

**INDEPENDENT AUDITORS' REPORT**

**To the Members of Reliance Energy Trading Limited**

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of Reliance Energy Trading Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of 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.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provision of the Act, the accounting and auditing standards and the matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.

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.

# Pathak H.D. & Associates

Chartered Accountants

## Opinion

6. 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 March 31, 2015, and its profits and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

7. 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 purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as 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 aforesaid 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 written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. 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. There were no pending litigations which would impact the financial position of the Company.
    - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Pathak H. D. & Associates**  
Firm Registration No: 107783W  
Chartered Accountants

**Vishal D. Shah**  
Partner  
Membership No. 119303

Place: Mumbai  
Date: May 25, 2015

**Annexure to Auditors' Report  
Referred to in our Auditors' Report of even date to the members of Reliance Energy Trading Limited  
on the financial statements for the year ended March 31, 2015**

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- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) As informed to us, the fixed assets have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (ii) As explained to us, there is no physical inventory in existence and hence the question of physical verification and its comparison with the inventory records does not arise.
- (iii) The Company has not granted any loan, secured or unsecured, from any company, firm or other party covered in the register maintained under Section 189 of the Act. Accordingly, provisions of clause 3 (iii)(a) and (b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct any major weaknesses in the aforesaid internal control system. During the financial year the Company did not undertake any activities of purchase of inventory and sale of goods.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.
- (vi) In our opinion and according to information given to us, no cost records have been prescribed by the Central Government of India under sub-section (1) of Section 148 of the Act.
- (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, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable were outstanding, at the year end, 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 no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, excise duty, value added tax and cess as at March 31, 2015 which have not been deposited on account of a dispute.
- (d) There are no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder within the time limit prescribed.

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Pathak H.D. & Associates  
Chartered Accountants

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- (viii) The Company has no accumulated losses as at March 31, 2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (ix) During the year the Company has not availed loan from any financial institution or bank or debenture holders hence the reporting requirements under clause 4(ix) of paragraph 3 of the Order is not applicable to the Company.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xi) During the year no term loans are being availed by the company hence the reporting requirements under clause 4(xi) of paragraph 3 of the Order is not applicable to the Company.
- (xii) 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 on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

**For Pathak H. D. & Associates**  
Firm Registration No: 107783W  
Chartered Accountants

**Vishal D. Shah**  
Partner  
Membership No. 119303

Place: Mumbai  
Date: May 25, 2015



Reliance Energy Trading Limited  
Balance Sheet as at March 31, 2015

	Note No.	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2.1	20,65,00,000	20,65,00,000
(b) Reserves and Surplus	2.2	33,95,80,126	53,73,58,933
		<u>54,60,80,126</u>	<u>74,38,58,933</u>
<b>(2) Non- Current Liabilities</b>			
(a) Deferred Tax Liabilities	2.3	46,395	-
(b) Long Term Provisions	2.4	-	15,01,943
		<u>46,395</u>	<u>15,01,943</u>
<b>(3) Current Liabilities</b>			
(a) Trade Payables	2.5	33,29,70,305	1,04,13,46,160
(b) Other Current Liabilities	2.6	20,92,631	1,01,77,780
(c) Short Term Provisions	2.7	-	23,44,817
		<u>33,50,62,936</u>	<u>1,05,38,68,757</u>
<b>TOTAL</b>		<u><u>88,11,89,457</u></u>	<u><u>1,79,92,29,633</u></u>
<b>II. ASSETS</b>			
<b>(1) Non- Current Assets</b>			
(a) Fixed Assets			
Tangible Assets	2.8	5,46,127	10,63,411
(b) Deferred Tax Asset (Net)	2.3	-	11,10,803
(c) Long Term Loans and Advances	2.9	2,64,37,541	2,84,05,658
		<u>2,69,83,668</u>	<u>3,05,79,872</u>
<b>(2) Current Assets</b>			
(a) Current Investments	2.10	27,50,76,474	9,82,16,830
(b) Trade Receivables	2.11	29,34,52,894	1,20,86,71,557
(c) Cash and Cash Equivalents	2.12	1,33,21,421	16,59,40,761
(d) Short Term Loans and Advances	2.13	25,03,55,000	27,33,20,613
(e) Other Current Assets	2.14	2,20,00,000	2,25,00,000
		<u>85,42,05,789</u>	<u>1,76,86,49,761</u>
<b>TOTAL</b>		<u><u>88,11,89,457</u></u>	<u><u>1,79,92,29,633</u></u>

Significant Accounting Policies and Notes to Financial Statements

1 & 2

As per our attached report of even date

For Pathak H.D. & Associates  
Firm Registration Number: 107783W  
Chartered Accountants

For and on behalf of the Board

Vishal D. Shah  
Partner  
Membership No: 119303

Kapil Sharma  
Director

Ashish Tambawala  
Director

Prakash Khedekar  
Company Secretary

Place: Mumbai  
Date: May 25, 2015

Place: Mumbai  
Date: May 25, 2015

Reliance Energy Trading Limited  
Statement of Profit and Loss for the year ended March 31, 2015

	Note No.	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
<b>I. Revenue</b>			
Revenue from Operations	2.15	3,86,50,55,788	8,83,20,03,692
Other Income	2.16	6,89,69,398	9,67,01,079
<b>II. Total Revenue</b>		<b><u>3,93,40,25,186</u></b>	<b><u>8,92,87,04,771</u></b>
<b>III. Expenses</b>			
Purchase of Energy	2.17	3,83,12,76,448	8,70,65,53,922
Employee Benefit Expenses	2.18	1,46,51,508	2,40,53,384
Depreciation	2.25	5,17,284	1,08,411
Other Expenses	2.19	3,23,56,747	19,49,14,220
<b>IV. Total Expenses</b>		<b><u>3,87,88,01,987</u></b>	<b><u>8,92,56,29,937</u></b>
<b>V. Profit Before Tax (II- IV)</b>		<b><u>5,52,23,200</u></b>	<b><u>30,74,834</u></b>
<b>Tax Expense</b>			
(1) Current Tax		1,10,00,000	-
(2) Deferred Tax		11,57,198	(1,44,615)
(3) Tax adjustments for earlier years (Net)		(7,49,867)	(17,14,547)
<b>VI. Total Tax Expense</b>		<b><u>1,14,07,331</u></b>	<b><u>(18,59,162)</u></b>
<b>VII. Profit / (Loss) for the year (V- VI)</b>		<b><u>4,38,15,869</u></b>	<b><u>49,33,996</u></b>
<b>VIII. Earnings per Share</b>			
(1) Basic	2.20	2.12	0.24
(2) Diluted		2.12	0.24

Significant Accounting Policies and Notes to Financial Statements

1 & 2

As per our attached report of even date

**For Pathak H.D. & Associates**  
Firm Registration Number: 107783W,  
Chartered Accountants

**For and on behalf of the Board**

**Vishal D. Shah**  
Partner  
Membership No: 119303

**Kapil Sharma**  
Director

**Ashish Tambawala**  
Director

**Prakash Khedekar**  
Company Secretary

Place: Mumbai  
Date: May 25, 2015

Place: Mumbai  
Date: May 25, 2015

**Reliance Energy Trading Limited**  
**Cash Flow Statement for the year ended March 31, 2015**

	Year ended March 31, 2015		Year ended March 31, 2014	
	Rupees	Rupees	Rupees	Rupees
<b>A. Cash Flow from Operating Activities</b>				
Profit Before Taxation		5,52,23,200		30,74,834
Adjustments for				
Interest Income	(4,97,76,927)		(8,06,16,563)	
Provision for Gratuity and Leave Encashment	(38,46,760)		6,84,899	
Depreciation	5,17,284		1,08,411	
Dividend on Mutual Fund	(1,36,77,176)		(1,58,68,518)	
Loss on Disposal of fixed asset	-		33,748	
Profit on Redemption of Mutual Fund	(1,82,468)		(2,15,141)	
		<u>(6,69,66,047)</u>		<u>(9,58,73,164)</u>
Operating profits before working capital changes		(1,17,42,848)		(9,27,98,330)
Adjustments for				
Trade Receivables	91,52,18,663		(16,40,53,897)	
Short Term Loans and Advances	2,34,65,613		14,14,91,718	
Trade Payables and other liabilities	(71,64,61,004)		5,41,38,012	
		<u>22,22,23,272</u>		<u>3,15,75,833</u>
Cash Generated from / (Used In) Operating Activities		21,04,80,424		(6,12,22,497)
Taxes Paid		(82,82,017)		(2,79,28,641)
Net Cash Generated from / (used In) Operating Activities		<u>20,21,98,407</u>		<u>(8,91,51,138)</u>
<b>B. Cash Flow from Investing Activities</b>				
Interest Income	4,97,76,927		8,06,16,563	
Purchase of Investments	(1,27,43,59,643)		(2,25,60,83,659)	
Sale / redemption of Investments	1,09,75,00,000		2,24,75,00,000	
Dividend on mutual Fund	1,36,77,176		1,58,68,518	
Profit on Redemption of Mutual Fund	1,82,468		2,15,141	
Sale of Fixed assets	-		10,300	
Purchase of Fixed assets	-		(1,49,975)	
Net Cash Generated from / (Used In) Investing Activities		<u>(11,32,23,072)</u>		<u>8,79,76,888</u>
<b>C. Cash Flow from Financing Activities</b>				
Dividend Paid Including Div Distribution Tax		(24,15,94,675)		-
Net Cash Generated from / (Used In) Financing Activities		<u>(24,15,94,675)</u>		<u>-</u>
Net Increase/ (Decrease) in Cash and Cash equivalents (A+B+C)		<u>(15,26,19,340)</u>		<u>(11,74,250)</u>
Cash and cash equivalents at the beginning of the year		16,59,40,761		16,71,15,011
Cash and cash equivalents at the end of the year				
- Balance with scheduled bank		1,33,21,421		16,59,40,761
Net Increase/ (Decrease) in Cash and Cash Equivalent as disclosed above		<u>(15,26,19,340)</u>		<u>(11,74,250)</u>

Previous year figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year

As per our attached report of even date

**For Pathak H.D. & Associates**  
 Firm Registration Number: 107783W  
 Chartered Accountants

**Vishal D. Shah**  
 Partner  
 Membership No: 119303

Place: Mumbai  
 Date: May 25, 2015

For and on behalf of the Board

**Kapil Sharma**  
 Director

**Ashish Tambawala**  
 Director

**Prakash Khedekar**  
 Company Secretary

Place: Mumbai  
 Date: May 25, 2015



**Reliance Energy Trading Limited**  
**Notes Annexed to and forming part of Financial Statements**

**1. Significant Accounting Policies:**

**1.1 Basis of Preparation of Financial Statements:**

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India (Indian GAAP), and comply in material aspects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (read with Rule 7 of the Companies (Accounts) Rule, 2014).

**1.2 Presentation and Disclosure of Financial Statements:**

The Preparation and presentation of financial statements is made in accordance with the requirements of Schedule III under the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

**1.3 Use of Estimates:**

The preparation and presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses for the years presented.

**1.4 Revenue Recognition:**

Revenue from sale of energy is accounted for based on rates agreed with the customers on delivery of power.

Other operational income includes:

- Margin earned on sale or purchase of energy through energy exchange which is recognized on the date of transaction with the exchange.
- Margin on banking transactions which is recognized on delivery of power.
- Margin on compensation for deviation of energy is accounted on its occurrence.

Dividend on investments is accounted when the right to receive payment is established in the entity's favor.

**1.5 Tangible Fixed Assets:**

The gross block of fixed assets is stated at cost of acquisition or construction, including any cost attributable to bringing the assets to their working condition for their intended use.

**1.6 Depreciation / Amortization:**

Fixed assets are depreciated under the straight line method as per the useful life and in the manner prescribed under Schedule II of the Companies Act, 2013.

**1.7 Investments:**

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investment.

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

**1.8 Retirement Benefits:**

Contributions to defined contribution schemes such as provident fund, superannuation fund etc. is charged to Statement of Profit and Loss. The Company also provides for retirement benefits in the form of gratuity and leave encashment. Such

**Reliance Energy Trading Limited**  
**Notes Annexed to and forming part of Financial Statements**

defined benefits are charged to Statement of Profit and Loss based on actuarial valuations, as at the balance sheet date, made by independent actuaries.

**1.9 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 assets is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

**1.10 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 assets. If the carrying amount of fixed assets / cash generating unit exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

**1.11 Provisions:**

Provisions are recognised when the Company has a present obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

**1.12 Contingent Liabilities and Contingent Assets:**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence and non-occurrence of one or more uncertain future events not wholly within 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 a reliable estimate of the amount cannot be made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

**1.13 Cash and Cash Equivalents:**

Cash and cash equivalents include Cash in hand, cash at bank and demand deposits with bank.

**1.14 Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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 are adjusted for the effects of all dilutive potential equity shares.

**Reliance Energy Trading Limited**  
**Notes Annexed to and forming part of Financial Statements**

**Note 2.1: Share Capital**

	As at March 31, 2015 No.	As at March 31, 2014 No.	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>(a) Authorised Share Capital</b>				
25,000,000 (Previous Year 25,000,000) Equity shares of Rs. 10 each			25,00,00,000	25,00,00,000
			<u>25,00,00,000</u>	<u>25,00,00,000</u>
<b>(b) Issued, Subscribed and Fully paid up</b>				
<b>No. of Issued, Subscribed and Paid Up Shares</b>				
Shares at the beginning of the year	2,06,50,000	2,06,50,000		
Shares issued & Subscribed during the year	-	-		
Shares at the end of the year	<u>2,06,50,000</u>	<u>2,06,50,000</u>		
20,650,000 (Previous Year 20,650,000) equity shares of Rs. 10 each fully paid up (All the above shares are held by Reliance Infrastructure Limited, the holding company and its nominees)			20,65,00,000	20,65,00,000
			<u>20,65,00,000</u>	<u>20,65,00,000</u>

**(c) Terms/ rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting.  
 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.

**(d) Shares held by Holding/ Ultimate Holding Company and/or their Subsidiaries/ Associates**

Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding company and their subsidiaries/associates are as below:

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>Reliance Infrastructure Limited, the Holding Company</b>		
100% i.e. 20,650,000 (Previous Year 20,650,000) equity shares of Rs. 10 each fully paid	20,65,00,000	20,65,00,000

**(e) Details of shareholders holding more than 5% shares in the Company**

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	% held	No. of Shares	% held
<b>Equity Shares of Rs. 10 each fully paid</b>				
Reliance Infrastructure Limited, the Holding Company and its nominees	2,06,50,000	100%	2,06,50,000	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**Reliance Energy Trading Limited**  
**Notes Annexed to and forming part of Financial Statements**

**Note 2.2 : Reserves and Surplus**

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>(a) Securities Premium Account</b>		
Balance as per last Balance Sheet	9,90,00,000	9,90,00,000
Add: Premium received on rights issue of equity shares	-	-
	<u>9,90,00,000</u>	<u>9,90,00,000</u>
<b>(b) Surplus/ (Deficit) in the Statement of Profit &amp; Loss</b>		
Balance as per last Balance Sheet	43,83,58,933	43,34,24,937
Add: Profit / (loss) for the year	4,38,15,869	49,33,996
Less: Interim Dividend Paid	(20,65,00,000)	-
Less: Tax On Dividend	(3,50,94,675)	-
	<u>24,05,80,126</u>	<u>43,83,58,933</u>
<b>Net surplus as per the Statement of Profit and Loss</b>	<u>24,05,80,126</u>	<u>43,83,58,933</u>
<b>(a+b)</b>	<u><u>33,95,80,126</u></u>	<u><u>53,73,58,933</u></u>

**Note - 2.3 : Deferred Tax (Liabilities) / Assets**

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>Deferred Tax Liability on account of:</b>		
Difference in written down value between books and Income Tax Act, 1961	(46,395)	(77,845)
<b>Deferred Tax Asset on account of:</b>		
Provision for Leave Encashment	-	11,88,648
<b>Net Deferred Tax (Liabilities) / Assets</b>	<u>(46,395)</u>	<u>11,10,803</u>

**Note 2.4 : Long Term Provisions**

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>Provision for Employee Benefits</b>		
Provision for Leave Encashment (Refer Note 2.22)	-	15,01,943
	<u>-</u>	<u>15,01,943</u>

**Note 2.5 : Trade Payables**

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
- Total o/s dues of Micro and Small Enterprises ;	-	-
- Total o/s dues of Creditors other than Micro and Small Enterprises	33,29,70,305	1,04,13,46,160
	<u>33,29,70,305</u>	<u>1,04,13,46,160</u>

\*includes amount due to related parties. (Refer Note 2.21)

**Note 2.6 : Other Current Liabilities**

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Advance from Customers	-	72,361
Advance from Vendors	15,30,000	20,30,000
Other Payable (including employee related payables)	1,50,000	58,64,703
Other Liabilities (represents statutory liabilities payable to Govt. Authorities)	4,12,631	22,10,716
	<u>20,92,631</u>	<u>1,01,77,780</u>

**Note 2.7 : Short Term Provisions**

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>Provision for Employee Benefits</b>		
Provision for Leave Encashment (Refer Note 2.22)	-	23,44,817
	<u>-</u>	<u>23,44,817</u>

Reliance Energy Trading Limited  
Notes Annexed to and forming part of Financial Statements

Note 2.8 : Tangible Fixed Assets

Rupee

Particulars	Gross Block (At Cost)		Depreciation / Amortisation		Net Block	
	As at April 1, 2014	As at March 31, 2015	As at April 1, 2014	For the year	As at March 31, 2015	As at March 31, 2014
Data Processing Machine	309,817	309,817	232,517	77,300	309,817	77,300
Furniture and Fixtures	338,968	338,968	214,805	28,111	242,916	124,163
Office Equipments	1,018,864	1,018,864	156,916	411,873	568,789	861,948
<b>Total</b>	<b>1,667,649</b>	<b>1,667,649</b>	<b>604,238</b>	<b>517,284</b>	<b>1,121,522</b>	<b>1,063,411</b>
Previous Year	1,573,674	1,667,649	507,778	96,480	604,238	1,063,411

**Reliance Energy Trading Limited**  
**Notes Annexed to and forming part of Financial Statements**

**Note 2.9 : Long Term Loans and Advances**  
(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Advance Tax (Net of Provision)	2,64,37,541	2,84,05,658
	<u>2,64,37,541</u>	<u>2,84,05,658</u>

**Note - 2.10 : Current Investments**

(At Cost or Net realisable Value whichever is lower)

**Current Investment (Non-Trade)**  
**In Mutual Fund Units - Quoted**

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Reliance Liquidity Fund- Direct Growth Plan Growth Option 130680.808 units (Previous Year 50824.015) of NAV of Rs. 2104.9493 each (Market Value Rs 275,564,346 (Previous Year Rs. 98,216,830))	27,50,76,474	9,82,16,830
	<u>27,50,76,474</u>	<u>9,82,16,830</u>

	As at March 31, 2015		As at March 31, 2014	
	Market Value	Book Value	Market Value	Book Value
Aggregate value of Quoted Investments	27,55,64,346	27,50,76,474	9,82,16,830	9,82,16,830
Aggregate value of Unquoted Investments	-	-	-	-
	<u>27,55,64,346</u>	<u>27,50,76,474</u>	<u>9,82,16,830</u>	<u>9,82,16,830</u>

**Note 2.11 : Trade Receivables**  
(Unsecured and considered good)

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Receivables outstanding for a period exceeding six months from the due date of payment	5,52,059	-
Other Receivables	29,29,00,835	1,20,86,71,557
	<u>29,34,52,894</u>	<u>1,20,86,71,557</u>

\*Includes amount due from related parties.( Refer Note 2.21)

**Note 2.12 : Cash & Cash Equivalents**

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Bank Balances with Scheduled Banks in Current Accounts	1,33,21,421	16,59,40,761
	<u>1,33,21,421</u>	<u>16,59,40,761</u>

**Note 2.13 : Short Term Loans and Advances**  
(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Inter Corporate Deposits	25,00,00,000	25,00,00,000
Earnest Money Deposits	2,02,000	2,23,00,424
Prepaid Expenses and Other Advances	1,53,000	10,20,189
	<u>25,03,55,000</u>	<u>27,33,20,613</u>

**Note 2.14 : Other Current Assets**

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Interest accrued on Inter Corporate Deposits	2,20,00,000	2,25,00,000
	<u>2,20,00,000</u>	<u>2,25,00,000</u>

**Reliance Energy Trading Limited**  
**Notes Annexed to and forming part of Financial Statements**

**Note 2.15 : Revenue from Operations**

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
Sale of Energy	3,85,47,48,861	8,77,93,20,480
Income from Exchange Business	78,06,927	4,87,09,674
Income from Banking Business	-	2,10,696
Other Operating Income	25,00,000	37,62,842
	<b><u>3,86,50,55,788</u></b>	<b><u>8,83,20,03,692</u></b>

**Note 2.16 : Other Income**

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
Interest Income		
- On Inter Corporate Deposits	2,50,00,000	2,50,00,000
- On Customer Dues	16,01,224	3,48,73,591
- Others	2,31,75,703	2,07,42,972
Dividend on Mutual Fund Units (On Current (Non-Trade) Investments)	1,36,77,176	1,58,68,518
Profit on Redemption of Mutual Fund Units (On Current (Non-Trade) Investments)	1,82,468	2,15,141
Liabilities Written Back	53,32,827	-
Other Miscellaneous Income	-	857
	<b><u>6,89,69,398</u></b>	<b><u>9,67,01,079</u></b>

**Note 2.17 : Purchase of Energy**

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
Purchase of Energy	3,82,91,22,957	8,70,26,18,779
Other Direct Expenses	21,53,491	39,35,143
	<b><u>3,83,12,76,448</u></b>	<b><u>8,70,65,53,922</u></b>

**Note 2.18 : Employee Benefit Expenses**

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
Salaries, Wages and Bonus	1,41,17,785	2,18,04,345
Contribution to Provident Fund and other fund	5,33,723	9,96,303
Gratuity (Refer Note 2.22)	-	4,66,496
Leave Encashment (Refer Note 2.22)	-	7,66,240
	<b><u>1,46,51,508</u></b>	<b><u>2,40,53,384</u></b>

**Note 2.19 : Other Expenses**

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
Telephone Expenses	1,31,649	2,03,829
Insurance Premium	2,45,030	3,00,000
Printing and Stationery	51,340	1,14,012
Travelling and Conveyance Expenses	4,44,690	4,78,619
Repairs and Maintenance	1,53,167	1,88,047
License and Application Fees	44,23,596	40,00,000
Membership Fees	7,74,160	13,80,340
Seminar and Training Fees	-	50,000
Legal and Professional Charges	5,46,470	1,96,630
Payment to Auditors		
- Statutory Audit Fees	7,30,340	7,30,340
- Certification Fees	-	1,12,360
Bank Charges	45,380	1,74,652
Loss on Sale of Fixed Assets	-	33,748
Bad Debts Written Off	-	43,10,400
Write Off of Advance including Interest thereon	1,70,14,637	17,97,82,339
Interest on Service Tax Payment	26,62,672	-
Miscellaneous Expenses	51,33,616	28,58,904
	<b><u>3,23,56,747</u></b>	<b><u>19,49,14,220</u></b>

**Reliance Energy Trading Limited**  
**Notes Annexed to and forming part of Financial Statements**

**2.20 Earnings Per Share:**

	Year ended March 31, 2015	Year ended March 31, 2014
Profit/(loss) for the year (Rupees) (A)	43,815,869	4,933,996
Weighted Average number of equity shares (B)	20,650,000	20,650,000
Earnings per share		
Basic	2.12	0.24
Diluted	2.12	0.24
Nominal value of an equity share (Rupees)	10	10

**2.21 Related Party Disclosures:**

As per Accounting Standard -18 as prescribed under Section 133 of the Companies Act, 2013, the Company's related parties and transactions are disclosed below:

**(a) Parties where Control exists:**

Holding Company: Reliance Infrastructure Limited (R Infra)

**(b) Other related parties with whom transactions have taken place during the year:**

Joint Ventures of the party mentioned at (a) above:

- (i) BSES Rajdhani Power Limited (BRPL)
- (ii) BSES Yamuna Power Limited (BYPL)

Associate of the party mentioned at (a) above:

- (i) Vidarbha Industries Power Limited (VIPL)

**(c) Key Managerial Personnel**

Prakash Khedekar –Company Secretary w.e.f. August 01, 2014  
Mahendra Kumar – Whole time Director upto July 31, 2014

**(d) Details of transactions during the year and closing balance**

Particulars	R Infra	BRPL	BYPL	VIPL	Rupees
					Key Managerial Personnel
<b>Transactions during the year</b>					
Sale of Energy	3,979,800	-	-	-	
	<i>45,876,149</i>	-	-	<i>2,165,262,790</i>	
Open Access Charges	2,15,748	-	-	-	
Reimbursed	<i>79,000</i>	<i>635,007</i>	-	<i>8,819,190</i>	
Other Operational Income	7,772,388	-	-	-	
	<i>16,800,100</i>	<i>15,128,153</i>	<i>8,467,565</i>	<i>427,429</i>	
Other Income	-	-	-	-	
	-	-	-	<i>34,873,591</i>	
Purchase of Energy	-	-	-	-	
	-	-	-	<i>277,518,963</i>	
Reimbursement of Expenses to Related Party	7,71,373	-	-	-	
	-	-	-	-	
Reimbursement of Expenses from Related Party	45,38,641	2,976,543	20,27,372	-	
	-	-	-	-	
Managerial Remuneration					7,650,131
					<i>5,661,175</i>
<b>Closing Balances</b>					
Sundry Debtors	-	3,049,188	-	-	
	<i>24,619,115</i>	<i>72,645</i>	-	<i>518,211,322</i>	
Sundry Creditors	-	272,096	-	-	
	-	<i>272,096</i>	<i>1,712,617</i>	-	

Figures in italics represent previous year balances



**Reliance Energy Trading Limited**  
**Notes Annexed to and forming part of Financial Statements**

**2.22 Disclosure under Accounting Standard – 15 (revised 2005) Employee Benefits**

**Short Term employee Benefits**

Short term employee benefits are recognized in the year during which the services have been rendered.

Casual Leaves:

Leave encashment benefits payable to employees with respect to accumulated casual leaves outstanding at the year-end to be availed/ encashed within twelve months from the balance sheet date are accounted for on accrual basis on the basis of last drawn basic salary and performance pay drawn by the employees as at the balance sheet date.

**Long Term employee Benefits**

The Company has classified long term employee benefits as under:

**(A) Defined contribution plans**

- (a) Provident fund
- (b) Superannuation fund
- (c) State Defined Contribution plans
  - Employers' Contribution to Employees' State Insurance
  - Employers' Contribution to Employees' Pension Scheme, 1995.

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the Trustees of Reliance Energy Trading Limited Officers Superannuation Scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

	<b>Year ended March 31, 2015</b>	<b>Year ended March 31, 2014</b>
	<b>Rupees</b>	<b>Rupees</b>
(a) Contribution to Provident Fund	443,815	809,464
(b) Contribution to Employees' Superannuation Fund	33,332	99,996
(c) Contribution to Employees' Pension Scheme 1995	56,576	86,843

**(B) Defined Benefit Plans**

- (a) Gratuity
- (b) Leave Encashment

Leave encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as per the Company's policy.

Since there is no employee as at Balance Sheet Date, no valuations in respect of Gratuity and Leave Encashment have been carried out by independent actuary, as at the Balance Sheet date.

	<b>Year ended March 31, 2015</b>		<b>Year ended March 31, 2014</b>	
	<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>	<b>Leave Encashment</b>
Discount Rate (Per annum)	-	8.90%	8.90%	8.90%
Rate of increase in Compensation levels	-	7.50%	7.50%	7.50%
Rate of Return on Plan Assets	-	-	8.25%	-
Expected average remaining working lives of employees in no. of years	-	-	9.26	-

Reliance Energy Trading Limited  
Notes Annexed to and forming part of Financial Statements

Particulars	Rupees			
	Gratuity		Leave Encashment	
	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2014
<b>(i) Changes in present value of obligation</b>				
Opening Balance of Present Value of Obligation	2,460,532	1,833,874	3,846,760	3,241,819
Interest Cost	-	133,499	-	216,857
Past Service Cost	-	-	-	-
Current Service Cost	-	252,413	-	541,321
Actuarial (Gains) / Loss	-	307,147	-	(18,216)
Liabilities on transfer out *	2,460,532	-	490,420	-
Benefits Paid	-	(66,401)	3,356,340	(135,021)
Closing Balance of Present Value of Obligation	-	2,460,532	-	3,846,760
<b>(ii) Changes in Fair Value of plan assets</b>				
Opening Balance of Present Value of Plan Assets	2,460,532	1,913,833	-	-
Expected return on Plan assets	-	157,891	-	-
Employer's Contributions	-	386,537	-	135,021
Actuarial Gain / (Loss) on Plan assets	-	68,672	-	-
Benefits Paid	-	(66,401)	-	(135,021)
Plan assets pending transfer	2,460,532	-	-	-
Closing Balance of Fair Value of Plan Assets	-	2,460,532	-	-
<b>(iii) Percentage of each category of plan assets to total fair value of plan as at March 31, 2015</b>				
Administered by Life Insurance Company Limited	-	100%	-	-
<b>(iv) Reconciliation of Present Value of Defined Present Obligations and the Fair Value of Assets</b>				
Closing Balance of Present Value of Obligation	-	2,460,532	-	3,846,760
Closing Balance of Fair Value of Plan Assets net of pending transfers	-	(2,460,532)	-	-
Amount not recognised as an Asset (limit in para 59(b))	-	-	-	-
Funded (Asset) / Liability recognised in the Balance Sheet	-	-	-	-
Unfunded Liability recognised in the Balance Sheet	-	-	-	3,846,760
<b>(v) Amounts recognised in the Balance Sheet</b>				
Closing Balance of Present Value of Obligation	-	2,460,532	-	3,846,760
Closing Balance of Fair Value of Plan Assets net of pending transfers	-	(2,460,532)	-	-
Amount not recognised as an Asset (limit in para 59(b))	-	-	-	-
Funded (Asset) / Liability recognised in the Balance Sheet	-	-	-	-
Unfunded Liability recognised in the Balance Sheet	-	-	-	3,846,760
<b>(vi) Expenses recognised in the Statement of Profit and Loss</b>				
Current Service Cost	-	252,413	-	541,321
Interest Cost	-	133,499	-	216,857
Past Service Cost	-	-	-	-
Expected Return on Plan Assets	-	(157,891)	-	-
Net Actuarial (Gain) / Loss	-	2,38,475	-	(18,216)
Amount not recognised as an Asset (limit in para 59(b))	-	-	-	-
Total Expenses recognised in the Statement of Profit and Loss	-	466,496	-	739,962

\*Leave Encashment Liability of Rs. 4,90,420/- has been written back during the year.