RELIANCE TERRATECH HOLDINGS LLC

Financial Statements
for the year ended 31st December, 2023

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of RELIANCE TERRATECH HOLDINGS LLC
Report on the Audit of the Special Purpose Consolidated Financial Statements

Opinion

We have audited the accompanying special purpose consolidated financial statements of **RELIANCE TERRATECH HOLDINGS LLC** (hereinafter referred to as "the Company" "RTTHLLC" or "the Holding company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st December 2023, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose consolidated financial statements give a true and fair view in conformity with the recognition and measurement principles of Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st December 2023, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose consolidated financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the special purpose Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the special purpose consolidated financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the special purpose consolidated financial statements.

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

- As informed to us, there is no information other than the special purpose consolidated financial statements. Consequently, in our opinion, the reporting requirement under SA 720 "The Auditor's Responsibilities Relating to Other Information" are not applicable.

Management's Responsibility for the Special Purpose Consolidated Financial Statements

The Company's Board of Directors is responsible with respect to the preparation of these special purpose consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the special purpose consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the special purpose consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Special Purpose Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose consolidated 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 SAs 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 special purpose consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the special purpose consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group 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 special purpose consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the special purpose consolidated financial statements, including the disclosures, and whether the special purpose consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the special purpose consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the special purpose consolidated financial statements of such entities included in the special purpose consolidated financial statements of which we are the independent auditors. For the other entities included in the special purpose consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the special purpose consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the special purpose consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the special purpose consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the special purpose consolidated financial statements of which we are the independent auditors 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Reporting Requirements

We further report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

Restriction on Distribution and Use

These special purpose consolidated financial statements have been prepared for the limited purpose of preparation of the Consolidated Financial Statements of Reliance Industries Limited, the Ultimate Parent Company of RTTHLLC. As a result, these special purpose consolidated financial statements may not be suitable for another purpose. Our report is intended solely for the use of the Company and should not be distributed to or used by other parties.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W / W - 100018)

Abhijit A. Damle
(Partner)
(Membership No. 102912)
UDIN: 24102912BKEPEW2840

Place: Mumbai
Date: 16th April 2024

Reliance TerraTech Holdings LLC

Consolidated Balance Sheet as at 31st December, 2023

(amounts in US Dollars)

Particulars	Notes	As at 31st December, 2023	As at 31st December, 2022
ASSETS			
Non - Current assets			
(a) Property, Plant and Equipment	3	10,660	-
(b) Financial Assets			
Investments	4	-	-
Total Non-Current assets		**10,660**	**-**
Current assets			
(a) Financial Assets			
Cash and Cash Equivalents	5	114,421	41,160
Other Financial Assets	6	2,721,209	-
		2,835,630	**41,160**
(b) Other Current Assets	7	831	-
Total Current assets		**2,836,461**	**41,160**
Total Assets		**2,847,121**	**41,160**
EQUITY AND LIABILITIES			
Equity			
(a) Member's contribution	8	297,065	339,465
(b) Share of net income	9	(298,800)	(298,305)
Total equity		**(1,735)**	**41,160**
Liabilities			
Current Liabilities			
Financial Liabilities			
Short Term Borrowings	10	2,700,000	-
Trade payables	11	67,338	-
Other Financial Liabilities	12	81,518	-
Total current liabilities		**2,848,856**	**-**
Total liabilities		**2,848,856**	**-**
Total Equity and Liabilities		**2,847,121**	**41,160**
Corporate information and Material Accounting Policies and Notes to the Consolidated Financial Statements	1 to 21		

As per our report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912
Place: Mumbai
Date: April 16, 2024

For and on behalf of the board

Nilesh Mehta
Director

Frisco, TX, USA
Date: April 15, 2024

Reliance TerraTech Holdings LLC

Consolidated Statement of Profit and Loss for the year ended 31st December, 2023

(amounts in US Dollars)

	Notes	2023	2022
INCOME			
Other Income	13	1,445	370
Total Income		**1,445**	**370**
EXPENSES			
Employee Benefits Expense	14	2,881,548	-
Depreciation Expense	3	3,330	-
Finance Cost	15	105,338	414
Operating and Other expenses	16	356,582	-
Total Expenses		**3,346,798**	**414**
Less: Reimbursement		**(3,344,858)**	**-**
(Loss) before tax		**(495)**	**(44)**
Tax expenses		**-**	-
(Loss) after tax		**(495)**	**(44)**
Other Comprehensive Income (OCI)		**-**	**-**
Total Comprehensive (Loss) for the year		**(495)**	**(44)**

Corporate information and Material Accounting Policies and Notes to the Consolidated Financial Statements — 1 to 21

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912
Place: Mumbai
Date: April 16, 2024

For and on behalf of the board

Nilesh Mehta
Director

Frisco, TX, USA
Date: April 15, 2024

Reliance TerraTech Holdings LLC

Consolidated Statement of Changes in Equity for the year ended 31st December, 2023

(amounts in US Dollars)

(A) EQUITY SHARE CAPITAL

Balance at 1st January, 2022	**339,465**
Changes in equity share capital during the year	-
Balance at 31st December, 2022	**339,465**
Repayment of equity *	(42,400)
Balance at 31st December, 2023	**297,065**

* During the year, Reliance TerraTech Holdings LLC repaid share capital to Reliance Marcellus LLC (the holding company)

(B) OTHER EQUITY

Year ended 31st December, 2022	
Balance as at 01 January, 2022	(298,261)
(Loss) for the year	(44)
Balance as at 31 December, 2022	**(298,305)**
Year ended 31 December, 2023	
Balance as at 01 January, 2023	(298,305)
(Loss) for the year	(495)
Balance as at 31 December, 2023	**(298,800)**

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the board

Abhijit A. Damle
Partner
Membership No.102912
Place: Mumbai
Date: April 16,2024

Nilesh Mehta
Director

Frisco, TX, USA
Date: April 15, 2024

Reliance TerraTech Holdings LLC

Consolidated Cash Flow Statement for the year ended 31st December, 2023

(amounts in US Dollars)

			2023	2022
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Loss before tax as per Statement of Profit and Loss		**(495)**	**(44)**
	Adjusted for:			
	Finance Cost		105,338	414
	Reversal of provision for diminution in value of investment		(1,445)	(370)
	Depreciation expense		3,330	-
	Operating Profit before Working Capital Changes		**106,728**	**-**
	Adjusted for			
	Trade and Other Receivables	(2,722,040)		
	Trade and Other Payables	148,856		
			(2,573,184)	-
	Cash (used in) Operations		**(2,466,456)**	-
	Taxes Paid		**-**	-
	Net cash (used in) Operating Activities (A)		**(2,466,456)**	**-**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Property,Plant and Equipment		(13,990)	-
	Repayment of capital by Partnership		1,445	370
	Net Cash (used in)/ generated from Investing Activities (B)		**(12,545)**	**370**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from Long Term Borrowings		2,700,000	-
	Repayment of equity		(42,400)	-
	Finance Cost paid		(105,338)	(414)
	Net Cash generated from/(used in) Financing Activities (C)		**2,552,262**	(414)
	Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)		**73,261**	**(44)**
	Opening Balance of Cash and Cash Equivalents		**41,160**	**41,204**
	Closing Balance of Cash and Cash Equivalents (Refer Note 5)		**114,421**	**41,160**

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912
Place: Mumbai
Date: April 16,2024

For and on behalf of the board

Nilesh Mehta
Director

Frisco, TX, USA
Date: April 15, 2024

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

1. GENERAL INFORMATION

A. Reliance TerraTech Holdings LLC (Formerly Reliance Eagleford Upstream GP LLC (the "Company", "RTTHLLC") was incorporated as a Texas limited liability company on 17 June, 2010) . The Company changed its name from Reliance Eagleford Upstream GP LLC to Reliance TerraTech Holdings LLC with effect from 23rd Sep 2022. Principal office of the Company is situated at 3010, Gaylord PKWY STE 150,FRISCO,Texas 75034-8602.

RTTHLLC and its subsidiaries (together referred to as the "Group") are engaged in the business of providing manpower support services to other group company.

On 26 September, 2022, the Company incorporated two wholly owned subsidiaries, namely Reliance NeuComm LLC and Reliance UbiTek LLC, Texas Limited Liability Companies.

2.1 STATEMENT OF COMPLIANCE

The special purpose consolidated financial statements ("consolidated financial statements") have been prepared for the limited purpose of consolidation into Reliance Industries Limited, the ultimate holding company, in accordance with the recognition and measurement principles of Indian Accounting Standards ('Ind AS'), notified under section 133 of the Companies Act, 2013, read together with Companies (Indian Accounting Standards) Rules, 2015.

2.2 BASIS OF PREPARATION AND PRESENTATION

The consolidated financial statements have been prepared on the historical cost convention and on accrual basis of accounting except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting polices below. The accounting policies have been applied consistently over all period presented in these financial statement.

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 addition, for financial reporting purposes, fair value measurement are categorised within the fair value hierarchy into Levels 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:

i. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
ii. 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
iii. Level 3 inputs are unobservable inputs for the asset or liability.

2.3 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

i. Has power over the investee;
ii. Is exposed, or has rights, to variable returns from its involvement with the investee; and
iii. has the ability to use its power over the investee to affect the amount of the investors' returns.

The Company reassesses whether or not it controls an investee if the facts and circumstances indicate that there are any changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

i. the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
ii. potential voting rights held by the Company, other vote holders or other parties;
iii. rights arising from other contractual arrangements including contractual arrangement with the other vote holders of the investee;
iv. any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and other events in similar circumstances, appropriate adjustments are made to that group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the group’s accounting policies.

2.4 CONSOLIDATION PROCEDURE

(a) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions in accordance with Ind AS 110 ”Consolidated Financial Statements”.

(b) Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipments, are eliminated in full. Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements.

(c) Offset (eliminate) the carrying amount of the parent’s investment in each subsidiary and the parent’s portion of equity of each subsidiary.

(d) A change in the ownership interest in existing subsidiaries, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it:

i. Derecognises the assets(including goodwill) and liabilities of the subsidiary
ii. Derecognises the carrying amount of any non- controlling interests
iii. Derecognises the cumulative translation difference recorded in equity
iv. Recognises the fair value of the consideration received
v. Recognises the fair value of any investment retained
vi. Recognises any surplus or deficit in consolidated Statement of Profit and Loss
vii. Reclassifies the parent’s share of components previously recognised in Other Comprehensive Income (OCI) to Profit or Loss or retained earnings, as appropriate, as would be required if the Company had directly disposed off the related assets or liabilities.

(e) The Company’s consolidated financial statements are presented in USD which is its functional currency. For each entity the Company determines the functional currency and items included in the financial statements of each entity are measured using the functional currency. The Company uses the line-by-line method of consolidation.

(f) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

(g) Non Controlling Interest’s share of net profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

(h) Non Controlling Interest’s share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company’s shareholders.

2.5 SUMMARY OF MATERIAL ACCOUNTING POLICIES

A. Borrowing Costs:

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised as a part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

B. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are not recognised but disclosed in the financial statement only where inflow of economic benefit is probable.

C. Taxation:

The Company on a standalone basis is not a tax paying entity for federal or state income tax purpose and accordingly it does not recognize any expense for such taxes. The income tax liability from Company's activities is the responsibility of the Holding Company as it will be filing consolidated tax return for all its subsidiaries.

D. Revenue Recognition:

Revenue is recognized based on the delivery of performance obligation and assessment of when control of promised goods / services is transferred to a customer, at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods / services. Revenue is measured at the amount of the transaction price allocated to that performance obligation.

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

E. Impairment of Investment:

Assets representing investment in partnership is reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

Impairment losses, if any, are recognized in the Statement of Profit and Loss. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

F. Property, Plant and Equipment and Intangible Assets:

The Group is carrying values of property, plant and equipment at cost less accumulated depreciation/amortisation. Depreciation/amortisation is provided on straight line method (SLM) based on management estimated useful lives of the assets as under. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Particulars	Useful Life
Computer and Equipments	4 years

G. Financial Instruments:

I. Non-derivative financial instruments

i. Financial Assets.

a. Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular purchase and sale of financial assets are recognised using trade date accounting.

b. Subsequent measurement

Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

c. Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

(a) Financial assets at amortised cost

(b) Financial assets measured at fair value through Other Comprehensive Income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

ii. Financial liabilities

a. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

b. Subsequent measurement

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

II. De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. On derecognition of a financial asset, the difference between the carrying amount and the consideration received is recognised in the Statement of Profit and Loss. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid is recognised in the Statement of Profit and Loss.

III. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realisation on future date.

2.6 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINITY:

In the application of the Group's accounting policies, the managers of the Company are required to make judgements, estimates and assumptions about the carrying amount of the assets and liability 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.

Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

(amounts in US Dollars)

Description	Gross				Depreciation				Net Block	
	As at 1-Jan-23	Additions	Deduction /Adjustment	As at 31-Dec-23	Up to 1-Jan-23	For the year	Deduction /Adjustment	Up to 31-Dec-23	As at 31-Dec-23	As at 31-Dec-22
3. Property, Plant and Equipment										
Tangible Assets :										
Own Assets :										
Computer and Equipment	-	13,990	-	13,990	-	3,330	-	3,330	10,660	-
Total	**-**	**13,990**	**-**	**13,990**	**-**	**3,330**	**-**	**3,330**	**10,660**	**-**

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

(amounts in US Dollars)

		As at 31st December, 2023	As at 31st December, 2022
4	**NON CURRENT INVESTMENTS**		
	Capital contribution in Reliance Eagleford Upstream Holding LP (REUHLP), a Partnership #	-	293,073
	Less: Provision for impairment	-	(293,073)
	TOTAL	**-**	**-**

During the current year REUHLP, a partnership has been merged with RMLLC w.e.f. 15th August 2023. Accordingly, consideration received upon merger of USD 1,445 has been accounted as Other Income.

		As at 31st December, 2023	As at 31st December, 2022
5	**CASH AND CASH EQUIVALENTS**		
	Balance with a bank	114,421	41,160
	TOTAL	**114,421**	**41,160**

		As at 31st December, 2023	As at 31st December, 2022
6	**OTHER FINANCIAL ASSETS**		
	(Unsecured and considered good)		
	Other Receivable (Refer Note 17)	2,721,209	-
	TOTAL	**2,721,209**	**-**

		As at 31st December, 2023	As at 31st December, 2022
7	**OTHER CURRENT ASSETS**		
	Prepaid Insurance	831	-
	TOTAL	**831**	**-**

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

(amounts in US Dollars)

		As at 31st December, 2023	As at 31st December, 2022
8	**MEMBER'S CONTRIBUTION**		
	Reliance Marcellus LLC - (100% ownership interest)	297,065	339,465
	TOTAL	**297,065**	**339,465**

		As at 31st December, 2023	As at 31st December, 2022
9	**SHARE OF NET INCOME**		
	Opening Balance	(298,305)	(298,261)
	Add: (Loss) for the year	(495)	(44)
	TOTAL	**(298,800)**	**(298,305)**

		As at 31st December, 2023	As at 31st December, 2022
10	**SHORT TERM BORROWINGS**		
	Unsecured		
	Loan from RIL, USA (Refer Note 17)	2,700,000	-
	TOTAL	**2,700,000**	**-**

10.1 As at 31st December 2023, the Company had outstanding unsecured borrowing of $ 2.7m. The effective interest rates during the period varied between 5.02% and 6.17%. The maturity of the facility is June 30, 2024 and as such it is shown as a current borrowings

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

(amounts in US Dollars)

		As at 31st December, 2023 Amount	As at 31st December, 2022 Amount
11	**TRADE PAYABLES**		
	Trade Payables	67,338	-
	TOTAL	**67,338**	**-**

11.1 Trade Payables ageing schedule

a. As at 31st December, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade Payables - Others	64,221	3,117	-	-	-	-	67,338
Total	64,221	**3,117**	**-**	**-**	**-**	**-**	**67,338**

		As at 31st December, 2023 Amount	As at 31st December, 2022 Amount
12	**OTHER FINANCIAL LIABILITIES**		
	Interest payable (Refer Note 17)	81,518	-
	TOTAL	**81,518**	**-**

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

(amounts in US Dollars)

		2023	2022
13	**OTHER INCOME**		
	Reversal of provision for diminution in value of investment	1,445	370
	TOTAL	**1,445**	**370**

		2023	2022
14	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries and Wages	2,549,405	-
	Contribution to various funds	62,765	-
	Staff Welfare Expenses	269,378	
	TOTAL	**2,881,548**	**-**

		2023	2022
15	**FINANCE COST**		
	Interest on loan from related party (Refer Note 17)	103,398	-
	Bank Charges	1,940	414
	TOTAL	**105,338**	**414**

		2023	2022
16	**OPERATING AND OTHER EXPENSES**		
	Legal and Professional Fees	6,113	-
	Travel	53,669	-
	Audit Fees	42,000	-
	Recruitment expenses	237,672	-
	Miscellaneous Expenses	17,128	-
	TOTAL	**356,582**	**-**

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

(amounts in US Dollars)

17 RELATED PARTY

As per Ind AS 24, list of related parties where control exists and related parties with whom transactions have taken place and relationships are given below:

Name of the related party	Relation
Reliance Industries Limited	Ultimate Holding Company (control exists)
Reliance Eagleford Upstream holding LP	Fellow subsidiary
RIL USA Inc	Fellow subsidiary
Reliance Marcellus LLC	Holding Company (control exists)
Reliance Jio Global Resources LLC	Fellow subsidiary

Name of the related party	Balance as at year end	As at 31 December 2023	As at 31 December 2022
RIL USA Inc	Short Term Borrowings	2,700,000	-
RIL USA Inc	Interest Payable	81,518	-
Reliance Jio Global Resources LLC	Other receivables	2,721,209	-

Name of the related party	Nature of transactions	2023	2022
Reliance Eagleford Upstream Holding LP	Repayment of capital by partnership	1,445	370
Reliance Marcellus LLC	Repayment of capital towards partnership interest	42,400	-
RIL USA Inc	Interest on loan	103,398	-
Reliance Jio Global Resources LLC	Reimbursement of expenses	3,344,858	-

18 SEGMENT REPORTING

The Group is engaged in the business of providing manpower support services to other group company in the United States of America. Consequently, there is a single business and geographical segment.

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

(amounts in US Dollars)

19 CAPITAL MANAGEMENT

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

a) Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

b) Proactively manage group exposure in forex, interest and commodities to mitigate risk to earnings.

c) Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

Capital structure is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

20 FINANCIAL INSTRUMENTS

Valuation
All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

Fair Value Measurement Hierarchy:

Particulars	31st December, 2023				31st December, 2022			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amotised Cost								
Trade Receivables	-	-	-	-	-	-	-	-
Cash and Bank Balances	114,421	-	-	-	-	-	-	-
Other Financial Assets	2,721,209	-	-	-	-	-	-	-
Financial Liabilities								
At Amortised Cost								
Trade Payables	67,338	-	-	-	-	-	-	-
Interest Payable	81,518	-	-	-	-	-	-	-

The financial instruments are categorized into two levels based on inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and
Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable for the asset or liability. The Company in an earlier year had used valuation techniques which included net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist, Black-Scholes and polynomial option pricing models and other valuation models. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The value of the investment determined by the Company in the earlier year using price of recent investment method, Discounted Cash Flow Model and the future cash flows provided by one of the Investee Company, approximates the value as the year-end since there are no changes in the cash flows and investment balances.

Reliance TerraTech Holdings LLC

Notes to the Consolidated Financial Statements for the year ended 31 December, 2023

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the Company.

Credit risk arises from Company's activities in investments and outstanding receivables from customers.

Except for the amount owing to immediate holding company, the Company has no significant concentration of credit risk with third parties. The Company has policies in place to ensure that sales of products are made to customers with an appropriate credit history.Cash is held with a reputable financial institution. The carrying amount of financial asset recorded in the financial statement represents the Company's maximum exposure to credit risk .

Liquidity Risk

Considering the fact that the Company does not have material amounts of non current assets (consist of Withholding tax credit) coupled with the fact that the services are rendered exclusively to Holding Company, the Company is not exposed to a significant liquidity risk.

21 The financial statements are approved for issue by the Company's Board of Directors on April 15,2024

For and on behalf of the board

Nilesh Mehta
Director

Frisco, TX, USA
Date: April 15, 2024