

M.S. Sethi & Associates
Chartered Accountants

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

FIT FOR CONSOLIDATION

The Financial Statements of **Reliance Natural Resources (Singapore) Pte Ltd** for the year ended March 31, 2018 being a Company registered in Singapore are prepared by the management of the Company. We did not audit the financial statements and other financial information for the year ended March 31, 2018 and we relied on the Financial Statements for the above period furnished to us by the management and our report is based solely on such financial statements furnished and approved by the management.

We are presented with the accounts in Indian Rupees prepared by the management on the basis of the financial statements of Reliance Natural Resources (Singapore) Pte. Ltd, Singapore as at March 31, 2018 to comply with the requirements of Section 129 of the Companies Act, 2013. We report as under.

1. We have verified the attached Balance Sheet of **Reliance Natural Resources (Singapore) Pte. Ltd** (the Company), as at March 31, 2018 and the related Statement of Profit and Loss for the year ended on that date annexed thereto.
The preparation of the consolidated financial statements, in accordance with the Indian accounting standards and generally accepted accounting principles followed in India, is the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our audit.
2. The above financial statements have been prepared to comply with the requirements of Section 129 of the Companies Act, 2013, for consolidated accounts of Reliance Power Limited. Accordingly the Financial Statements does not include all possible disclosure required under generally accepted accounting principles followed in India ("Indian GAAP")
3. We conducted our verification in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
4. The accompanying financial statements have been prepared for the purpose described in paragraph 2 above and not to report on the Company as a separate entity.
5. Based on the above and on the basis of the information and explanations given to us, in our opinion the said financial statements give a true and fair view in conformity with the accounting principles generally accepted in India
(i) in case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018, and
(ii) in case of the Statement of Profit and Loss, of the loss for the year ended on that date.

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

Manoj Sethi
Proprietor
Membership No.39784

Place: Mumbai
Date: April 15, 2018

Reliance Natural Resources (Singapore) Pte Ltd.
Balance Sheet as at March 31, 2018

Particulars	Note No.	As at March 31, 2018 Rupees in '000	As at March 31, 2017 Rupees in '000
ASSETS			
Non-current assets			
Financial assets:			
Investments	3.1	11,775	11,775
Loans	3.2	1,41,47,092	1,26,11,108
Current assets			
Financial assets:			
Cash and cash equivalents	3.3	17,148	8,602
Bank balance other than cash and cash equivalents	3.4	-	16,33,880
Loans	3.5	47,57,370	45,14,107
Other current assets	3.6	35,682	-
Current tax assets	3.7	103	102
Total Assets		1,89,69,168	1,87,79,574
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3.8	1,78,84,840	1,78,28,348
Other equity	3.9	9,43,633	6,83,662
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	3.10	1,38,121	-
Current liabilities			
Other current liabilities	3.11	2,574	2,67,564
Total Equity and Liabilities		1,89,69,168	1,87,79,574
Significant Accounting Policies	2		

The notes are an integral part of these financial statements

As per our Report of even date

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

For Reliance Natural Resources (Singapore) Pte Ltd.

Manoj Sethi
Proprietor
Membership No.39784

Ashok Kumar Pal
Authorised Signatory

Place: Mumbai
Date : April 15, 2018

Place: Mumbai
Date : April 15, 2018

Reliance Natural Resources (Singapore) Pte Ltd.
Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Note No.	Year Ended March 31, 2018 Rupees in '000	Year Ended March 31, 2017 Rupees in '000
Revenue:			
Other income	3.12	2,62,674	2,66,161
Total Income		2,62,674	2,66,161
Expenses:			
Finance cost	3.13	2,204	(10,08,035)
Other expenses	3.14	8,43,067	11,73,965
Total expenses		8,45,271	1,65,930
Profit / (loss) before tax		(5,82,596)	1,00,231
Tax expense.			
Current tax		-	-
Profit / (loss) for the Year		(5,82,596)	1,00,231
Significant accounting policies	2		

The notes are an integral part of these financial statements

As per our Report of even date

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

For Reliance Natural Resources (Singapore) Pte Ltd.

Manoj Sethi
Proprietor
Membership No.39784

Ashok Kumar Pal
Authorised Signatory

Place: Mumbai
Date : April 15, 2018

Place: Mumbai
Date : April 15, 2018

Reliance Natural Resources (Singapore) Pte Ltd.

Notes to the financial statements as of and for the year ended March 31, 2018

	As at March 31, 2018 Rupees in '000	As at March 31, 2017 Rupees in '000
3.1 Investments		
Equity instruments (unquoted, fully paid-up, at cost)		
In Subsidiaries		
PT Sumukha Coal Services 249,000 (March 31, 2017 : 249,000) shares of USD 1 each	11,775	11,775
	<u>11,775</u>	<u>11,775</u>
3.2 Loans		
(Unsecured and considered good)		
Term deposits with more than 12 months maturity	1,41,47,092	1,26,11,108
	<u>1,41,47,092</u>	<u>1,26,11,108</u>
3.3 Cash and cash equivalents		
Bank balance in current account	17,148	8,602
	<u>17,148</u>	<u>8,602</u>
3.4 Bank balance other than cash and cash equivalents		
Deposits with maturity more than three months but less than twelve months	-	16,33,880
	<u>-</u>	<u>16,33,880</u>
3.5 Loans		
(Unsecured and considered good)		
Loans and advances to third party	47,55,913	45,12,655
Security deposits	1,457	1,452
	<u>47,57,370</u>	<u>45,14,107</u>
3.6 Other Current Assets		
(Unsecured and considered good)		
Interest Accrued	35,682	-
	<u>35,682</u>	<u>-</u>
3.7 Current tax assets		
Advance income tax (net of provisions)	103	102
	<u>103</u>	<u>102</u>

Reliance Natural Resources (Singapore) Pte Ltd.

Notes to the financial statements as of and for the year ended March 31, 2018

	As at March 31, 2018 Rupees in '000	As at March 31, 2017 Rupees in '000
3.8 Equity share capital		
Authorised, Issued, Subscribed and paid up		
Equity Shares		
100,000 (March 31, 2017 100,000) shares of USD 1 each fully paid up	4,217	4,217
Preference Shares		
274,900,000 (March 31, 2017 : 274,900,000) shares of USD 1 each fully paid up	1,78,80,623	1,78,24,131
	<u>1,78,84,840</u>	<u>1,78,28,348</u>

Reliance Natural Resources (Singapore) Pte Ltd.

Notes to the financial statements as of and for the year ended March 31, 2018

	As at March 31, 2017 Rupees in '000	As at March 31, 2017 Rupees in '000
3.9 Other equity		
3.9(a) Retained earnings		
Balance at the beginning of the year	12,75,335	11,75,104
Profit/(loss) for the year	(5,82,596)	1,00,231
Net surplus/(deficit) in the Statement of Profit and Loss	<u>6,92,739</u>	<u>12,75,335</u>
3.9(b) Foreign currency monetary item translation difference account		
Balance at the beginning of the year	(12,02,891)	(27,85,731)
Addition during the year	(7,83,178)	(4,10,783)
Amortization during the year	-	11,72,057
Balance at the end of the year	<u>(4,19,713)</u>	<u>(12,02,891)</u>
3.9(c) Foreign currency translation reserve		
Balance at the beginning of the year	6,11,219	10,46,152
Addition during the year	59,389	(4,34,933)
Balance at the end of the year	<u>6,70,608</u>	<u>6,11,219</u>
	<u>9,43,633</u>	<u>6,83,862</u>
3.10 Non-current liabilities		
Unsecured loan	1,38,121	-
	<u>1,38,121</u>	<u>-</u>
3.11 Other current liabilities		
(Unsecured)		
Other liabilities	395	202
Dividend payables	-	2,67,362
Interest Accrued on borrowing	2,179	-
	<u>2,574</u>	<u>2,67,564</u>

Reliance Natural Resources (Singapore) Pte Ltd.

Notes to the financial statements as of and for the year ended March 31, 2018

	Year Ended March 31, 2017 Rupees in '000	Year Ended March 31, 2017 Rupees in '000
3.12 Other Income		
Interest income - others	2,62,674	2,66,161
	<u>2,62,674</u>	<u>2,66,161</u>
3.13 Finance cost		
Interest	34	-
Bank and other finance charges	2,170	(10,08,035)
	<u>2,204</u>	<u>(10,08,035)</u>
3.14 Other expenses		
Legal and Professional Charges	41,178	
Loss on foreign exchange fluctuations (net)	8,39,670	11,72,057
Miscellaneous expenses	3,355	1,908
	<u>8,43,067</u>	<u>11,73,965</u>

1. General Information :

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

2. Significant Accounting Policies :

Basis of preparation, measurement and significant accounting policies

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

a) Basis of Preparation

Compliance with Ind AS

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

Historical cost convention

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

Certain financial assets and financial liabilities at fair value

b) Investments and other financial assets

Classification

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

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

those measured at amortised cost

Contributed equity :

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

c) Provisions and Contingent Liabilities/Assets

Provisions:

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of reporting period. The discount rate used to determine the present value is pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses

Contingent liabilities

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

Contingent Assets

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

d) Foreign Currency Translation :

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 on 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

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.

e) Revenue recognition

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

f) Cash and Cash equivalents :

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