

ROYAL BAFOKENG CAPITAL (PTY) LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2015

| Particulars | Note | As at 31st March, 2015 | As at 31st March, 2014 |
|--|----------|------------------------|------------------------|
| | | RAND | RAND |
| I EQUITY AND LIABILITIES | | | |
| (1) Shareholders' Funds: | | | |
| (a) Share capital | 2 | 200 | 200 |
| (b) Reserves and surplus | 3 | -2,15,22,089 | -2,15,22,089 |
| | | -2,15,21,889 | -2,15,21,889 |
| (2) Non-Current Liabilities: | | | |
| (a) Long-term Borrowings | 4 | 5,02,39,168 | 5,02,39,168 |
| | | 5,02,39,168 | 5,02,39,168 |
| (3) Current Liabilities: | | | |
| (a) Short-term borrowings | 5 | 1,39,08,537 | 1,39,08,537 |
| (b) Trade Payables | 6 | 3,07,73,949 | 3,07,73,949 |
| | | 4,46,82,486 | 4,46,82,486 |
| TOTAL | | 7,33,99,765 | 7,33,99,765 |
| I ASSETS | | | |
| (1) Non-current assets: | | | |
| (a) Fixed Assets | | 14,284 | 14,284 |
| (b) Non-Current investments | 7 | 7,33,74,983 | 7,33,74,983 |
| | | 7,33,89,267 | 7,33,89,267 |
| (2) Current assets: | | | |
| (a) Cash and Bank balances | | - | - |
| (b) Other current assets | 8 | 10,498 | 10,498 |
| | | 10,498 | 10,498 |
| TOTAL | | 7,33,99,765 | 7,33,99,765 |
| SIGNIFICANT ACCOUNTING POLICIES NOTES FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS | 1 2-9 | | |

For and on behalf of Board of Directors

Director

ROYAL BAFOKENG CAPITAL (PTY) LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | Note | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 |
|---|------|-------------------------------------|-------------------------------------|
| | | RAND | RAND |
| I Revenue from Operations | 9 | - | - |
| II Other income | | - | - |
| III Total Revenue (I+II) | | - | - |
| IV Expenses: | | | |
| Finance Costs | | - | - |
| Total Expenses | | - | - |
| V Profit before tax (III-IV) | | - | - |
| VI Tax Expenses | | - | - |
| VII Profit for the year (V-VI) | | - | - |
| VII Earning per Share Basic and Diluted | | - | - |

For and on behalf of the Board of Directors

Director

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2015

NOTE '1'

Significant Accounting Policies and Notes to Accounts:

1. Significant Accounting Policies

a) General

- (i) The financial statements are prepared under the historical cost convention, on the accounting principles of a going concern.
- (ii) Accounting Policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting standards to the extent applicable.
- (iii) All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.
- (iv) The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any revision to accounting estimates is recognized prospectively.

b) Investment

Long term Investments are stated at cost. In case, there is a decline other than temporary in the value of any Investments, a provision for the same is made. Current Investments are valued at lower of cost or fair value.

c) Fixed Assets

Fixed assets are stated at cost which includes all direct and indirect expenses up to the date of acquisition, installation and / or commencement of commercial operation.

Expenditure incurred during construction period:

Apart from costs related directly to the construction of an asset, indirect expenses incurred up to the date of commencement of commercial production which are incidental and related to construction are capitalised as part of construction cost. Income, if any, earned during the construction period is deducted from the indirect costs.

d) Borrowing Costs

(i) Borrowing Costs (including exchange differences) directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. The borrowing cost eligible for capitalization is being netted off against any income arising on temporary investment of those borrowings. The capitalization of the borrowing costs shall cease when substantially all activities necessary to prepare the qualifying asset for its intended use are complete.

(ii) Refinancing Costs of borrowings are charged to Revenue. Expenses relating to issue of debentures are adjusted against Securities Premium Account.

e) Provisions and Contingent Liabilities

Provisions are recognized based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date when,

- (i) the Company has a present obligation as a result of a past event.
- (ii) a probable outflow of resources is expected to settle the obligation and
- (iii) the amount of the obligation can be reliably estimated

Where some or all the expenditure required to settle a provision is expected to be reimbursed by another party, such reimbursement is recognised to the extent of provision or contingent liability as the case may be, only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of:

- (i) a present obligation arising from a past event, when it is not probable that a outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.
- (ii) 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 within the control of the enterprise.

f) Revenue Recognition

Revenues are recognized when services are completed and invoice had been issued. Expenses are recognized when occurred.

ROYAL BAFOKENG CAPITAL (PTY) LIMITED
NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

| Note : 2 | As at 31st March, 2015 | As at 31st March, 2014 |
|--|-------------------------------|-------------------------------|
| SHARE CAPITAL | RAND | RAND |
| Authorised: 100,000 Equity Shares of Rand 0.01 each (Previous year 100,000 Equity shares of Rand 0.01 each) | 1,000 | 1,000 |
| Issued: 20,000 Equity Shares of Rand 0.01 each (Previous year 20,000 Equity shares of Rand 0.01 each) | 200 | 200 |
| Subscribed and paid up: 20,000 Equity Shares of Rand 0.01 each (Previous year 20,000 Equity shares of Rand 0.01 each) | 200 | 200 |
| | 200 | 200 |

| 1) Details of shareholding | As at 31st March, 2015 | As at 31st March, 2014 |
|--|-------------------------------|-------------------------------|
| a) Details of aggregate shareholding by Holding Company, Subsidiary of Holding Company or Associate of Holding Company or Associate of Holding Company | No of Shares | No of Shares |
| JSW Energy Natural Resources South Africa (Pty) Ltd | 20,000 | 20,000 |
| b) Details of shareholding more than 5% | | |
| JSW Energy Natural Resources South Africa (Pty) Ltd | 20,000 | 20,000 |

2) Terms & Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rand 0.01/ share. Each holder of equity shares is entitled to one vote per share.

3) The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

| Particulars | As at 31-03-2015 | As at 31-03-2014 | As at 31-03-2015 | As at 31-03-2014 |
|---------------------------------|------------------|------------------|------------------|------------------|
| | No of Shares | No of Shares | RAND | RAND |
| Opening Balance | 20,000 | 20,000 | 200 | 200 |
| Issue of Shares during the year | - | - | - | - |
| Closing Balance | 20,000 | 20,000 | 200 | 200 |

| Note : 3 | As at 31st March, 2015 | As at 31st March, 2014 |
|-----------------------------------|-------------------------------|-------------------------------|
| RESERVES AND SURPLUS | RAND | RAND |
| Security Premium Reserve: | | |
| As at beginning of the year | 1,99,900 | 1,99,900 |
| Addition during the year | | - |
| As at end of the year | 1,99,900 | 1,99,900 |
| Surplus : | | |
| As per last balance sheet | -2,17,21,989 | -2,17,21,989 |
| Add: Profit during the year | | - |
| Balance as at the end of the year | -2,17,21,989 | -2,17,21,989 |
| | -2,15,22,089 | -2,15,22,089 |

| Note : 4 | As at 31st March, 2015 | As at 31st March, 2014 |
|-----------------------------|-------------------------------|-------------------------------|
| LONG TERM BORROWINGS | RAND | RAND |
| From Related Party | 5,02,39,168 | 5,02,39,168 |
| | 5,02,39,168 | 5,02,39,168 |

| Note : 5 | As at 31st March, 2015 | As at 31st March, 2014 |
|------------------------------|-------------------------------|-------------------------------|
| SHORT TERM BORROWINGS | RAND | RAND |
| From Investec | 1,31,73,051 | 1,31,73,051 |
| From Others | 7,35,486 | 7,35,486 |
| | 1,39,08,537 | 1,39,08,537 |

| Note : 6 | As at 31st March, 2015 | As at 31st March, 2014 |
|-----------------------|-------------------------------|-------------------------------|
| TRADE PAYABLES | RAND | RAND |
| Trade Payables | 3,07,73,949 | 3,07,73,949 |
| | 3,07,73,949 | 3,07,73,949 |

| Note : 7 | As at 31st March, 2015 | As at 31st March, 2014 |
|----------------------------------|-------------------------------|-------------------------------|
| NON-CURRENT INVESTMENTS | RAND | RAND |
| South Africa Coal Mining Limited | 7,33,74,983 | 7,33,74,983 |
| | 7,33,74,983 | 7,33,74,983 |

| Note : 8 | As at 31st March, 2015 | As at 31st March, 2014 |
|-----------------------------|-------------------------------|-------------------------------|
| OTHER CURRENT ASSETS | RAND | RAND |
| Others | 10,498 | 10,498 |
| | 10,498 | 10,498 |

| Note : 9 | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 |
|---------------------|--|--|
| OTHER INCOME | RAND | RAND |
| Other income | - | - |
| | - | - |