

M.S. Sethi & Associates
Chartered Accountants

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

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FIT FOR CONSOLIDATION

We have audited the accompanying financial statements of **Reliance Bangladesh LNG & Power Limited** (the "Company") which comprises the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss for the year ended on that date and a summary of significant accounting policies and other explanatory information.

The financial statements have been prepared by the management of the Company in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and accounting policies generally accepted in India only to enable their incorporation in the consolidation financial statements of Reliance Power Limited and not to report on the Company as a separate entity. We have conducted our audit in accordance with the auditing standards generally accepted in India.

The financial statements are the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

Management of the Company 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 to give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets 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 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.

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined above.

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 and pronouncements 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.

On this basis of information and explanations given to us and in our opinion, the accompanying financial statements of the Company, together with the notes thereon and attached thereto, fairly present, in all material respects, in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2019 and its Profit/Loss for the year ended on that date.

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 and the Statement of Profit and Loss 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.

This report is intended solely for information and use of the Company, Reliance Power Limited, for the express purpose of completion of consolidated accounts of Reliance Power Limited for the year ended March 31, 2019 and not to be used for any other purpose.

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

Manoj Sethi
Proprietor
Membership No.39784

Place: Mumbai
Date: May 16, 2019

Reliance Bangladesh LNG & Power Limited
Balance Sheet as at March 31, 2019

Particulars	Note No.	As at March 31, 2019 Rupees in '000	As at March 31, 2018 Rupees in '000
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	2,319	2,319
Capital Work-in Progress	3.2	1,01,168	47,919
Current assets			
Financial assets:			
Loans	3.3	2,978	26,325
Cash and cash equivalents	3.4	2,839	868
Other Current Assets		494	-
Total Assets		1,09,798	77,431
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3.5	37,756	32,198
Share Application		12,670	-
Other equity	3.6	(3,971)	2,221
Liabilities			
Non-current liabilities			
Current liabilities			
Financial liabilities			
Other current liabilities	3.7	63,343	43,012
Total Equity and Liabilities		1,09,798	77,431

Significant Accounting Policies

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 Bangladesh LNG & Power Limited

Manoj Sethi

Proprietor

Membership No.39784

Ashok Kumar Pal

Authorised Signatory

Place: Mumbai

Date : May 16, 2019

Place: Mumbai

Date : May 16, 2019

Reliance Bangladesh LNG & Power Limited
Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No.	Period ended March 31, 2019 Rupees in '000	Year Ended March 31, 2018 Rupees in '000
Revenue:			
Other income	3.8	-	2,221
Total income		<u>-</u>	<u>2,221</u>
Expenses:			
Other expenses		-	-
Total expenses		<u>-</u>	<u>-</u>
Profit/(Loss) before tax		<u>-</u>	<u>2,221</u>
Tax expense:			
Current tax		-	-
Profit/(Loss) for the Year		<u>-</u>	<u>2,221</u>

Significant Accounting Policies

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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 Bangladesh LNG & Power Limited

Manoj Sethi
Proprietor
Membership No.39784

Ashok Kumar Pal
Authorised Signatory

Place: Mumbai
Date : May 16, 2019

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Date : May 16, 2019

1. General Information :

Reliance Bangladesh LNG & Power Limited incorporated in Bangladesh, was established on September 21, 2016 and it is a Group Company of Reliance Power Limited

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) Property, Plant and equipment :-

All other items of property, plant and equipment are stated at historical cost which includes capitalised borrowing cost less depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work in progress :-

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

Depreciation method :

Depreciation is provided to the extent of depreciable amount on straight Line Method(SLM) based on useful life.

c) 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.

d) 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.

e) 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 Statement of Profit and Loss account.

f) Revenue :

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

g) 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.

Reliance Bangladesh LNG & Power Limited
Notes to the financial statements as of and for the year ended March 31, 2019

3.1 Property, plant and equipment

	Rupees in '000	
	Office Equipments	Total
Gross carrying amount		
Carrying amount as at April 1, 2018	2,572	2,572
Additions during the year	-	-
Carrying amount as at March 31, 2019	2,572	2,572
Accumulated depreciation		
Balance as at April 1, 2018	253	253
For the year	-	-
Balance as at March 31, 2019	253	253
Net carrying amount		
As at March 31, 2018	2,319	2,319
As at March 31, 2019	2,319	2,319

Reliance Bangladesh LNG & Power Limited
Notes to the financial statements for the year ended March 31, 2018

3.2 Capital Work-in-Progress

Rupees in '000

Particulars	As at March 31, 2018	Incurred during the Year 2018-19	As at September 30, 201
Expenditure pending allocation			
Accounting service fees	566	-	566
Advertisement expenses	226	-	226
Audit fees	141	-	141
Bank charges	24	-	24
Borrowing costs - foreign exchange loss/(gain)	159	-	159
Borrowing costs - loan application fee	371	-	371
Borrowing costs - professional/legal/consultancy fees	29,563	-	29,563
Communication expenses	135	-	135
Depreciation expenses - civil work, furniture & fixtures	240	-	240
Depreciation expenses - office equipment	13	-	13
Employees reimbursement	65	-	65
Facilities management service charge	132	-	132
Food expenses	290	-	290
Guest house expenses	249	-	249
Guest house rent	584	-	584
Hotel expenses	191	-	191
Miscellaneous expense	9	-	9
Office expenses	416	-	416
Office rent	1,633	-	1,633
Other advisory services fees	904	-	904
Printing and stationery expenses	182	-	182
Project management consultancy service fees	7,843	-	7,843
Registration fees	433	-	433
Salaries and allowances	1,207	-	1,207
Tax advisory fees	249	-	249
Travelling expenses	2,094	-	2,094
Total	31,635	-	47,919

Reliance Bangladesh LNG & Power Limited
Notes to the financial statements for the year ended March 31, 2019

	As at March 31, 2019 Rupees in '000	As at March 31, 2018 Rupees in '000
3.3 Loans		
(Unsecured and considered good)		
Loans and advances to related parties	2,978	25,808
Loans & Advances to others	-	517
	<u>2,978</u>	<u>26,325</u>
3.4 Cash and cash equivalents		
Bank balance in current account	2,838	868
	<u>2,839</u>	<u>868</u>
3.5 Equity Share Capital		
Authorised		
1,000,000 Equity shares of USD 1 each		
Issued, Subscribed and paid up		
4388438 (March 31, 2018 : 582,750) Equity shares of USD 1 each fully paid up	37,756	32,198
	<u>37,756</u>	<u>32,198</u>
3.6 Other equity		
Translation Reserve	(6,192)	-
Retained earnings		
Balance at the beginning of the year	2,221	-
Profit for the year	-	2,221
Balance at the end of the year	<u>2,221</u>	<u>2,221</u>
Other equity balance at the end of the year	<u>(3,971)</u>	<u>2,221</u>
3.7 Other current liabilities		
Inter Corporate Deposit	62,100	-
Other current liabilities	198	42,205
Provisions	1,045	807
	<u>63,343</u>	<u>43,012</u>

Reliance Bangladesh LNG & Power Limited
Notes to the financial statements as of and for the year ended March 31, 2019

	Year Ended March 31, 2019 Rupees in '000	Year Ended March 31, 2018 Rupees in '000
3.8 Other Income		
Gains on foreign exchange fluctuations	-	2,221
	<u>-</u>	<u>2,221</u>