

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Reliance CleanGen Limited Report on the Financial Statements

1. We have audited the accompanying financial statements of **Reliance CleanGen Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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**Opinion**

8. 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 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 31st March, 2016, and its loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and in terms of the information and explanations sought by us and given by the Company and the records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in the Annexure A, and 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position of the Company as at March 31, 2016.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2016.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For Chaturvedi and Shah  
Chartered Accountants  
Firm Registration No. 101720W

Vijay Napawaliya  
Partner  
Membership No. 109859

Place: Mumbai  
Date: May 26, 2016

**Annexure A to Independent Auditors' Report**

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Reliance CleanGen Limited on the financial statements as of and for the year ended March 31, 2016

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- (i) In respect of its fixed assets: -
- a) The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
  - b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
  - c) According to the information and explanations given to us and records examined by us, the title deed of building are in the name of erstwhile company i.e. Western Alliance Power Limited which has merged with the Company under Section 391 to 394 of the Companies Act, 1956 pursuant to scheme of amalgamation approved by Honorable High Court, with an appointed date of January 1, 2010.
- (ii) The Company does not have any inventory. Therefore the provisions of clause 3 (ii) of Order is not applicable.
- (iii) According to the information and explanations given to us, during the year the Company has not granted any loans secured/unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Thus, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified. During the year under audit, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve bank of India or any other tribunal.
- (vi) According to the information & explanations given to us, provisions relating to maintenance of cost records as prescribed under subsection (1) of section 148 of the companies act, 2013 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 the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, and based on our audit procedures, we are of the opinion that the Company has not taken any loan from a financial institution, bank, Government, nor it has issued debentures. Therefore, the provisions of the Clause 3 (viii) of the said order are not applicable to the Company.

**Annexure A to Independent Auditors' Report**

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Reliance CleanGen Limited on the financial statements as of and for the year ended March 31, 2016

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- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year under audit. Therefore, the provisions of the Clause 3 (ix) of the said order are not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) The Company has not paid managerial remuneration, accordingly, paragraph 3 (xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in accordance with the provisions of Section 177 and Section 133 of the Companies Act, 2013. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
- (xiv) In our opinion and according to the information and explanations given to us, during the year under audit, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Hence the provisions of clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered in any non-cash transactions with directors and persons connected with him. Hence the provisions of clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) The company, as legally advised, 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 (Also refer note 15 of the financial statements)

For Chaturvedi and Shah  
Chartered Accountants  
Firm Registration No. 101720W

Vijay Napawaliya  
Partner  
Membership No. 109859

Place: Mumbai  
Date: May 26, 2016

**Annexure 'B' to Independent Auditors' Report**

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Reliance CleanGen Limited on the financial statements for the year ended March 31, 2016  
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**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Reliance CleanGen Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 Institute of Chartered Accountants of India. 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Annexure 'B' to Independent Auditors' Report**

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Reliance CleanGen Limited on the financial statements for the year ended March 31, 2016  
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**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting 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 Institute of Chartered Accountants of India.

For Chaturvedi and Shah  
Chartered Accountants  
Firm Registration No. 101720W

Vijay Napatwallya  
Partner  
Membership No. 109859

Place: Mumbai  
Date: May 26, 2016

Reliance CleanGen Limited  
Balance Sheet as at March 31, 2016

Particulars	Note	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3.1	259,506,010	259,506,010
Reserves and surplus	3.2	24,085,076,516	24,087,804,037
<b>Current liabilities</b>			
Short-term borrowings	3.3	6,549,938,000	1,437,438,000
Other current liabilities	3.4	7,631,949,653	2,150,716
<b>Total</b>		<b>38,526,470,179</b>	<b>25,786,898,763</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	3.5	331,519	337,079
Non-current investments	3.6	23,976,925,010	24,224,475,000
Long-term loans and advances	3.7	20,798,969	13,092,742
Other non-current assets	3.8	-	1,750,000
<b>Current assets</b>			
Trade receivables	3.9	364,500	243,000
Cash and bank balances	3.10	2,412,254	7,050,336
Short-term loans and advances	3.11	14,469,391,355	1,539,869,198
Other current assets	3.12	56,246,572	81,408
<b>Total</b>		<b>38,526,470,179</b>	<b>25,786,898,763</b>

The notes are an integral part of these financial statements.



**Reliance Clengen Limited**

As per our attached report of even date.

**For Chaturvedi & Shah**

Firm Registration No 101720W  
Chartered Accountants

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

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**Vijay Napawaliya**

Partner  
Membership No. 109859

**Venkat Rachakonda**

Director  
DIN NO. 07014032

**Satyendra Sarupria**

Director  
DIN No. 00270718

**Shrikant D Kulkarni**

Director  
DIN No. 05136399

**N Venugopala Rao**

Director  
DIN No. 03143364

**Manish Bothra**

Chief Financial Officer

**Suresh Nagarajan**

Company Secretary  
Membership No. ACS 11924

Place : Mumbai  
Date: May 26, 2016

Place : Mumbai  
Date: May 26, 2016

Reliance CleanGen Limited  
Statement of Profit and Loss for the year ended March 31,2016

Particulars	Note	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Revenue :			
Revenue from operations	3.13	270,000	270,000
Other income	3.14	108,964,951	188,899
<b>Total revenue</b>		<b>109,234,951</b>	<b>458,899</b>
<b>Expenses:</b>			
Finance cost	3.15	96,281,597	79,935,672
Depreciation	3.5	5,560	5,559
Other expenses	3.16	15,675,315	11,373,358
<b>Total expenses</b>		<b>111,962,472</b>	<b>91,314,589</b>
<b>Loss before tax</b>		<b>(2,727,521)</b>	<b>(90,855,690)</b>
<b>Tax expense</b>			
Current tax		-	-
Income tax for earlier years		-	57,508
<b>Loss for the year</b>		<b>(2,727,521)</b>	<b>(90,913,198)</b>
Earnings per equity share: (Face value of Rs. 10 each)			
Basic and Diluted (Rupees) (Refer Note 7)		(0.24)	(7.87)

The notes are an integral part of these financial statements.

**Reliance Clengen Limited**

As per our attached report of even date.

**For Chaturvedi & Shah**

Firm Registration No 101720W  
Chartered Accountants

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

---

**Vijay Napawaliya**

Partner  
Membership No. 109859

**Venkat Rachakonda**

Director  
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Chief Financial Officer

**Suresh Nagarajan**

Company Secretary  
Membership No. ACS 11924

Place : Mumbai  
Date: May 26, 2016

Place : Mumbai  
Date: May 26, 2016

Reliance CleanGen Limited  
Cash Flow Statement for the year ended March 31, 2016

	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
<b>(A) Cash Flow from/(used In) Operating Activities</b>		
Net Profit /(Loss) before tax	(2,727,521)	(90,855,690)
Adjusted for:		
Gain on sale of current investments	(2,069,630)	-
Interest on Deposits	(81,250,548)	(160,388)
Depreciation	5,560	5,559
Finance Cost	96,281,597	79,935,672
Operating Profit/(Loss) before working capital changes	<u>10,239,458</u>	<u>(11,074,847)</u>
Adjustments for:		
loans and advances	(147,126,356)	(131,266,696)
Trade Receivables	(121,500)	(243,000)
Other Current liabilities	<u>(19,009,877)</u>	<u>614,369</u>
Taxes paid (net of refunds)	(156,018,275)	(141,970,174)
	(7,706,227)	(12,862,054)
<b>Net Cash from / (used In) Operating Activities</b>	<u>(163,724,502)</u>	<u>(164,832,228)</u>
<b>(B) Cash Flow from/(used In) Investing Activities</b>		
Proceeds from sale of Equity and Preference Shares of Subsidiary	247,549,990	-
Inter-Corporate Deposit given to related parties	(4,049,700,000)	(24,125,000)
Refund of Inter-Corporate Deposit given to related parties	-	4,900,000
Inter-Corporate Deposit given	(6,580,000,000)	-
Proceeds from sale of current investments	2,069,630	-
Refund of Inter-Corporate Deposits given	5,410,000,000	-
Interest on Deposits	25,085,384	153,935
<b>Net Cash from / (used In) Investing Activities</b>	<u>(4,924,994,996)</u>	<u>(19,071,065)</u>
<b>(C) Cash flow from/(used In) Financing Activities</b>		
Proceeds from short term borrowings	1,600,000,000	9,500,000,000
Repayment of short term borrowings	(1,600,000,000)	(9,500,000,000)
Proceeds from Inter-Corporate Deposits	17,907,000,000	7,547,032,000
Repayment of Inter-Corporate Deposits	(12,794,500,000)	(7,289,632,000)
Finance Cost	(30,168,584)	(79,935,672)
<b>Net Cash (used In) / from Financing Activities</b>	<u>5,082,331,416</u>	<u>177,464,328</u>
<b>Net Increase/(Decrease) In Cash and Cash equivalents (A+B+C)</b>	<b>(6,388,082)</b>	<b>3,561,035</b>
<b>Cash and Cash equivalents at the beginning of the year:</b>		
Bank Balance - Current Account	7,050,336	3,489,300
<b>Cash and Cash equivalents at the end of the year:</b>		
Bank Balance - Current Account	662,254	7,050,336
Previous year figures have been regrouped and recast wherever necessary to make them comparable to those for current year (Refer note 16)		

**Reliance Clengen Limited**

As per our attached report of even date.

**For Chaturvedi & Shah**

Firm Registration No 101720W  
Chartered Accountants

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

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**Vijay Napawaliya**

Partner  
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**Manish Bothra**

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**Suresh Nagarajan**

Company Secretary  
Membership No. ACS 11924

Place : Mumbai  
Date: May 26, 2016

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**1 General Information**

Rollance CleanGen Limited ("the Company") is a subsidiary of Reliance Power Limited and has been incorporated under provisions of Companies Act, 1956, Inter alia, for generation of power from conventional and non - conventional sources.

**2 Significant accounting policies**

**a) Basis of Preparation**

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

**b) Use of Estimates:**

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

**c) Tangible Assets and Capital Work-in-Progress:**

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

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

**d) Intangible assets:**

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

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under Capital Work-in-Progress.

**e) Impairment of assets:**

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

**f) Depreciation / Amortization:**

Tangible assets:

Tangible assets are depreciated on pro rata basis as per useful life on the Straight Line Method (SLM) as prescribed in part C of Schedule II to the Companies Act, 2013.

**g) Investments:**

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

**h) Provisions, Contingent Liabilities and Contingent Assets**

Provisions:

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

Contingent Liabilities:

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

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

Contingent Assets:

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

**i) Foreign currency transactions**

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

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

- Foreign exchange differences on account of depreciable asset, is adjusted in the cost of depreciable asset and would be depreciated over the balance life of asset.

- In other case, foreign exchange difference is accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term asset / liabilities.

- An asset or liability is designated as a long term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of twelve months or more at the date of origination of the asset or the liability, which is determined taking into consideration the terms of the payment/settlement as defined under the respective agreement/memorandum of understanding.

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

**j) Revenue recognition:**

Revenue is recognised when it is reasonably certain that the ultimate collection will be made. Service income represents income from support services recognised as per the terms with the respective parties.

Profit on sale of Investment is accounted on sale of such investment. Interest income on inter-corporate is recognised on time proportionate basis

**k) Accounting for taxes on income:**

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

**l) Cash and cash equivalents:**

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

**m) 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.

**n) Earnings per share:**

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

Reliance CleanGen Limited

Notes to financial statements for the year ended March 31, 2016 (continued)

	As at Mar. 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>3.1 Share capital</b>		
<b>Authorised share capital</b>		
15,000,000 (Previous year : 15,000,000) equity shares of Rs.10 each	150,000,000	150,000,000
15,000,000 (Previous year : 15,000,000) preference shares of Rs.10 each	150,000,000	150,000,000
	<b>300,000,000</b>	<b>300,000,000</b>
<b>Issued, subscribed and fully paid up capital</b>		
11,550,000 (Previous year: 11,550,000) equity shares of Rs.10 each fully paid up	115,500,000	115,500,000
1,500,601 (Previous year - 1,500,601) 6% Compulsorily Convertible Redeemable Non-Cumulative Preference Shares of Rs.10 each fully paid up [Refer note 3.1.2(b) (i)]	15,006,010	15,006,010
12,900,000 (Previous year - 12,900,000) 7.5% Compulsorily Convertible Redeemable Non-Cumulative Preference Shares of Rs.10 each fully paid up [(Refer note 3.1.2(b) (ii)]	129,000,000	129,000,000
	<b>259,506,010</b>	<b>259,506,010</b>
<b>3.1.1 Reconciliation of number of shares</b>		
<b>Equity Shares</b>		
Balance at the beginning of the year - 11,550,000 (Previous year : 11,550,000) shares of Rs.10 each	115,500,000	115,500,000
Balance at the end of the year - 11,550,000 (Previous year : 11,550,000) shares of Rs.10 each	<b>115,500,000</b>	<b>115,500,000</b>
<b>6% Preference Shares [Refer note 3.1.2 (b) (i)]</b>		
Balance at the beginning of the year - 1,500,601 (Previous year : 1,500,601) shares of Rs. 10 each	15,006,010	15,006,010
Balance at the end of the year - 1,500,601 (Previous year : 1,500,601) shares of Rs.10 each	<b>15,006,010</b>	<b>15,006,010</b>
<b>7.5% Preference Shares [Refer note 3.1.2(b) (ii)]</b>		
Balance at the beginning of the year - 12,900,000 (Previous year : 12,900,000) shares of Rs. 10 each	129,000,000	129,000,000
Balance at the end of the year - 12,900,000 (Previous year : 12,900,000) shares of Rs.10 each	<b>129,000,000</b>	<b>129,000,000</b>



3.1.2 Terms/ rights attached to shares

a) Equity shares

The company has only one class of equity shares having face value of Rs.10 per share. Each holder of the equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

b) Preference shares

(i) ~~6% Compulsorily Convertible Redeemable Non-Cumulative Preference Shares~~

The Company shall have a call option on CCRPS which can be exercised by the Company in one or more tranches and in part or in full before the end of agreed tenure of the said shares. In case the call option is exercised, CCRPS shall be redeemed at an issue price (i.e face value and premium). The holders of CCRPS however, shall have an option to convert CCRPS into equity shares at any time during the tenure of such shares. At the end of tenure and to the extent the Company or the shareholder has not exercised their options, CCRPS shall be compulsorily converted into equity shares. On conversion, in either case, each CCRPS shall be converted into one fully paid equity share of Rs. 10 each at a premium of Rs. 990 per share. If during the tenure of CCRPS, the Company declares equity dividend, CCRPS holders shall also be entitled to dividend on their shares at the same rate as the equity dividend and this dividend will be over and above the coupon rate of 6%. These preference shares shall continue to be non cumulative. These shares are issued pursuant to the scheme of amalgamation for consideration other than cash."

(ii) 7.5% Compulsorily Convertible Redeemable Non-Cumulative Preference Shares

The Company shall have a call option on CCRPS which can be exercised by the Company in one or more tranches and in part or in full before the end of agreed tenure of the said shares. In case the call option is exercised, CCRPS shall be redeemed at an issue price (i.e face value and premium). The holders of CCRPS however, shall have an option to convert CCRPS into equity shares at any time during the tenure of such shares. At the end of tenure and to the extent the Company or the shareholder has not exercised their options, CCRPS shall be compulsorily converted into equity shares. On conversion, in either case, each CCRPS shall be converted into one fully paid equity share of Rs. 10 each at a premium of Rs. 990 per share. If during the tenure of CCRPS, the Company declares equity dividend, CCRPS holders shall also be entitled to dividend on their shares at the same rate as the equity dividend and this dividend will be over and above the coupon rate of 7.5%. These preference shares shall continue to be non cumulative."

Reliance CleanGen Limited  
Notes to financial statements for the year ended March 31, 2016 (continued)

3.1.3 Shares held by holding company

	As at Mar. 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>Equity shares</b>		
Reliance Power Limited - 11,550,000 (Previous year : 11,550,000) equity shares of Rs.10 each fully paid up (Of the above, 11,549,994 (Previous year : 11,549,994) equity shares are being held by Reliance Power Limited, the Holding Company and 6 shares are jointly held by Reliance Power Limited and its nominees)	115,500,000	115,500,000
	<b>115,500,000</b>	<b>115,500,000</b>
<b>Preference shares</b>		
Reliance Power Limited 12,900,000 (Previous year - 12,900,000) 7.5% Compulsorily Convertible Redeemable Non-Cumulative Preference Shares of Rs.10 each fully paid up [Refer note 3.1.2(b) (ii)]	129,000,000	129,000,000
1,500,601 (Previous year - NIL) 6% Compulsorily Convertible Redeemable Non-Cumulative Preference Shares of Rs.10 each fully paid up [Refer note 3.1.2 (b) (i)]	15,006,010	-
	<b>144,006,010</b>	<b>129,000,000</b>

3.1.4

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

	Percentage of share holding	As at Mar. 31, 2016 No. of Shares	As at March 31, 2015 No. of Shares
<b>Equity shares</b>			
Reliance Power Limited	100%	11,550,000	11,550,000
		<b>11,550,000</b>	<b>11,550,000</b>
<b>7.5% Preference Shares [Refer note 3.1.2 (b) (ii)]</b>			
Reliance Power Limited	100%	12,900,000	12,900,000
		<b>12,900,000</b>	<b>12,900,000</b>
<b>6.0 % Preference Shares [Refer note 3.1.2 (b) (i)]</b>			
Utkrisht Infotech Private Limited	99.67%	-	1,495,600
Reliance Power Limited	100%	1,500,601	-
		<b>1,500,601</b>	<b>1,495,600</b>

Reliance CleanGen Limited  
Notes to financial statements for the year ended March 31, 2016 (continued)

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>3.2 Reserves and surplus</b>		
<b>Securities premium account</b>		
Balance at the beginning of the year	24,156,000,000	24,156,000,000
Balance at the end of the year	<u>24,156,000,000</u>	<u>24,156,000,000</u>
<b>General reserve (Arison pursuant to scheme of amalgamation)</b>		
Balance at the end of the year	<u>193,555,684</u>	<u>193,555,684</u>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance at the beginning of the year	(261,751,647)	(170,838,449)
Profit/(Loss) for the year	(2,727,521)	(90,913,198)
Balance at the end of the year	<u>(264,479,168)</u>	<u>(261,751,647)</u>
	<u>24,085,076,516</u>	<u>24,087,804,037</u>
<b>3.3 Short-term borrowings</b>		
<b>Unsecured :</b>		
Inter Corporate Deposits from related party (Refer Note 6) (Interest free deposits, repayable within one year)	6,549,938,000	1,437,438,000
	<u>6,549,938,000</u>	<u>1,437,438,000</u>
<b>3.4 Other current liabilities</b>		
Creditors for supplies and services (Refer Note 11)	1,425,828	102,360
Interest accrued and due	66,113,014	-
Assignment of Rinfra liability (Refer note 14)	7,557,051,027	-
Others (including Tax deducted at Source)	7,359,786	2,048,356
	<u>7,631,949,653</u>	<u>2,150,716</u>

Reliance CleanGen Limited  
Notes to financial statements for the year ended March 31, 2016 (continued)

3.5 Tangible assets

Particulars	Gross Block				Depreciation		Net Block	
	As at April 1, 2015	As at March 31, 2016	As at April 1, 2015	For the year	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015	
Building	432,541	432,541	95,462	5,560	101,022	331,519	337,079	
Motor Vehicles	3,999,543	3,999,543	3,999,543	-	3,999,543	-	-	
<b>Total</b>	<b>4,432,084</b>	<b>4,432,084</b>	<b>4,095,005</b>	<b>5,560</b>	<b>4,100,565</b>	<b>331,519</b>	<b>337,079</b>	
Previous Year	4,432,084	4,432,084	4,089,446	5,559	4,095,005	337,079		

Rupees

Reliance CleanGen Limited  
Notes to financial statements for the year ended March 31, 2016 (continued)

3.6 Non-current investments (Non Trade) <sup>(3)</sup>

	Face Value	As at March 31, 2016		As at March 31, 2015	
		No. of Shares	Rupees	No. of Shares	Rupees
<b>Equity Shares (Fully paid-up and Unquoted)</b>					
<b>In Subsidiary Companies <sup>(4)</sup></b>					
Moher Power Limited <sup>(5)</sup>	10	50,000	500,000	50,000	500,000
Samalkot Power Limited <sup>(1)</sup>	10	9,009,400	8,959,900,000	9,009,400	8,959,900,000
Reliance Solar Resources Private Limited	10	10,000	100,000	10,000	100,000
Reliance Wind Power Private Limited	10	10,000	100,000	10,000	100,000
Reliance Green Power Private Limited	10	-	-	25,745	15,845,000
<b>In Other Companies <sup>(2)</sup></b>					
Hirma Power Limited (Net of Provision for diminution in value of investment NIL (Previous year : Rs. 16,943))	10	-	-	169,429	-
Jayamkondam Power Limited (Net of Provision for diminution in value of investment NIL (Previous year : Rs. 20,009))	10	-	-	20,009	-
Reliance Thermal Energy Power Limited (Net of Provision for diminution in value of investment NIL (Previous year : Rs. 2,002))	10	-	-	20,015	-
<b>Preference Shares (Fully paid-up and Unquoted)</b>					
<b>In Subsidiary Companies <sup>(4)</sup></b>					
7.5% Preference Shares of Rs. 10 each fully paid up <sup>(6)</sup>					
Samalkot Power Limited <sup>(1)</sup>	10	15,009,400	15,009,400,000	15,009,400	15,009,400,000
Moher Power Limited <sup>(5)</sup>	1	2,625	2,625,000	2,625	2,625,000
Reliance Wind Power Private Limited	1	4,300	4,300,000	4,300	4,300,000
Reliance Green Power Private Limited	1	-	-	231,705	231,705,000
			<b>23,976,925,000</b>		<b>24,224,475,000</b>
Aggregate book value of Unquoted Non Current Investments			23,976,925,000		24,224,475,000

(1) Shares Pledged to IDBI Trusteeship Services Limited for financial assistance in the form of rupee loans and US dollar loans from Export -Import Bank of United States availed by Samalkot Power Limited.

The Company has pledged 9,009,394 equity shares and 15,009,400 preference shares .

(2) Aggregate provision for diminution in value of investments Rs. NIL (Previous year : Rs. 38,954)

(3) The investments above are at cost less provision for diminution in value of investment, wherever applicable.

(4) The above subsidiary companies are wholly owned by the Company except Samalkot Power Limited.

(5) Formerly known as Bharuch Power Limited

(6) 7.5 % Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS).

The Issuer companies shall have a call option on the CCRPS which can be exercised by them in one or more tranches and in part or in full before the end of agreed tenure (20 years) of the said shares. In case the call option is exercised, the CCRPS shall be redeemed at an issue price (i.e. face value and premium). The Company, however, shall have an option to convert the CCRPS into equity shares at any time during the tenure of such CCRPS. At the end of tenure and to the extent the Issuer Companies or the CCRPS holders thereof have not exercised their options, the CCRPS shall be compulsorily converted into equity shares. On conversion, in either case, each CCRPS shall be converted into equity shares of corresponding value (including the premium applicable thereon). In case the Issuer companies declare dividend on their equity shares, the CCRPS holders will also be entitled to the equity dividend in addition to the coupon rate of dividend.

**Reliance CleanGen Limited**  
**Notes to financial statements for the year ended March 31, 2016 (continued)**

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>3.7 Long-term loans and advances</b> (Unsecured and considered good unless stated otherwise)		
Advance Income tax and tax deducted at source (Net of provision for taxes : Rs. 214,145 (Previous Year : Rs. 275,741)	20,798,969	13,092,742
	<b>20,798,969</b>	<b>13,092,742</b>
<b>3.8 Other non-current assets</b>		
<b>Non-current bank balances</b>		
Fixed Deposits with original maturity of more than 12 months (Under lien with Executive Engineer, Raigad)	-	1,750,000
	<b>-</b>	<b>1,750,000</b>
<b>3.9 Trade receivables</b> (Unsecured and considered good)		
Outstanding for a period exceeding six months from the due date	121,500	-
Others - (Refer Note 6)	243,000	243,000
	<b>364,500</b>	<b>243,000</b>
<b>3.10 Cash and bank balances</b> Cash and cash equivalents:		
Fixed Deposits with original maturity of less than 3 months (Under lien with Executive Engineer, Raigad)	1,750,000	-
Bank balance in current account	662,254	7,050,336
	<b>2,412,254</b>	<b>7,050,336</b>
<b>3.11 Short-term loans and advances</b> (Unsecured and considered good unless stated otherwise)		
Inter corporate deposits to related parties (Refer Note 6)	5,455,925,001	1,406,225,000
Advance recoverable in cash or in kind	435,000	135,000
Inter corporate deposits given	1,150,000,000	-
Assigned ICD from Rinpra (Refer Note 14)	7,582,695,800	-
Unsecured and considered doubtful	5,600,000	5,600,000
Less : Provision for doubtful debts	(5,800,000)	(5,600,000)
Receivable from subsidiary (Refer Note 6)	280,335,554	133,509,198
	<b>14,469,391,355</b>	<b>1,539,869,198</b>
<b>3.12 Other current assets</b>		
Interest accrued on Fixed Deposits	37,187	81,408
Income accrued and due on ICD given	56,209,385	-
	<b>56,246,572</b>	<b>81,408</b>

Reliance CleanGen Limited  
Notes to financial statements for the year ended March 31, 2016 (continued)

	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
<b>3.13 Revenue from Operations</b>		
Service Income	270,000	270,000
	<u>270,000</u>	<u>270,000</u>
<b>3.14 Other Income</b>		
Interest income on:-		
Bank deposits	133,839	160,388
Inter-corporate deposits	81,116,709	-
Others	-	411
Gain on sale of Current investment	2,069,830	-
Gain on foreign exchange fluctuations-Short term (Net)	25,644,773	-
Miscellaneous Income	-	28,100
	<u>108,964,951</u>	<u>188,899</u>
<b>3.15 Finance cost</b>		
<b>Interest on:</b>		
Assigned RInfra liability	1,262,051	-
Working capital loans [Net of interest reimbursed from Susidary Company Rs. 146,826,357 (Previous year 146,342,636)] (Refer note 13)	74,372,603	79,935,672
BG commission	20,646,542	-
Other finance charges	401	-
	<u>96,281,597</u>	<u>79,935,672</u>
<b>3.16 Other expenses</b>		
Filing fees	7,400	10,407
Printing and stationery	1,725	6,160
Legal and professional charges	1,465,498	11,318,651
Directors sitting fees	227,744	-
Rates and taxes	63,498	38,140
Tender expenses	13,868,000	-
Miscellaneous expenses	41,450	-
	<u>15,675,315</u>	<u>11,373,358</u>

**Reliance CleanGen Limited****Notes to financial statements for the year ended. March 31, 2016 (continued)****4 Other Commitments**

The Company has, jointly and severally with its holding company, given ongoing commitments to lenders to extend support and provide equity in respect of various projects undertaken by the respective subsidiaries, wherein the amounts of investment would vary considering the project cost and debt equity ratio agreed with the respective lenders.

Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
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**5 Details of Remuneration to Auditors****As auditor**

- For Statutory Audit Fees

100,000	100,000
<b>100,000</b>	<b>100,000</b>

**6 Related Party Disclosures**

As per Accounting Standard - 18 "Related Party Disclosures", as prescribed by the Companies (Accounting Standards) Rules, 2006, the Company's related parties and transactions are disclosed below:

**A. Parties where Control exists:**

(i) Holding Company : Reliance Power Limited (RPL)

**(ii) Subsidiaries**

Moher Power Limited (formerly known as Bharuch Power Limited (MPL))

Samalkot Power Limited (SMPL)

Reliance Solar Resources Power Private Limited (RSRPL)

Reliance Wind Power Private Limited (RWPPPL)

Reliance Green Power Private Limited (RGPPL) (upto July 13, 2015)

**(iii) Fellow subsidiary**

Reliance Geothermal Power Private Limited (RGTPPL)

RPL Sunpower Private Limited (RSPL) (from July 16, 2015 to February 16, 2016)

Chitrangi Power Private Limited (CPPL)

Reliance Green Power Private Limited (RGPPL) (from July 14, 2015)

**B. Key Managerial Personnel**

Suresh Nagarajan - Manager and Company Secretary \*

Saurabh Garg - Chief Financial Officer (till 25th March, 2016) \*

Manish P Bothra - Chief Financial Officer (w.e.f. 25th March, 2016) \*

\* No transactions during the year.



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

Particulars	2015-2016	Rupees 2014-2015
<b>(i) Transactions during the year</b>		
<b>Sale of Investments</b>		
R Power	247,550,000	-
<b>Service income</b>		
R Power	135,000	135,000
SMPL	135,000	135,000
<b>Reimbursement of interest expense incurred by the Company</b>		
SMPL	146,826,356	146,342,636
<b>Reimbursement of expense on behalf of the Company</b>		
R Power	20,768,042	-
<b>Short-term borrowings / ICD taken</b>		
R Power	15,657,000,000	7,547,032,000
<b>Refund of Short-term borrowings</b>		
R Power	10,544,500,000	7,289,632,000
<b>Inter-corporate deposits given</b>		
MPL	100,000	25,000
SMPL	4,030,200,000	-
RSRPL	-	100,000
RGTPPL	-	1,600,000
RGPPPL	19,100,000	17,500,000
RWPPL	100,000	-
RSPL	200,000	-
CPPL	-	4,900,000
<b>Inter-corporate deposits received back</b>		
CPPL	-	4,900,000

## (ii) Closing Balance

**Equity share capital (excluding premium)**

R Power	115,500,000	115,500,000
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**Preference share capital (excluding premium)**

R Power (7.5% Compulsorily Convertible Redeemable Non-Cumulative Preference Shares)	129,000,000	129,000,000
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R Power (6.0 % Compulsorily Convertible Redeemable Non-Cumulative Preference Shares)	15,006,010	-
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**Investment in Equity shares of subsidiaries**

MPL	500,000	500,000
-----	---------	---------

SMPL	8,959,900,000	8,959,900,000
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RSRPL	100,000	100,000
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RWPPL	100,000	100,000
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RGPPL	-	15,845,000
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**Investment in Preference shares of subsidiaries**

MPL	2,625,000	2,625,000
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SMPL	15,009,400,000	15,009,400,000
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RWPPL	4,300,000	4,300,000
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RGPPL	-	231,705,000
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**Short-term loans and advances**

SMPL	280,335,554	133,509,198
------	-------------	-------------

RGTPL	24,000	24,000
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**Trade / other receivables**

R Power	121,500	121,500
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SMPL	243,000	121,500
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**Inter corporate deposits given**

MPL	125,000	25,000
-----	---------	--------

SMPL	5,417,100,000	1,386,900,000
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RSRPL	200,000	200,000
-------	---------	---------

RWPPL	100,000	-
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RGTPL	1,600,000	1,600,000
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RGPPL	36,800,000	17,500,000
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RSPL	200,000	-
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**Short term borrowings**

R Power	6,549,938,000	1,437,438,000
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**(iii) Other Transaction:**

In terms of the sponsor support agreement dated December 23, 2011, the Company has agreed to pledge 100% of its holding in equity and preference shares of Samalkot Power Limited as a security towards term loan availed by Samalkot Power Limited. Accordingly, the Company has pledged 90,09,394 Equity shares and 1,50,09,400 preference shares.

	Year ended March 31, 2016	Rupees Year ended March 31, 2015
<b>7 Earnings per share</b>		
Profit/(loss) for the year (Rupees) (A)	(2,727,520)	(90,913,198)
Weighted average number of equity shares for Basic EPS (B)	11,550,000	11,550,000
Earnings/(Loss) per share - Basic - Rupees (A/B)	(0.24)	(7.87)
Nominal Value of an Equity Share (Rupees)	10	10

Both the classes of Compulsory Convertible Non-Cumulative Redeemable Preference Shares had an anti-dilutive effect on earnings per share and hence have not been considered for the purpose of computing dilutive earnings per share.

**8 Disclosure of Loans and Advances to Subsidiaries**

Name	Amount outstanding as at		Maximum amount outstanding during the year	
	March 31, 2016	March 31, 2015	2015-16	2014-15
	Rupees			
Samalkot Power Limited	5,417,100,000	1,520,409,198	5,430,415,073	1,520,409,198
Reliance Green Power Private Limited	36,600,000	17,500,000	36,600,000	17,500,000
Moher Power Limited (formerly known as Bharuch Power Limited)	125,000	25,000	125,000	25,000
Reliance Solar Resources Private Limited	200,000	200,000	200,000	200,000
Reliance Wind Power Private Limited	100,000	-	100,000	-

As at the year-end, the Company has no loans and advances in the nature of loans to firms/companies in which directors are interested.

**9 Foreign currency exposure:**

Net foreign currency exposure that are not covered by derivative instrument or otherwise are as follows.

Particulars	As at March 31, 2016		As at March 31, 2015	
	Amount in USD	Amount in Rupees	Amount in USD	Amount in Rupees
Creditors for Buyers' credit liability	113,926,137	7,557,051,053	-	-

**10 Segment Reporting**

There are no separate reportable segments as defined under Accounting Standard - 17 'Segment Reporting' as prescribed by Companies (Accounting Standards) Rules, 2006.

**11 Micro and Small Scale Business Entities**

Disclosure of 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, as per the information available with the Company. 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.

12 Investment in Samalkot Power Limited (SMPL)

SMPL is in the process of constructing a gas based power plant at Kakinada, which based on the current circumstances, has planned its construction work and consequential commercial operations thereafter progressively starting from 2017 - 2018 and it has incurred an aggregated cost of Rs. 92,014,161,177 as at March 31, 2016. SMPL has applied for allocation of gas and Ministry of Petroleum and Gas (MoPNG) is yet to allocate the gas linkage. Considering that the gas availability in the country has dropped significantly and also based on gas availability projected scenarios in subsequent years. SMPL is actively pursuing / making representations with various government authorities to secure the gas linkage / supply and is evaluating alternative arrangements / various approaches to deal with the situation in respect of its 2,262 MW (754 MW X 3) gas based power project.

SMPL is also exploring options for relocating the project, partially or fully, to other countries and in this context the Parent Company has entered into a Memorandum of Understanding with Government of Bangladesh (GoB) for developing gas project of 3,000 MW capacity. Subsequent to the year end, GoB has given an in principle approval for setting up of a 754 MW project at Meghnaghat, together with setting up of a Floating Storage and Regasification Unit (FSRU) based Liquefied Natural Gas (LNG) terminal at Maheshkhali, for which project agreement are being negotiated. In view of the above developments, SMPL is presently continuing with implementation of 1,508 MW (754 MW X 2) at existing location and plans to relocate the balance 754 MW capacity (754 MW X 1) to Bangladesh.

Based on the business plans and valuation assessment, it is confident that the carrying value of the net assets of the SMPL is appropriate and consequently, there is no diminution in the value of investment.

- 13 The Company has obtained interest bearing loan for its business requirements and has also given interest free loan to its Subsidiary Company. Therefore, to the extent of funds given to the Subsidiary Company, the interest amounting to Rs. 146,826,357 (previous year Rs. 146,342,636) is recovered from the Subsidiary Company.
- 14 Pursuant to an agreement dated March 29, 2016 between the Company and R Infra, the Company has on an inter-se basis accepted transfer of R Infra liabilities and obligations in respect of buyer's credit amounting to USD in million 113.92 (Rs. 7,582,695,800) outstanding against lender DB (USD in million) 72.00 and UOB (USD in million) 41.92, pending further approvals / consents, if any, as required. Against the said assignment of lender's liabilities, RCGL has taken over inter corporate deposits receivable from Crest Logistics and Engineers Private Limited amounting to Rs. 7,582,695,800.
- According, these lenders liabilities have been disclosed under "Other current liabilities" and ICD has been disclosed under "Short-term loans and advances".
- 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 Previous year figures have been regrouped and recast wherever necessary to make them comparable to those for current year.

**Reliance Clengen Limited**

As per our attached report of even date.

**For Chaturvedi & Shah**

Firm Registration No 101720W

Chartered Accountants

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

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**Vijay-Napawaliya**

Partner

Membership No. 109859

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**Venkat-Rachakonda**

Director

DIN NO. 07014032

**Satyendra Sarupria**

Director

DIN No. 00270718

**Shrikant D Kulkarni**

Director

DIN No. 05136399

**N Venugopala Rao**

Director

DIN No. 03143364

**Manish Bothra**

Chief Financial Officer

**Suresh Nagarajan**

Company Secretary

Membership No. ACS 11924

Place : Mumbai  
Date: May 26, 2016

Place : Mumbai  
Date: May 26, 2016