

M.S. Sethi & Associates

Chartered Accountants

Manoj Sethi

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FIT FOR CONSOLIDATION

The Financial Statements of **Reliance Bangladesh LNG Terminal Limited** for the year ended March 31, 2018 being a Company registered in Bangladesh 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 Bangladesh LNG Terminal Ltd, Bangladesh 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 Bangladesh LNG Terminal Limited** ('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 profit / 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 Bangladesh LNG Terminal Ltd.
Balance Sheet as at March 31, 2018

Particulars	Note No.	As at March 31, 2018 Rupees in '000
ASSETS		
Non-current assets		
Capital Work-in Progress	3.1	1,83,970
Financial assets:		
Loans	3.2	122
Current assets		
Financial assets:		
Cash and cash equivalents	3.3	177
Total Assets		1,84,270
EQUITY AND LIABILITIES		
Equity		
Equity share capital	3.4	3,114
Liabilities		
Non-current liabilities		
Financial liabilities		
Loans	3.5	1,79,889
Current liabilities		
Financial liabilities		
Other current liabilities	3.6	1,267
Total Equity and Liabilities		1,84,270
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

Manoj Sethi
Proprietor
Membership No.39784

Place: Mumbai
Date : April 15, 2018

For Reliance Bangladesh LNG Terminal Ltd.

Ashok Kumar Pal
Authorised Signatory

Place: Mumbai
Date : April 15, 2018

Reliance Bangladesh LNG Terminal Ltd.
Statement of Profit and Loss for the Period ended March 31, 2018

Particulars	Note No.	From April 17,2017 to March 31, 2018 Rupees in '000
Revenue:		
Other income		-
Total income		<u>-</u>
Expenses:		
Other expenses		-
Total expenses		<u>-</u>
Profit/(Loss) before tax		-
Tax expense:		
Current tax		-
Profit/(Loss) for the Period		<u>-</u>

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 Bangladesh LNG Terminal Ltd.

Mandj Sethi
Proprietor
Membership No.39784

Ashok Kumar Pal
Authorised Signatory

Place: Mumbai
Date : April 15, 2018

Place: Mumbai
Date : April 15, 2018

Reliance Bangladesh LNG Terminal Ltd.

Notes to the financial statements for the period ended March 31, 2018

3.1 Capital Work-in-Progress

Rupees in '000

Particulars	April 17, 2017	Incurred during the period 2017-18	As at March 31, 2018
Expenditure pending allocation			
Accounting service fees	-	219	219
Audit fees	-	35	35
Bank charges	-	8	8
Borrowing costs - foreign exchange loss	-	82	82
Borrowing costs - professional/legal/consultancy fees	-	27,850	27,850
Food expenses	-	73	73
Hotel expenses	-	232	232
Office expenses	-	122	122
Other advisory services fees	-	1,54,125	1,54,125
Printing and stationery expenses	-	7	7
Registration fees	-	889	889
Travelling expenses	-	321	321
Utilities	-	7	7
Total	-	1,83,970	1,83,970

Reliance Bangladesh LNG Terminal Ltd.

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

As at
March 31, 2018
Rupees in '000

3.2 Loans	
(Unsecured and considered good)	
Loans and advances to others	122
	<u>122</u>
3.3 Cash and cash equivalents	
Bank balance in current account	177
	<u>177</u>
3.4 Equity Share Capital	
Authorised	
1,000,000 Equity shares of USD 1 each	
Issued, Subscribed and paid up	
582,750 (March 31, 2017 : Nil) Equity shares of USD 1 each fully paid up	3,114
	<u>3,114</u>
3.5 Other financial liabilities	
(Unsecured)	
Loans and advances from related party	1,79,889
	<u>1,79,889</u>
3.6 Other current liabilities	
Other current liabilities	1,228
Provision	39
	<u>1,267</u>

Reliance Bangladesh LNG Terminal Ltd.
Notes to the financial statements for the year ended March 31, 2018

1. General Information :

Reliance Bangladesh LNG Terminal Limited incorporated in Bangladesh, was established on April 17, 2017 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) 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 :

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.