notes to the financial statements as of and for the year ended March 31, 2023 (Continued)**

18) As per Section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.

19) During the year the company is not declared willful defaulter by any bank or financial institution or other lender.

20) Ratio's:

Sr	Particulars	March 31, 2023	March 31, 2022
A	Current ratio	0.88	0.83
B	Debt Equity ratio	4.21	5.85
C	Debt Service Coverage ratio	NA	NA
D	Return on Equity ratio	0.29	(0.31)
E	Inventory turnover ratio	NA	NA
F	Trade Receivables turnover ratio	NA	NA
G	Trade Payables turnover ratio	NA	NA
H	Net Capital turnover ratio	NA	NA
I	Net Profit ratio	NA	NA
J	Return on capital employed	0.06	(0.05)
K	Return on Investment	0.29	(0.31)

Ratios have been computed as under:

- Current Ratio: Current Assets/Current Liabilities
- Debt Equity Ratio = Total Debt / Equity excluding Revaluation Reserve
- Debt Service Coverage Ratio = Earnings before Interest and Tax and exceptional items / (Interest on Long Term and Short Term Debt for the period/year + Principal Repayment of Long Term Debt for the period/ year).
- Return on Equity = Net profit / Shareholder's fund
- Inventory turnover ratio = Turnover / Average inventory
- Trade Receivables turnover ratio = Turnover / Average Receivables
- Trade Payables turnover ratio = Turnover / Average Payables
- Net Capital turnover ratio = Turnover / Capital Employed
- Net Profit ratio = Net Profit / Turnover
- Return on capital employed = Net Profit / (Debt +Equity)
- Return on Investment = Net profit after tax / Equity

21) Previous year's figures are regrouped / reclassified, wherever necessary.

**Reliance Coal Resources Private Limited**

Notes to the financial statements as of and for the year ended March 31, 2023

As per our attached report of even date

**For Shridhar and Associates**

Chartered Accountants

Firm Registration Number: 0134427W

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

**Jitendra Sawjany**

Partner

Membership Number: 050980

**Manoj Pongde**

Director

DIN: 07728913

**Ajit verma**

Director

DIN: 07422834

Place: Mumbai

Date: April 18, 2023

Place: Mumbai

Date: April 18, 2023