RELIANCE ETHANE HOLDING PTE LTD

Financial Statements

2021-22

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

RELIANCE ETHANE HOLDING PTE LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Reliance Ethane Holding Pte Ltd (the "company"), which comprise the statement of financial position as on March 31, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 21.

In our opinion, the accompanying financial statements of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the company as on March 31, 2022 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Directors' Statement set out on pages 1 to 2.

Our opinion of the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

RELIANCE ETHANE HOLDING PTE LTD

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

RELIANCE ETHANE HOLDING PTE LTD

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

April 14, 2022

STATEMENT OF FINANCIAL POSITION
March 31, 2022

	Note	2022	2021
		US$	US$
ASSETS			
Current assets			
Cash and cash equivalents		44,783	19,057
Other receivables	7	147,264	-
Total current assets		**192,047**	19,057
Non-current assets			
Investment in joint ventures	6	155,620,999	155,610,999
Other receivables	7	8,956,716	5,855,293
Total non-current assets		**164,577,715**	161,466,292
Total assets		**164,769,762**	161,485,349
LIABILITY AND EQUITY			
Current liability			
Other payables		8,025	6,000
Capital and reserves			
Share capital	8	155,672,113	155,672,113
Retained earnings		9,089,624	5,807,236
Total equity		**164,761,737**	161,479,349
Total liability and equity		**164,769,762**	161,485,349

See accompanying notes to financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended March 31, 2022

	Note	2022	2021
		US$	US$
Other income	9	**3,297,422**	3,348,739
Other operating expenses		**(15,034)**	(33,742)
Profit before income tax	10	**3,282,388**	3,314,997
Income tax expense	11	**-**	-
Profit for the year, representing total comprehensive income for the year		**3,282,388**	3,314,997

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN EQUITY
Year ended March 31, 2022

	Share Capital	Retained earnings	Total
	US$	US$	US$
As on April 1, 2020	155,672,113	2,492,239	158,164,352
Total comprehensive income for the year			
Profit for the year, representing total comprehensive profit for the year	-	3,314,997	3,314,997
As on March 31, 2021	**155,672,113**	**5,807,236**	**161,479,349**
Total comprehensive income for the year			
Profit for the year, representing total comprehensive profit for the year	**-**	3,282,388	3,282,388
As on March 31, 2022	**155,672,113**	**9,089,624**	**164,761,737**

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS
Year ended March 31, 2022

	2022	2021
	US$	US$
Cash flows from operating activities		
Profit before income tax	**3,282,388**	3,314,997
Adjustments for:		
Dividend income	**(3,150,157)**	(3,300,002)
Interest income	**(147,265)**	(48,737)
Operating loss before working capital changes	**(15,034)**	(33,742)
Other payables	**2,025**	(226)
Net cash used in operating activities	**(13,009)**	(33,968)
Cash flows from investing activities		
Purchase of Class A share in Joint Ventures	**(10,000)**	-
Interest income received	**48,735**	3
Net cash from investing activities	**38,735**	3
Net increase (decrease) in cash and cash equivalents	**25,726**	(33,965)
Cash and cash equivalents at the beginning of the year	**19,057**	53,022
Cash and cash equivalents at the end of the year	**44,783**	19,057

See accompanying notes to financial statements.

Notes to the Financial Statements
for the year ended March 31, 2022

1 GENERAL

The company (Registration No. 201426223Z) is incorporated in the Republic of Singapore with its principal place of business and registered office at 250 North Bridge Road, #16-01, Raffles City Tower, Singapore 179101. The financial statements are expressed in US dollars.

The principal activity of the company is that of investment holding.

The financial statements of the company for the financial year ended March 31, 2022 were authorised for issue by the Board of Directors on April 14, 2022.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements are prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Financial Reporting Standards in Singapore ("FRSs").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS - the company adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after April 1, 2020. The adoption of these new/revised FRSs and INT FRSs does not result in significant changes to the company's accounting policies and has no material effect on the amounts reported for the current or prior years.

Notes to the Financial Statements
for the year ended March 31, 2022

At the date of authorisation of these financial statements, the following amendments to FRSs that are relevant to the company were issued but not effective:

- Amendments to FRS 109, FRS 39, FRS 107, FRS 104, FRS 116: *Interest rate benchmark reform - Phase 2* (i)
- Annual improvements to FRS 2018-2020 (ii)

(i) Effective on January 1, 2021

(ii) Effective on January 1, 2022

Management anticipates that the adoption of the new or revised FRSs and amendments to FRSs in future periods will not have a material impact on the financial statements in the period of their initial adoption.

BASIS OF CONSOLIDATION - The company did not prepare consolidated financial statements of the company and its joint ventures as the company is a wholly owned subsidiary of Reliance Industries Limited, incorporated in India, whose registered address is at 3rd Floor, Maker Chamber IV, 222 Nariman Point, Mumbai - 400 021, India. The principal place of business is at India. Consolidated financial statements are prepared by Reliance Industries Limited and will be made available upon request.

Investment in joint ventures are carried at cost, less any impairment in net recoverable value that have been recognised in profit or loss.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Financial assets

<u>Classification of financial asset</u>

Debt instruments mainly comprise cash and bank balances that meet the following conditions and are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Notes to the Financial Statements
for the year ended March 31, 2022

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses ("ECL") on the financial assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument as on the reporting date with the risk of a default occurring on the financial instrument as on the date of initial recognition.

The company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Notes to the Financial Statements
for the year ended March 31, 2022

Definition of default

The company considers that default has occurred when a financial asset is more than 90 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Other payables

Other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method except for short-term balances when the effect of discounting is immaterial.

Notes to the Financial Statements
for the year ended March 31, 2022

<u>Borrowings</u>

Interest-bearing amount owing to a related company and holding company are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Interest expense calculated using the effective interest method is recognised over the term of the borrowing in accordance with the company's accounting policy for borrowing costs (see below).

<u>Derecognition of financial liabilities</u>

The company de-recognizes financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

IMPAIRMENT OF NON-FINANCIAL ASSETS - At the end of each reporting period, the company reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

INVESTMENT IN JOINT VENTURES - A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in joint ventures are carried at cost less any impairment in net recoverable value that have been recognised in profit or loss.

PROVISIONS - Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows.

Notes to the Financial Statements
for the year ended March 31, 2022

BORROWING COSTS - All other borrowing costs are recognised in profit or loss for the period in which they are incurred.

INCOME TAX - Income tax expense represents the sum of tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rate that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax laws and rates that have been enacted or substantively enacted by the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

FOREIGN CURRENCY TRANSACTIONS - The financial statements of the company are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the company are presented in United States dollar, which is the functional currency of the company.

Transactions in currencies other than the company's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period.

CASH AND CASH EQUIVALENTS - Cash and cash equivalents comprises bank balances and is subject to an insignificant risk of changes in value.

Notes to the Financial Statements
for the year ended March 31, 2022

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i) Critical judgements in applying the company's accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

<u>Joint control over joint venture entities</u>

Note 6 describes the investment in Ethane Pearl LLC, Ethane Crystal LLC, Ethane Emerald LLC, Ethane Opal LLC, Ethane Sapphire LLC and Ethane Topaz LLC (collectively known as "JVs") the company owns 50% ownership interest in these entities. The company has joint control over the JVs by virtue of it having equal contractual right to vote at the meetings of directors or members as one other shareholder of the JVs. Accordingly, decisions on key operating activities of the JVs require unanimous consent of the two joint venture partners.

ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

<u>Impairment of investment in joint ventures</u>

In determining whether its investment in joint ventures is impaired, the company evaluates the market and economic environment in which the joint ventures operate and its economic performance to determine if indicators of impairment exist. Where such indicators exist, the joint ventures' recoverable amount is determined by assessing the value in use of the investments. Management is confident that no allowance for impairment is necessary. The carrying amount of the company's investment in joint ventures is disclosed in Note 6.

Notes to the Financial Statements
for the year ended March 31, 2022

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments at the end of the reporting period:

	2022	2021
	US$	US$
Financial assets		
Financial assets at amortised cost	**9,148,763**	5,874,350
Financial liabilities		
Financial liabilities at amortised cost	**8,025**	6,000

(b) Financial risk management policies and objectives

The company's overall risk management programme seeks to minimise potential adverse effects on the financial performance of the company. The company is an investment holding company with limited transactions. The company has no exposure to credit risk and foreign currency risk. Cash is held with reputable institutions and is subject to no credit loss.

(i) Credit risk

The company develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The company uses its own trading records to rate its major customers and other debtors.

The company's current credit risk grading framework comprises the following categories:

Category	**Definition of category**	**Basis for recognising ECL**
Performing	The counterparts have a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit since initial recognition.	Lifetime ECL - not credit impaired
In default	Amount is >90 days past due or there is evidence indicating the assets is credit impaired	Lifetime ECL credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the company has no realistic prospect of recovery.	Amount is written off

Notes to the Financial Statements
for the year ended March 31, 2022

The table below details the credit quality of the company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount US$	Loss allowance US$	Net carrying amount US$
2022						
Amount due from joint ventures	7	Performing	12-month ECL	9,103,980	-	9,103,980
2021						
Amount due from joint ventures	7	Performing	12-month ECL	5,855,293	-	5,855,293

The receivables are due from the joint ventures. The company performs ongoing credit evaluation of their financial conditions and generally do not require collateral on other receivables.

(ii) Interest rate risk management

The company has no significant interest-bearing assets and liabilities and hence exposure to interest rate risk is not considered material.

(iii) Liquidity risk management

Liquidity risk is managed by matching the payment and receipt cycle. The company's operations are financed mainly through equity and accumulated profits.

All financial liabilities in 2021 and 2022 are repayable on demand or due within 1 year from the end of the reporting period.

(iv) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, amount owing from joint ventures and other payables and accruals approximate their respective fair values due to the relatively short-term maturity of these financial instruments or bears interest at market interest rates.

(c) Capital management policies and objectives

The company manages its capital to ensure the company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company comprises issued capital from holding company and retained earnings. The company's overall strategy remains unchanged from the previous financial year.

Notes to the Financial Statements
for the year ended March 31, 2022

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The company is a subsidiary of Reliance Industries Limited, incorporated in India, which is also its ultimate holding company.

Some of the company's transactions and arrangements are between members of the group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand, unless otherwise stated.

The key management personnel are also directors of the company and there are no directors' remuneration during the financial year, other than director sitting fees as disclosed in Note 10. The directors received remuneration from related corporations in their capacity as directors/executives of those related corporations.

6 INVESTMENT IN JOINT VENTURES

	2022	2021
	US$	US$
Unquoted equity shares, at cost	**155,620,999**	155,610,999

Details of the company's joint ventures at March 31, 2022 are as follows:

Name of joint ventures	Country of Incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2022	2021
			%	%
Ethane Pearl LLC	Republic of the Marshall Islands	Shipping Operations	**50**	49
Ethane Crystal LLC	Republic of the Marshall Islands	Shipping Operations	**50**	49
Ethane Emerald LLC	Republic of the Marshall Islands	Shipping Operations	**50**	49
Ethane Opal LLC	Republic of the Marshall Islands	Shipping Operations	**50**	49
Ethane Sapphire LLC	Republic of the Marshall Islands	Shipping Operations	**50**	49
Ethane Topaz LLC	Republic of the Marshall Islands	Shipping Operations	**50**	49

On April 16, 2019, the company entered into a Capital Contribution Agreement with Mitsui O.S.K. Lines, Ltd. ("MOL") and KOTAM Maritime No 26 Investment Trust ("KMIT") for admission as additional members to the joint ventures, "JVs" listed above. MOL and KMIT had paid and contributed a total amount of US$44mil for an interest in Class A and B shares of the JVs,and received 49% and 2% voting rights to each of the JVs respectively. Accordingly, the addition of the members had diluted the company's proportion of ownership interest and voting power held from 100% to 49%.

Notes to the Financial Statements
for the year ended March 31, 2022

The capital structure was re-structured by way of creation of three classes of shares; Class A, Class B and Class C. Members of Class A shares are entitled to voting rights in proportion to their share in Class A contribution and have no economic rights. Members of Class B shares have right to receive preferential return in proportion to their capital contribution and member of Class C shares have right to receive surplus in the JVs after payment of preferential return in full to members of Class B contribution and payment of external liability.

Arising from the capital contribution from MOL and KMIT, the company held 49% interest in Class A shares and 100% interest in Class C shares of the JVs.

During the financial year 2021-22, company purchased units in class A shares of each of the six Joint Ventures amounting to $10,000 from KMIT pursuant to its Notice of Sale as per clause 7.4 of the defined Agreements. Its ownership interest in each of the Joint Ventures has increased from 49% to 50%.

The company continues to have joint control over the JVs by virtue of it having equal contractual right to vote at the meetings of directors or members with MOL.

7 OTHER RECEIVABLES

	2022	2021
	US$	US$
Amount due from joint ventures	**9,103,980**	5,855,293
Represented by:		
Current portion	**147,264**	-
Non-current portion	**8,956,716**	5,855,293
	9,103,980	5,855,293

Amount due from joint ventures comes from the distribution to the Class C members from joint ventures which are unsecured, interest bearing, but will only be paid until after the Class B members have received their preferential return in full. Subsequently, an amendment was passed which entitles class C members to receive all unpaid interest upon unanimous consent of the Board of Directors.

In determining the ECL, management has taken into account the financial position of the joint ventures, adjusted for factors that are specific to the company and general economic conditions of the industry in which the company operates, in estimating the probability of default of the receivable as well as the loss upon default. Management determines the receivable from joint ventures are subject to immaterial credit loss.

8 SHARE CAPITAL

	2022	2021	**2022**	2021
	Number of ordinary shares ('000)		**US$**	US$
Issued and paid up:				
At the beginning and end of year	**155,672**	155,672	**155,672,113**	155,672,113

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the company.

Notes to the Financial Statements
for the year ended March 31, 2022

9 OTHER INCOME

	2022	2021
	US$	US$
Dividend income from joint ventures (Note 6)	**3,150,157**	3,300,002
Interest Income from joint ventures (Note 6)	**147,264**	48,734
Interest Income-others	**1**	3
	3,297,422	3,348,739

10 PROFIT BEFORE INCOME TAX

Profit before tax includes the following charges:

	2022	2021
	US$	US$
Directors' sitting fees	**2,254**	744

The company does not have any employees and therefore no staff costs were incurred. The company's administrative activities are performed by personnel of related companies at no charge.

The directors of the company are also the key management personnel.

11 INCOME TAX EXPENSE

The income tax benefit varied from the amount of income tax benefits determined by applying the Singapore tax rate of 17% (2021 : 17%) to profit before tax as a result of following:

	2022	2021
	US$	US$
Profit before income tax	**3,282,388**	3,314,997
Income tax expense at statutory rate of 17%	**558,006**	563,549
Tax on non-taxable income	**(558,006)**	(563,549)
Total income tax expense	**-**	-

The tax losses are not available for carry forward as the company is an investment holding company.