

FINANCIAL STATEMENT

2014-15

RELIANCE POWER NETHERLANDS BV

Reliance Power Netherlands BV
Balance Sheet as at March 31, 2015

Particulars	Note	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Equity and Liabilities			
Shareholders' funds			
Share Capital	3.1	1,517,261,058	1,517,261,058
Reserves and Surplus	3.2	98,383,176	52,310,202
Share Application money pending allotment		167,035,024	112,457,059
Non-current liabilities			
Long term borrowings	3.3	4,109,086,020	2,022,358,270
Current liabilities			
Other Current liabilities	3.4	74,857,158	933,713,138
Total		5,966,622,436	4,638,099,727
Assets			
Non-current assets			
Non-current investments	3.5	846,833,431	846,833,431
Long-term loans and advances	3.6	3,946,215,949	1,415,017,325
Current assets			
Cash and Bank balances	3.7	1,154,906,164	12,432,906
Short term loans and advances	3.8	18,666,892	2,363,816,065
Total		5,966,622,436	4,638,099,727

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
Registration No. 109407W

For Reliance Power Netherlands BV

Manoj Sethi
Proprietor
Membership No. 39784

Ashutosh Agrawala
Authorised Signatory

Place : Mumbai
Date : May 25, 2015

Ashwin Purohit

Place : Mumbai
Date : May 25, 2015

Reliance Power Netherlands BV
Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
Revenue:			
Other Income	3.9	170,684,100	152,104,781
Total Revenue		<u>170,684,100</u>	<u>152,104,781</u>
Expenses:			
Finance Cost	3.10	123,941,748	139,680,585
Other Expenses	3.11	669,378	17,980,419
Total Expenses		<u>124,611,126</u>	<u>157,661,004</u>
Profit/(Loss) before tax		46,072,974	(5,556,223)
Tax expense:			
Current Tax		-	-
Profit/(Loss) for the Year		<u>46,072,974</u>	<u>(5,556,223)</u>

Significant Accounting Policies 2

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1. General Information

The Company is a Private Limited Liability Company having its statutory seat in Amsterdam. The Company was incorporated on 9th July 2010. The Company's objectives are to incorporate, to participate, to manage and to supervise enterprises and companies along with acting as a group holding company.

The Company is wholly owned by Reliance Coal Resources Private Limited, Mumbai, India.

2. Significant Accounting policies

a) Basis of Preparation of Financial Statements

These financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India, provisions of the Companies Act, 2013 (the Act) and comply in material aspects with the accounting standards notified under Section 133 of the Act, read with Companies (Accounts) Rules, 2014.

b) Use of Estimates

The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

c) Tangible Assets and Capital Work-in-progress

Tangible assets are stated at cost of acquisition or construction, including any cost attributable to bringing the assets to their working condition for their intended use. The construction cost includes all project related expenditure, viz, civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental/attribution to construction of project and borrowing cost incurred prior to the date of commercial operation. These expenses are net of recoveries and income (net of tax) from surplus funds arising out of project specific borrowings.

d) Investments

Long-term investments are stated at cost less provision for diminution other than temporary, if any, in the value of such investments. Current investments are valued at lower of cost and fair value.

e) Provisions & Contingent Liabilities

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

f) Revenue Recognition

Revenue is recognised when it is reasonably certain that the ultimate collection will be made. Interest on Fixed Deposit and other deposits is recognised on time proportionate basis.

g) Accounting for Taxes on Income

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However in respect of unabsorbed depreciation or carry forward loss, the deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the assets will be realised in future.

h) Cash and Cash Equivalents

In the cash flow statements, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments, with original maturities of three months or less.

i) Foreign Currency Transactions :

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Exchange differences arising on reporting of short term foreign currency monetary items at rates different from those at which they were initially recorded are recorded in the Profit and Loss Statement of account.

Non-monetary items denominated in foreign currency are stated at the rate prevailing on the date of transaction.

Reliance Power Netherlands BV

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

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
3.1 Share Capital		
Issued capital		
225,800 (Previous Year: 225,800) ordinary shares of Euro 100 each	1,517,261,058	1,517,261,058
	<u>1,517,261,058</u>	<u>1,517,261,058</u>
Subscribed and Paid up Capital		
225,800 (Previous Year: 225,800) ordinary shares of Euro 100 each fully paid up	1,517,261,058	1,517,261,058
	<u>1,517,261,058</u>	<u>1,517,261,058</u>

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

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
3.2 Reserves and Surplus		
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per last Balance Sheet	52,310,202	57,866,425
Profit / (Loss) for the year	46,072,974	(5,556,223)
	<u>98,383,176</u>	<u>52,310,202</u>
Net surplus/(deficit) in the Statement of Profit and Loss		
	<u>98,383,176</u>	<u>52,310,202</u>
3.3 Long Term Borrowings		
Loan from bank	2,106,180,420	2,022,358,270
Long term Borrowings from Related Party	2,002,905,600	-
	<u>4,109,086,020</u>	<u>2,022,358,270</u>
3.4 Other Current Liabilities		
Interest Accrued but not due on borrowings	68,858,518	24,019,005
Other Liabilities	505,045	2,819,041
Loans and Advances from Related Party	-	901,497,000
Sundry Creditors for Services	1,123,067	-
Provision for tax (net)	4,370,528	5,378,092
	<u>74,857,158</u>	<u>933,713,138</u>

Reliance Power Netherlands BV

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

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
3.5 Non-Current Investments (Non-trade)		
Equity Instruments (unquoted, fully paid-up, at cost) In Subsidiaries		
PT Avneesh Coal Resources		
52,56,673 (previous year :52,56,673) Shares of USD 1 each	259,219,316	259,219,316
PT Heramba Coal Resources		
11,656,446 (previous year :11,656,446) Shares of USD 1 each	587,614,115	587,614,115
	<u>846,833,431</u>	<u>846,833,431</u>
3.6 Long term loans and advances (Unsecured and considered good unless stated otherwise)		
Loans and Advances to Related Parties	595,519,995	513,520,325
Loans and Advances to Others	3,350,695,954	901,497,000
	<u>3,946,215,949</u>	<u>1,415,017,325</u>
3.7 Cash and Bank Balances		
Cash and Cash Equivalents		
Bank Balance in current account	1,154,906,164	12,432,906
	<u>1,154,906,164</u>	<u>12,432,906</u>
3.8 Short term loans and advances (Unsecured and considered good unless stated otherwise)		
Loans and Advances to others	-	2,349,461,648
Loans and Advances to Related Parties	1,251,816	1,201,996
Prepaid Expenses	312,516	386,322
Accrued Interest on loans	16,856,829	12,766,099
Advance Income Tax (Net of Provisions)	245,731	-
	<u>18,666,892</u>	<u>2,363,816,065</u>

Reliance Power Netherlands BV

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

	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
3.9 Other income		
Gain on foreign exchange fluctuations	12,119,764	12,037,722
Other income	-	162,442
Interest Income - Others	158,564,336	139,904,617
	<u>170,684,100</u>	<u>152,104,781</u>
3.10 Finance Cost		
Interest	123,930,313	89,210,880
Bank and Other Finance Charges	11,435	50,469,705
	<u>123,941,748</u>	<u>139,680,585</u>
3.11 Other expenses		
Legal and Professional Charges	285,985	17,980,419
Statutory Audit Fees	364,498	-
Postage and Courier	17,794	-
Rates and Taxes	1,101	-
	<u>669,378</u>	<u>17,980,419</u>