RELIANCE INTERNATIONAL LIMITED

Financial Statements

For the period from 1st April 2023 to 31st December 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Reliance International Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Reliance International Limited** (the "Company"), which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the period then ended in accordance with the basis of preparation referred to in note 2.1 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates (UAE), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Restriction on use and distribution

We draw attention to note 2.1 to the financial statements, which states the purpose and the basis of preparation of these financial statements and hence, may not be suitable for another purpose. Our report is intended solely for Deloitte Haskins & Sells LLP and Chaturvedi & Shah LLP, the Group auditors of Reliance Industries Limited and should not be distributed to or used by other parties. Our opinion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REPORT
(continued)

Other Information
Management is responsible for the other information. Other information comprises the Directors' report, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Company's accounting policies as described in note 3 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Those charged with governance are responsible for 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 ISAs 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.

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INDEPENDENT AUDITOR'S REPORT
(continued)

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

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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 gives a true and fair view.

We communicate with those charged with governance 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.

For **PKF**

Saranga Lalwani
Principal
Abu Dhabi, UAE
17 April 2024

RELIANCE INTERNATIONAL LIMITED

Statement of financial position as at 31 December 2023

	Notes	31 December 2023 USD'000	31 March 2023 USD'000
ASSETS			
Non-current assets			
Property and equipment	6	**86,752**	84,339
Right-of-use assets	7	**14,154**	942
Intangible assets		**2**	3
Deposits	8	**2,399**	2,334
Total non-current assets		**103,307**	87,618
Current assets			
Inventories	9	**1,038,070**	8,991
Trade and other receivables	10	**5,177,233**	1,041,279
Prepayments and advances	11	**1,192,436**	1,495,254
Cash and cash equivalents	12	**28,550**	7,896
Total current assets		**7,436,289**	2,553,420
Total assets		**7,539,596**	2,641,038
EQUITY AND LIABILITIES			
Equity			
Share capital	14	**25,000**	25,000
Retained earnings		**239,816**	47,216
Total equity		**264,816**	72,216
Non-current liabilities			
Lease liabilities	7	**10,083**	569
Provision for employees' end of service benefits	15	**641**	346
Total non-current liabilities		**10,724**	915
Current liabilities			
Lease liabilities	7	**2,430**	379
Trade and other payables	16	**7,261,626**	2,567,528
Total current liabilities		**7,264,056**	2,567,907
Total liabilities		**7,274,780**	2,568,822
Total equity and liabilities		**7,539,596**	2,641,038

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 4.

These financial statements were approved by the Directors and authorised for issue on 17 April 2024.

Nimish Goel **Natarajan Ramakrishnan** **Manoj Kumar Gandhi**

RELIANCE INTERNATIONAL LIMITED

Statement of profit or loss and other comprehensive income for the period from 1 April 2023 to 31 December 2023

	Notes	1 April 2023 to 31 December 2023 USD'000	1 April 2022 to 31 March 2023 USD'000
Revenue from operations	**17**	**31,289,862**	30,844,253
Cost of goods sold	**18**	**(30,840,017)**	(30,743,984)
Gross profit		**449,845**	100,269
Other income		**1,355**	325
Employee benefits and expenses	**19**	**(15,290)**	(11,392)
Finance cost	**20**	**(226,764)**	(31,949)
General and administrative expenses	**21**	**(16,546)**	(12,228)
Profit for the period/year		**192,600**	45,025
Other comprehensive income		-	-
Total comprehensive income for the period/year		**192,600**	45,025

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 4.

RELIANCE INTERNATIONAL LIMITED

Statement of changes in equity
for the period from 1 April 2023 to 31 December 2023

	Share Capital USD'000	Retained earnings USD'000	Total equity USD'000
Balance at 1 April 2022	25,000	2,191	27,191
Total comprehensive income for the year	-	45,025	45,025
Balance at 31 March 2023	25,000	47,216	72,216
Total comprehensive income for the period	-	192,600	192,600
Balance at 31 December 2023	**25,000**	**239,816**	**264,816**

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 4.

RELIANCE INTERNATIONAL LIMITED

Statement of cash flows
for the period from 1 April 2023 to 31 December 2023

	1 April 2023 to 31 December 2023 USD'000	1 April 2022 to 31 March 2023 USD'000
Cash flows from operating activities		
Profit for the period	**192,600**	45,025
Adjusted for		
Depreciation of property and equipment	**4,217**	4,009
Amortisation of right of use asset	**895**	65
Amortisation of intangible assets	**1**	1
Interest income	**(1,241)**	(325)
Finance cost	**226,764**	31,949
Provision for employees' end of service benefit	**497**	423
Operating cash flows before movements in working capital	**423,733**	81,147
Change in trade and other receivables	**(4,135,954)**	(2,145,335)
Change in deposits	**(65)**	(2,279)
Change in trade and other payables	**4,630,208**	2,092,453
Change in Prepayments and advances	**302,818**	-
Change in inventories	**(1,029,079)**	(8,991)
Employees' end of service benefits paid	**(202)**	(102)
Net cash generated from operating activities	**191,459**	16,893
Cash flows from investing activity		
Purchase of property and equipment	**(6,630)**	(6,699)
Interest received	**1,241**	325
Net cash used in investing activities	**(5,389)**	(6,374)
Cash flows from financing activities		
Payment of lease liabilities	**(2,760)**	(71)
Finance cost paid	**(162,656)**	(31,937)
Net cash used in from financing activities	**(165,416)**	(32,008)
Net increase/(decrease) in cash and cash equivalents	**20,654**	(21,489)
Cash and cash equivalents at the beginning of the period/year	**7,896**	29,385
Cash and cash equivalents at the end of the period/year (note 12)	**28,550**	7,896

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 4.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

1 Legal Status and Business Activity

Reliance International Limited (the "Company") is a private company limited by shares and is registered in the Abu Dhabi Global Market ("ADGM") under Companies Regulations 2020 on 16 June 2021 with registration number of 000005832.The registered office is Unit 3-5, Level 27, Al Khatem Tower, Abu Dhabi Global Market Square, Al Maryah Island, United Arab Emirates, PO Box - 94509. The Company also has a branch in Dubai International Financial Centre (DIFC), Dubai with license No. CL6001. The principal place of business is Unit L33-00, Level 33, ICD Brookfield Place, DIFC, Dubai.

The principal activities of the Company include trading of crude oil, petroleum products, petrochemicals and agriculture commodities.

The parent and ultimate parent company is Reliance Industries Limited (the "parent company"), a public listed entity in India having its registered office in Mumbai, India.

2 Basis of Preparation

2.1 Statement of compliance

The financial statements are prepared in accordance with the Company's accounting policies as described in note 3.

These financial statements are prepared for the purpose of providing information in the preparation of consolidated financial statements of the parent company. As a result, these financial statements may not be suitable for other purpose.

2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except for financial asset carried at fair value through profit or loss.

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

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.

2.3 Going Concern

The financial statements are prepared on a going concern basis.

When preparing the financial statements, management makes an assessment of the Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

2.5 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The financial statements are presented in US Dollar (“USD”), which is the Company’s functional and presentation currency. All values are rounded to the nearest thousand (USD’000) except where otherwise stated.

3 Significant accounting policies

3.1 Revenue recognition

For contracts determined to be within the scope of revenue recognition, the Company is required to apply a five-step model to determine when to recognise revenue, and at what amount. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

The Company recognises revenue from contracts with customers based on the five-step model set out in IFRS 15:

Step 1: Identify the contract(s) with a customer
A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify the performance obligations in the contract
A performance obligation is a unit of account and a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price
The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract
For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation
The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company’s performance as and when the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

The Company recognise revenue from the following sources:

- trading of crude oil, petroleum & petrochemical product and agriculture commodities.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer. The Company recognises revenue when it transfers control of a product or service to a customer.

Trading of crude oil, petroleum & petrochemical product and agriculture commodities

For trading of crude oil, petroleum & petrochemical product and agriculture commodities, revenue is recognised when control of the goods has transferred. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised by the Company when the goods are delivered to the Customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Other income

Other income generated outside the Company's normal business operation is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

3.2 Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, (if any). Cost includes the cost of replacing part of the items of property and equipment when that cost is incurred and borrowing costs, if the recognition criteria are met. If significant parts of an item of property and equipment have different useful lives than they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the items of property and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the diminishing balance method over their estimated useful lives and is recognised in profit or loss.

The estimated average useful lives of property and equipment for current and comparative periods are as follows:

	Years
Building	60
Furniture & fixtures	10
Vehicles	8
Computer & office equipment	4

Capital advance is stated at cost less any impairment losses and is not depreciated. This will be depreciated from the date the relevant assets are ready for use.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

Depreciation methods, useful lives and residual values are reviewed at each reporting period date and adjusted if appropriate. The carrying amounts are reviewed at each reporting date to assess whether they are recorded in excess of their recoverable amounts, and where carrying values exceed these estimated recoverable amounts, assets are written down to their recoverable amounts, being the higher of their fair values less costs to sell and their value in use.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

3.3 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses. The cost of computer software is amortised over 3 years using the diminishing balance method.

An assessment of amortisation method and useful lives is undertaken at each reporting date and, where material, if there is a change in estimate, an appropriate adjustment is made to the amortisation charge.

Intangible assets with indefinite useful lives are not amortised as the Company does not identify any foreseeable limit on the benefits embodied with such rights. Consequently, these are tested annually for impairment and carried at cost less accumulated impairment losses.

3.4 Value added tax

As per the Federal Decree-Law No. (08) of 2017, Value Added Tax (VAT), needs to be charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person. The Company does not have any taxable supply which requires to be charged at 5% standard rate. The Company recovers Value Added Tax (VAT) paid on every input taxable supply in accordance with the applicable commercial VAT laws. Irrecoverable VAT for which Company cannot avail the credit is charged to the relevant expenditure category or included in costs of non-current assets. The Company files its VAT returns and computes the recoverable tax for the allotted tax periods and claim refund of the same within the prescribed due dates for filing VAT return claim tax refund.

3.5 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the specific identification method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale. Allowances are made for slow moving and obsolete inventories on the basis of assessment of obsolescence and future use.

3.6 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, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

3.7 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

3.8 Leases

The Company as a lessee
The Company assesses whether contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:
- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company uses incremental borrowing rate in calculating the present value of lease payments at the commencement date of the lease if the profit rate implicit in the lease is not readily determinable.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revise discount rate is used).

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

The Company did not make any such adjustments during the periods presented.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.
The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use of assets are presented as a separate line in the statement of financial position.

The Company applies IAS36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line ‘Other expenses’ in the statement of profit or loss.

As a practical expedient, IFRS16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

3.9 Impairment of tangible assets

At each reporting date, the management reviews the carrying amounts of its tangible 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 acquirer 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, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, 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, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.10 Cash and cash equivalents

Cash and cash equivalents comprise balance in current accounts with banks.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

3.11 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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. Translation differences on monetary financial assets and liabilities are recognised in profit or loss as part of the other income net.

3.12 Employees' benefits

The Company provides end of service benefits to its employees. The entitlement to these benefits is usually based on the employees' length of service and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. An accrual is made for the estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the year. The accrual relating to annual leave and leave passage and provision relating to end of service benefit is disclosed as a non-current liability.

Effective 1 February 2022, employees end of service gratuity in DIFC has been replaced by the new DIFC employee workplace saving plan ("DEWS") (defined contribution plan). Under the plan, all companies registered within DIFC will have to make mandatory contribution of every employee's fixed percentage based on each employee's monthly basic salary.

3.13 Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss.

3.13.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at amortised cost since the Company does not currently have any assets measured at fair value.

Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently 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.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

Amortised cost and effective interest rate method

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

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income in profit or loss by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses (ECL) for all debt instruments that are measured at amortised cost. 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 always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For other debt instruments measured at amortised cost, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if 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.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

Impairment of financial assets (continued)

(i) 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 at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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.

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:

- The financial instrument has a low risk of default,
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- 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.

(ii) Definition of default

The Company employs statistical models to analyse the data collected and generate estimates of probability of default ("PD") of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Company.

(iii) 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. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event (see (ii) above);
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

(iv) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

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 when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. 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.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3.13.2 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements for the period from 1 April 2023 to 31 December 2023

3.14 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.15 Equity

Share capital is recorded at the value of proceeds received towards allotment of share capital of the Company.

3.16 Derivative financial instruments

Derivatives financial instruments are carried at fair value and any profit or loss is recognized immediately in the statement of profit or loss.

3.17 Fair value measurement

The Company measures financial instruments, such as financial assets at fair value through profit or loss at fair value at each reporting date. The Company also discloses the fair value of financial instruments measured at amortised cost.

The 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in their best economic interests.

The fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

4 Critical accounting judgments in applying accounting policies

While applying the accounting policies as stated in note 3, management of the Company has made certain judgments, estimates and assumptions 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. Revision to accounting estimates are recognised in the period of the revision 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. The significant judgments and estimate made by management are summarised as follows:

The following are critical judgments, apart from those involving estimations made by management in the process of applying the Company's accounting policies and have the most significant effect on the amounts recognised in the financial statements.

4.1 Classification of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

4.2 Impairment

At each reporting date, management conducts an assessment of property and equipment and intangible assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

The Company applies expected credit loss model to measure loss allowance in case of financial assets on the basis of 12-month expected credit losses or Lifetime expected credit losses depending on credit risk characteristics and how changes in economic factors affect expected credit losses, which are determined on a probability-weighted basis.

4.3 Leases

Determining the lease term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for additional years. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew and consider the following factors, such as (i) significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate) (ii) If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate) (iii) Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. The Company considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

Discounting of lease payments
The lease payments are discounted using the Company's incremental borrowing rate ("IBR"), due to the absence of implicit rates in the lease contracts.

Management has applied judgments and estimates to determine the IBR at the transition date, using borrowing rates that certain financial institutions would charge the Company against financing the different types of assets it leases over different terms and different ranges of values. IBR is further adjusted for Company's specific risk, term risk and underlying asset risk. Majority of the leases are present in the UAE and accordingly no adjustment for the economic environment was deemed required.

4.4 Revenue recognition

In determining whether the Company is acting as a principal or as an agent with its customer, a related party, management considered the detailed criteria for the recognition of revenue in accordance with IFRS 15. This requires an assessment of whether the Company has exposure to the significant risks and rewards associated with the sale of goods. After an assessment of the relevant factors, management and the directors of the Company have concluded that the arrangement with customer exposes the Company to the significant risks and rewards associated with the sale of goods and the recognition of the revenue in accordance with the Company's role as a principal rather than agent is appropriate and in accordance with IFRS 15.

5 Key sources of estimation uncertainty

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

Residual value and useful lives of property and equipment

Residual values are assumed to be 5% of the cost unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the assets' estimated useful lives. Management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and the future depreciation charge would be adjusted where management believes that the useful lives differ from previous estimates.

Impairment of property and equipment and intangible assets

Management determines at each reporting date whether there are any indicators of impairment relating to the Company's property and equipment, or intangible assets. A broad range of internal and external factors is considered as part of the indicator review process.

Management determines whether there are any indications of impairment to the net carrying values of property and equipment on an annual basis because of the difference between the duration of expected future cash flows and accounting depreciation of assets. This requires an estimation of the value in use of the cash generating units. Estimating the value in use requires the Company to make an estimate of the expected future cash flows and also choose a suitable discount rate in order to calculate the present value of those cash flows. During the year, the Company has not made any provision for impairment.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

Impairment of financial assets
The loss allowance for financial assets is based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of inventories

Amounts which are slow moving or obsolete, are assessed collectively and a provision applied according to the inventory type and the provision rates approved by management. Any difference between the amounts actually realised in future periods and the amounts expected to be realised will be recognised in profit or loss.

Fair value of financial instruments

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market prices at the close of business on the statement of financial position date.

Employee end-of-service benefits

The Company computes the provision for the liability to employee's end-of-service benefits, assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements for the period from 1 April 2023 to 31 December 2023

6 Property and equipment

	Building[a]	Furniture & fixtures	Vehicles	Computer & office equipment	Capital advance[b]	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Cost						
At 1 April 2022	-	-	-	21	81,631	81,652
Additions	-	3,803	798	175	1,923	6,699
Transfer	83,554	-	-	-	(83,554)	-
At 31 March 2023	83,554	3,803	798	196	-	88,351
Additions	**-**	**5,468**	**41**	**764**	**357**	**6,630**
At 31 December 2023	83,554	9,271	839	960	357	94,981
Accumulated Depreciation						
At 1 April 2022	-	-	-	3	-	3
Depreciation for the year	3,200	536	228	45	-	4,009
At 31 March 2023	3,200	536	228	48	-	4,012
Depreciation for the period	2,948	986	142	141	-	4,217
At 31 December 2023	6,148	1,522	370	189	-	8,229
Carrying amount						
At 1 April 2022	-	-	-	18	81,631	81,649
At 31 March 2023	80,354	3,267	570	148	-	84,339
At 31 December 2023	**77,406**	**7,749**	**469**	**771**	**357**	**86,752**

a) This represents a property in Dubai for the purpose of hosting and entertaining clients as well as carrying out business meetings on site.

b) Capital advance represents the advances paid for furniture and fittings.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

7 Right-of-use assets and lease liabilities

The Company leases office spaces in the UAE. The lease terms of the right-of-use assets is 2-6 years.

	Right-of-use assets USD'000
Cost	
At 1 April 2022	-
Additions	1,007
At 31 March 2023	1,007
Additions	14,107
At 31 December 2023	**15,114**
Accumulated Depreciation	
At 1 April 2022	-
Depreciation for the year	65
At 31 March 2023	65
Depreciation for the period	895
At 31 December 2023	**960**
Carrying amount	
At 1 April 2022	**-**
At 31 March 2023	942
At 31 December 2023	**14,154**

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements for the period from 1 April 2023 to 31 December 2023

Lease Liabilities

	31 December 2023 USD'000	31 March 2023 USD'000
Lease liabilities for long-term leases of offices	**12,513**	948

Disclosed under:

	31 December 2023 USD'000	31 March 2023 USD'000
Current liabilities	**2,430**	379
Non – current liabilities	**10,083**	569
	12,513	**948**

A reconciliation of the movements in the lease liabilities is as follows:

Opening balance	**948**	-
Additions for the period	**14,107**	1,007
Finance cost for the period/year	**218**	12
Payments made during the period/year	**(2,760)**	(71)
Closing balance	**12,513**	948

A maturity analysis of undiscounted lease liabilities is as follows:

Upto 1 year	**2,989**	434
1 year – 5 years	**11,642**	597
	14,631	**1,031**

Reconciliation of undiscounted lease liabilities to the lease liabilities as stated in the statement of financial position is as follows:

Lease payments due	**14,631**	1031
Less: Finance cost on leases	**(2,118)**	(83)
Disclosed in the statement of financial position	**12,513**	**948**

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

8 Deposits

	31 December 2023 USD'000	31 March 2023 USD'000
Security deposits	**2,399**	2,334
	2,399	2,334

9 Inventories

	31 December 2023 USD'000	31 March 2023 USD'000
Traded goods	**1,022,497**	-
Bunker	**15,573**	8,991
	1,038,070	8,991

10 Trade and other receivables

	31 December 2023 USD'000	31 March 2023 USD'000
Trade receivables[(a)]	**5,161,306**	1,041,030
Derivative asset measured at FVTPL	**671**	-
Other receivables[(b)]	**15,256**	249
	5,177,233	1,041,279

a) The entire trade receivables are not past due and not impaired.

b) Other receivables include a short-term unsecured loan of USD'000 15,000 (previous year USD'000 nil) given to Reliance Middle East DMCC which bears no interest and is repayable on demand.

11 Prepayments and advances

	31 December 2023 USD'000	31 March 2023 USD'000
Advance to suppliers	**1,189,134**	1,489,945
VAT receivable (net)	**955**	143
Prepayments	**2,347**	5,166
	1,192,436	1,495,254

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

12 Cash and cash equivalents

	31 December 2023 USD'000	31 March 2023 USD'000
Cash at bank	**28,550**	7,896
	28,550	7,896

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due and taking into account the historical default experience and the current credit ratings of the bank, the management of the Company have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

13 Related parties

Related parties comprise the parent company, key management personnel and entities in which the parent company has the ability to control or exercise significant influence in the financial and operational decisions. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

(a) Related party transactions

	1 April 2023 to 31 December 2023 USD'000	1 April 2022 to 31 March 2023 USD'000
Sale of product (note 17)		
Reliance Global Energy Services *(entity under common control)*	**4,261,251**	8,131,645
Reliance Industries Limited *(parent company)*	**7,858,288**	1,018,011
Reliance Retail Limited *(entity under common control)*	**26,036**	24,719
RIL USA Inc *(entity under common control)*	**2,095,549**	1,349,930
RP Chemicals (Malaysia) Sdn Bhd *(entity under common control)*	**22,623**	--
Reliance New Solar Energy Limited *(entity under common control)*	**--**	1,704
	14,263,747	10,526,009
Purchase of product		
Reliance Industries Limited (*parent company*)	**23,060,042**	29,203,462
Reliance Retail Limited (*entity under common control*)	**--**	194,381
Reliance Global Energy Services (*entity under common control*)	--	130,367
	23,060,042	**29,528,210**

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
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Establishment expense and professional fees		
Reliance Projects & Property Management Services Limited *(entity under common control)*	**175**	233
Jio Platforms Limited *(entity under common control)*	**--**	59
	175	292
Guarantee commission		
Reliance Industries Limited (*parent company*)	**1,405**	459
Interest received on customer dues		
Reliance Industries Limited *(parent company)*	**-**	168

(b) Related party balances

Balances due from / (to) other related parties include the following:

	31 December 2023 USD'000	31 March 2023 USD'000
Trade receivable (note 10)		
Reliance Global Energy Services Limited *(entity under common control)*	**-**	443,578
RIL USA, Inc *(entity under common control)*	**197,635**	168,560
Reliance Industries Limited *(parent company)*	**4,365,446**	87,517
Reliance New Solar Energy Limited *(entity under common control)*	**-**	1,703
Reliance Retail Limited *(entity under common control)*	**102**	319
	4,563,183	701,677
Advances to suppliers (note 11)		
Reliance Industries Limited *(parent company)*	**1,161,548**	1,477,110
Other receivable (note 10)		
Reliance Industries (Middle East) DMCC *(entity under common control))*	**15,000**	-
Guarantees received		
Reliance Industries Limited *(parent company)*	**750,000**	750,000

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

	31 December 2023 USD'000	31 March 2023 USD'000
Trade and other payables (note 16)		
Reliance Industries Limited *(parent company)*	**178,667**	964,038
Reliance Retail Limited *(entity under common control)*	**-**	455
Jio Platforms limited *(entity under common control)*	**-**	59
Reliance Projects & Property Management Services Limited *(entity under common control)*	**58**	-
Reliance Global Energy Services Limited *(entity under common control)*	**22,033**	-
	200,758	964,552

14 Share capital

The authorized, issued and paid-up share capital of the Company is USD 25,000,000 divided into 25,000,000 shares of USD 1 each.

	Number of shares	Amount USD'000	Ownership percentage
Reliance Industries Limited	**25,000**	**25,000**	**100%**

15 Provision for employees' end of service benefits

	31 December 2023 USD'000	31 March 2023 USD'000
Opening balance	**346**	25
Provision for the period/year	**497**	423
Paid during the period/year	**(202)**	(102)
Closing balance	**641**	**346**

16 Trade and other payables

	31 December 2023 USD'000	31 March 2023 USD'000
Trade payable	**4,685,884**	1,068,693
Advances from customers	**2,250,721**	1,487,756
Accruals for employee benefits	**3,270**	1,803
Other payables	**321,751**	9,276
	7,261,626	2,567,528

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

Advances received from customers of USD’000 2,090,498 (previous year USD’000 1,087,000) carry interest at rates agreed.

17 Revenue from operations

	1 April 2023 to 31 December 2023 USD’000	1 April 2022 to 31 March 2023 USD’000
Sale of products to related parties (note 13)	**14,263,747**	10,526,009
Sale of products to third parties	**17,026,115**	20,318,244
	31,289,862	30,844,253

18 Cost of Goods Sold

	1 April 2023 to 31 December 2023 USD’000	1 April 2022 to 31 March 2023 USD’000
Purchase and other related cost	**30,408,356**	30,722,360
Freight and related cost	**431,081**	21,528
Insurance cost	**580**	96
	30,840,017	30,743,984

19 Employee benefits and expenses

	1 April 2023 to 31 December 2023 USD’000	1 April 2022 to 31 March 2023 USD’000
Salaries and wages	**14,162**	10,454
Employees’ end of service benefits	**497**	423
Medical insurance and related expenses	**631**	515
	15,290	11,392

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements for the period from 1 April 2023 to 31 December 2023

20 Finance cost

	1 April 2023 to 31 December 2023 USD'000	1 April 2022 to 31 March 2023 USD'000
Interest on bills discounted	**26,542**	23,281
Interest on suppliers' credit	**74,673**	-
Interest on export advances	**106,588**	-
Arrangers fee	**2,353**	-
Bank charges	**1,912**	1,757
Forfaiting charges	**13,073**	6,440
Commission on guarantee	**1,405**	459
Interest on lease liabilities (note 7)	**218**	12
	226,764	31,949

21 General and administrative expenses

	1 April 2023 to 31 December 2023 USD'000	1 April 2022 to 31 March 2023 USD'000
Depreciation and amortization	**5,113**	4,075
Professional Fees	**2,391**	2,143
Repairs & maintenance	**1,956**	701
Travelling expense	**1,760**	1,324
Employee welfare expense	**1,618**	638
Telephone expense	**496**	137
Electricity expense	**127**	90
Other Expenses	**3,142**	2,823
Net foreign exchange (gain)/loss	**(57)**	297
	16,546	12,228

22 Capital management

The Company manages its capital to ensure to be able to continue as a going concern while maximising the return on equity. Capital comprises equity funds as presented in the statement of financial position. The Company does not have a formalised optimal target capital structure or target ratios in connection with its capital risk management objectives. The Company is not subject to any externally imposed capital requirements.

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

23 Financial instruments

Classification and fair values

The net carrying amounts and fair values as at the reporting date of financial assets and financial liabilities are as follows:

	At amortised cost		At fair value through profit or loss	
	31 December 2023 USD'000	31 March 2023 USD'000	31 December 2023 USD'000	31 March 2023 USD'000
Financial assets				
Deposits	**2,399**	2,334	-	-
Trade and other receivables	**5,176,562**	1,041,279	**671**	-
Cash and cash equivalents	**28,550**	7,896	-	-
	5,207,511	**1,051,509**	**671**	-
Financial liabilities				
Trade and other payables	**5,007,635**	1,077,969		
Lease liabilities	**12,513**	948	-	-
	5,020,148	**1,078,917**	-	-

Financial risk management objectives

The Company is exposed to the following risks related to financial instruments – credit risk, liquidity risk, interest risk and foreign currency risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company, and arises principally from the Company's trade and other receivables, deposits and bank balances.

The Company's exposure to credit risk is not considered to be significant since majority of the receivables are with a related party. At the end of the reporting period, trade receivables and other current assets (excluding advances and prepayments) and due from related parties are concentrated to related parties. The balances with banks are assessed to have low credit risk of default since the banks are among the major banks operating in the UAE and are highly regulated by the central bank. The following table shows the balances held with banks at the reporting date, based on Fitch's rating:

	31 December 2023 USD'000	31 March 2023 USD'000
Bank rated		
AA	**10**	-
A+	**16,630**	3,343
A	**242**	-
AA-	**11,513**	4,553
BBB-	**155**	-
	28,550	7,896

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of each reporting period was:

	31 December 2023 USD'000	31 March 2023 USD'000
Trade and other receivables	**5,177,233**	1,041,279
Deposits	**2,399**	2,334
Bank balances	**28,550**	7,896
	5,208,182	**1,051,509**

The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

At the reporting date, the Company's maximum exposure to credit risk from such receivables situated outside the UAE is as follows:

	31 December 2023 USD'000	31 March 2023 USD'000
India	**4,365,729**	87,517

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The following are the contractual maturities including estimated payments of undiscounted financial liabilities:

	Current Less than 1 year USD'000	Non-current Greater than 1 year USD'000
31 December 2023		
Trade and other payables *(excluding advance from customer and accrual for employee benefits)*	**5,007,635**	-
Lease Liability	**2,989**	11,642
	5,010,624	11,642
31 March 2023		
Trade and other payables *(excluding advance from customer and accrual for employee benefits)*	**1,077,969**	-
Lease Liability	**434**	597
	1,078,403	597

RELIANCE INTERNATIONAL LIMITED

Notes to the financial statements
for the period from 1 April 2023 to 31 December 2023

Currency risk
Currency risk is the risk that the values of financial instruments will fluctuate because of changes in foreign exchange rates.

A majority of the Company's transactions are in USD or currencies that are pegged to the USD (AED) and therefore the Company is not exposed to significant foreign currency risks.

Interest Rate risk
Interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in market interest rates.

The credit facilities are subject to fixed interest rates except for advance received from customers which carry interest at variable rate. Reasonably possible changes to interest rates at the reporting date are unlikely to have had a significant impact on profit or equity.

Fair value measurements

Management considers that the fair values of financial assets and financial liabilities approximate their carrying amounts as stated in the financial statements.

24 Comparative Information

Current year's figures are for a period of nine months from 1 April 2023 to 31 December 2023 and hence, are not strictly comparable with those of the previous year which are for a period of 12 months from 1 April 2022 to 31 March 2023.

25 Contingent liabilities

	31 December 2023 USD'000	**31 March 2023 USD'000**
Performance Guarantee/Stand-by letters of credit	**366,273**	-
Documentary letters of credit	**107,890**	110,340

26 Corporate Income Tax

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the 'CT Law') to enact a Federal corporate tax ('CT') regime in the UAE. The CT Law is effective for the financial years beginning on or after 1 June 2023. Decision No. 116 of 2022 specifies the threshold of income (as AED 375,000) over which a corporate tax of 9% would apply and accordingly, the CT Law is now considered to be substantively enacted.

For the Company, current taxes shall be accounted for as appropriate in the financial statements for the accounting period beginning 1 April 2024.

The Company is currently assessing the impact of these laws and regulations and will apply the requirements as further guidance is provided by the relevant tax authorities.