

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

**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, 2020 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, 2020 and its 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, 2020 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 05, 2020  
UDIN:20039784AAAAMY7935

**Reliance Bangladesh LNG & Power Limited**  
**Balance Sheet as at March 31, 2020**

Particulars	Note No.	As at March 31, 2020 Rupees in '000	As at March 31, 2019 Rupees in '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	278,474	2,319
Capital Work-in Progress	3.2	784,636	101,168
Loan & Advances		1,754	-
<b>Current assets</b>			
Financial assets:			
Loan & Advances	3.3	4,494	2,978
Cash and cash equivalents	3.4	23,344	2,839
Other Current Assets		-	494
<b>Total Assets</b>		<b>1,092,702</b>	<b>109,798</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	3.5	108,775	37,756
Other equity	3.6	169,995	(3,971)
Share Application		517,887	12,670
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease Liability		259,328	-
<b>Current liabilities</b>			
Other current liabilities	3.7	36,717	63,343
<b>Total Equity and Liabilities</b>		<b>1,092,702</b>	<b>109,798</b>

**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.039784

**Ashok Kumar Pal**  
Authorised Signatory

Place: Mumbai  
Date : May 05, 2020

Place: Mumbai  
Date : May 05, 2020

**Reliance Bangladesh LNG & Power Limited**  
**Statement of Profit and Loss for the year ended March 31, 2020**

<b>Particulars</b>	<b>Note No.</b>	<b>Year Ended March 31, 2020 Rupees in '000</b>	<b>Year Ended March 31, 2019 Rupees in '000</b>
Revenue:			
Other income	3.8	50	-
<b>Total income</b>		<b>50</b>	<b>-</b>
Expenses:			
Bank Interest and Charges	3.9	9,725	-
General Administration and Other expenses	3.10	17,641	-
Depreciation and amortisation expenses	3.1	1,948	-
<b>Total expenses</b>		<b>29,314</b>	<b>-</b>
<b>Profit/(Loss) before tax</b>		<b>(29,264)</b>	<b>-</b>
Tax expense:			
Current tax		-	-
<b>Profit/(Loss) for the Year</b>		<b>(29,264)</b>	<b>-</b>
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 & Power Limited**

**Manoj Sethi**  
Proprietor  
Membership No.039784

**Ashok Kumar Pal**  
Authorised Signatory

Place: Mumbai  
Date : May 05, 2020

Place: Mumbai  
Date : May 05, 2020

Reliance Bangladesh LNG & Power Limited  
Notes to the financial statements as of and for the year ended March 31, 2020

3.1 Property, plant and equipment and Intangible assets

	Rupees in '000			
	Office Equipments	Right to Use	Furniture	Total
Gross carrying amount				
Carrying amount as at April 1, 2019	2,572	-	-	2,572
Additions during the year	4,680	278,432	867	283,979
<b>Carrying amount as at March 31, 2020</b>	<b>7,252</b>	<b>278,432</b>	<b>867</b>	<b>286,551</b>
Accumulated depreciation				
Balance as at April 1, 2019	253			253
For the year	206	7,519	25	7,750
Other Adjust	75			75
<b>Balance as at March 31, 2020</b>	<b>534</b>	<b>7,519</b>	<b>25</b>	<b>8,077</b>
Net carrying amount				
As at March 31, 2019	2,319	-	-	2,319
As at March 31, 2020	6,718	270,914	842	278,474

Reconciliation of Depreciation

Total Depreciation during the year	7,825
Charges in Profit and Loss account	1,948
Capitalised during the year	5,877

Reliance Bangladesh LNG & Power Limited  
Notes to the financial statements for the year ended March 31, 2020

3.2 Capital Work-in-Progress

Rupees in '000

Particulars	As at March 31, 2019	Incurred during the Year 2019-20	As at March 31, 2020
<b>Expenditure pending allocation</b>			
Borrowing costs - professional and legal fees	11,565	(45,488)	(33,923)
Engineering service fees	-	735	735
Rental expenses	-	2,114	2,114
Other advisory services fees	171	187,123	187,294
Project civil works fees	86,645	513,155	599,800
Project management consultancy service fees	1,252	1,504	2,756
Salaries and allowances	1,511	11,062	12,572
Travelling expenses	24	4,876	4,900
Insurance expense	-	2,721	2,721
Exchange affect	-	(210)	(210)
Depreciation related to project	-	5,877	5,877
<b>Total</b>	<b>101,168</b>	<b>683,468</b>	<b>784,636</b>

Reliance Bangladesh LNG & Power Limited  
Notes to the financial statements for the year ended March 31, 2020

	As at March 31, 2020 Rupees in '000	As at March 31, 2019 Rupees in '000
<b>3.3 Loans</b>		
(Unsecured, considered good)		
Loans and advances to related parties	4,494	2,978
	<u>4,494</u>	<u>2,978</u>
<b>3.4 Cash and cash equivalents</b>		
Cash and cash equivalents	334	0
Bank balance in current account	23,010	2,838
	<u>23,344</u>	<u>2,839</u>
<b>3.5 Equity Share Capital</b>		
<b>Authorised</b>		
350,000,000 (March 31, 2019: 40,000,000) Equity shares of BDT 10 each		
<b>Issued, Subscribed and paid up</b>		
12,842,673 (March 31, 2019 : 4388438) Equity shares of BDT 10 each fully paid up	108,775	37,756
	<u>108,775</u>	<u>37,756</u>
<b>3.6 Other equity</b>		
25,125,000, Preference Shares issued and subscribed of BDT 10 each fully paid up	211,065	-
Translation Reserve	5791	(6,192)
<b>Retained earnings</b>		
Balance at the beginning of the year	2,221	2,221
Earlier period adjustment	(19,818)	-
Profit/ (Loss) for the year	(29,264)	-
	<u>(46,861)</u>	<u>2,221</u>
Balance at the end of the year	<u>169,995</u>	<u>(3,971)</u>
<b>3.7 Other current liabilities</b>		
Inter Corporate Deposit	-	62,101
Sundry Creditors	18,350	-
Other current liabilities	-	198
Provision for Exp.	932	1,044
Lease Liability	17,435	-
	<u>36,717</u>	<u>63,343</u>

Reliance Bangladesh LNG & Power Limited  
Notes to the financial statements as of and for the year ended March 31, 2020

	Year Ended March 31, 2020 Rupees in '000	Year Ended March 31, 2019 Rupees in '000
<b>3.8 Other Income</b>		
Interest Income - others	50	-
	<u>50</u>	<u>-</u>
<b>3.9 Finance Expenses</b>		
Bank and Other Finance Charges	9,725	-
	<u>9,725</u>	<u>-</u>
<b>3.10 Expenses</b>		
Legal and Professional Charges	5,849	-
Rent	618	-
Operational Expense	11,174	-
	<u>17,641</u>	<u>-</u>

**Reliance Bangladesh LNG & Power Limited**  
**Notes to the financial statements as of and for the year ended March 31, 2020**

**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.



**Reliance Bangladesh LNG & Power Limited**  
**Notes to the financial statements as of and for the year ended March 31, 2020**

**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 Profit and Loss Statement of 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.