RELIANCE ETHANE HOLDING PTE LTD

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF RELIANCE ETHANE HOLDING PTE LTD
Report on the Financial Statements

We have audited the accompanying financial statements of Reliance Ethane Holding Pte Ltd (the "company"), which comprise the statement of financial position of the company as at March 31, 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the company for the financial period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 18.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statementsthat give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at March 31, 2015 and of the results, changes in equity and cash flows of the company for the financial period from date of incorporation on September 4, 2014 to March 31, 2015.

Report on Other Legal and Regulatory Requirements

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

Public Accountants and
Chartered Accountants

Singapore

Date: 14 April, 2015

STATEMENT OF FINANCIAL POSITION MARCH 31, 2015

	Note	2015 $
ASSETS		
Current assets		
Cash and cash equivalents		53,540
Amount owing from subsidiaries	5	18,976
Total current assets		72,516
Non-current assets		
Investment in subsidiaries	6	121,185,600
Total assets		**121,258,116**
LIABILITIES AND EQUITY		
Current Liabilities		
Other Payables		750
Capital and reserves		
Share capital	7	121,260,000
Accumulated losses		(2,634)
Total equity		**121,257,366**
Total liabilities and equity		121,258,116

See accompanying notes to financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Financial Period from September 4, 2014 (Date of Incorporation) to March 31, 2015

	Note	2015 $
Other operating expenses,		
representing loss before tax		(2,634)
Income tax	8	-
Loss for the year, representing total		
comprehensive income for the financial period		(2,634)

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN EQUITY
Financial Period from September 4, 2014 (Date of Incorporation) to March 31, 2015

	Share capital $	Accumulated losses $	Total $
Issue of shares on September 4, 2014 (date of incorporation)	100	-	100
Issue of share capital	121,259,900	-	121,259,900
Loss for the year, representing total comprehensive income for the year	-	(2,634)	(2,634)
At March 31, 2015	121,260,000	(2,634)	121,257,366

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS
Financial Period from September 4, 2014 (Date of Incorporation) to March 31, 2015

	2015
	$
Cash flows from operating activities	
Loss before income tax, representing operating	
Cash flows before working capital changes	(2,634)
Other Payables	750
Amount due from subsidiaries	(18,976)
Net cash used in operating activities	(20,860)
Cash flows from investing activities	
Investment in subsidiaries, representing	
Net cash used in investing activity	(121,185,600)
Cash flows from financing activities	
Proceeds from issuance of ordinary shares,	
Representing net cash from financing activities	121,260,000
Net increase in cash and cash equivalents, representing	
cash and cash equivalents at the end of the financial period	53,540

See accompanying notes to financial statement

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015

1 GENERAL

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

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

The financial statements of the company for the financial period ended March 31, 2015 were authorised for issue by the Board of Directors onApril 14, 2015.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102, leasing transactions that are within the scope of FRS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 or value in use in FRS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS – Since the date of incorporation, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after September 4, 2014. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the amounts reported for the current or prior year.

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

- *FRS 109 Financial Instruments*
- *FRS 115 Revenue from Contracts with Customers*
- *Amendments to FRS 1 Presentation of Financial Statements: Disclosure Initiative*
- *Improvements to Financial Reporting Standards (January 2014)*
- *Improvements to Financial Reporting Standards (February 2014)*
- *Improvements to FRSs (November 2014)*

Consequential amendments were also made to various standards as a result of these new/revised standards.

Management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS that were issued but effective in future periods will not have a material impact on the financial statements of the company in the period of their initial adoption.

BASIS OF CONSOLIDATION - Consolidated financial statements of the company and its subsidiary have not been prepared as the company is a subsidiary of Reliance Industries Limited. Publicly available consolidated financial statements are prepared

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

by the company's holding company, Reliance Industries Limited, a company incorporated in the India, whose registered address is at 3rd Floor, Maker Chamber IV, 222 Nariman Point, Mumbai - 400 021, India. The principal place of business is at India.

In the company's financial statements, investment in subsidiaries are carried at cost less any impairment in net recoverable value that have been recognised in profit or loss.

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on 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 instrument, or where appropriate, a shorter period.

Financial assets

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and demand deposits with a related company that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Loan and receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loan and receivables". Loan and receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another 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.

Financial liabilities and equity instruments

Classification as debt or equity

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

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Equity instruments

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

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

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

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

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

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.

DIVIDEND INCOME - Dividend income from investments is recognised when the shareholders' rights to receive payment have beenestablished.

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

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

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

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively been enacted by the end of the reporting period. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly outside profit or loss (either in other comprehensive income or directly in equity), in which case the deferred tax is also dealt with outside profit or loss (either in other comprehensive income or directly in equity).

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Current and deferred tax are recognised as an expense or income in profit or loss.

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

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

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

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are no readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the company's accounting policies and key sources of estimation uncertainty

Management is of the opinion that there are no critical judgements in applying the company's accounting policies that are expected to have a significant effect on the amounts recognised in the financial statements.There are no key sources of estimation uncertainty at the end of the reporting period.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

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

	2015 $
Financial assets	
Loans and receivables (including cash and cash equivalents)	72,516
Financial liabilities	
Payables, at amortised cost	750

The company's overall risk management programme seeks to minimise potential adverse effects on the financial performance of the company. The company is an investment holding company with limited transactions. The company has no exposure to credit risk and interest rates risk and foreign currency risk except for its investments in foreign subsidiaries.

<u>Fair values of financial assets</u>

The carrying amounts of cash and cash equivalents and amount owing from subsidiaries approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The company has sufficient liquidity for working capital requirements.

<u>Capital risk management policies and objectives</u>

The company reviews its capital structure at least annually to ensure that it is able to continue as a going concern. The capital structure of the company comprises issued capital from holding company net of accumulated losses.

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015

5 RELATED COMPANY TRANSACTIONS

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

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

The key management personnel are also directors of the company and there is no directors' remuneration during the financial year. The directors received remuneration from related corporations in their capacity as directors/executives of these related corporations.

6 INVESTMENT IN SUBSIDIARIES

	2015 $
Capital contribution, atcost	121,185,600

Details of the company's subsidiaries at March 31, 2015 are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Proportion of ownership interest and voting power held 2015 %
Ethane Pearl LLC	Republic of the Marshall Islands	Shipping Operations	100
Ethane Crystal LLC	Republic of the Marshall Islands	Shipping Operations	100
Ethane Emerald LLC	Republic of the Marshall Islands	Shipping Operations	100
Ethane Opal LLC	Republic of the Marshall Islands	Shipping Operations	100
Ethane Sapphire LLC	Republic of the Marshall Islands	Shipping Operations	100
Ethane Topaz LLC	Republic of the Marshall Islands	Shipping Operations	100

7 SHARE CAPITAL

	2015 Number of ordinary shares	2015 $
Issued and paid up:		
Issued since the date of incorporation and		
at theend of the year	121,260,000	121,260,000

The company has one class of ordinary shares which have a par value of $ 1 eachwhich carry one vote per share and carry a right to dividends as and when declared by the company.

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015

8 INCOME TAX

The income tax benefit varied from the amount of income tax benefits determined by applying the Singapore tax rate of 17% (2012 : 17%) to loss before tax as a result of following:

	For the financial period from September 4, 2014 (date of incorporation to March 31, 2015 $
Loss before income tax	(2,634)
Income tax expense at statutory rate of 17%	(448)
Tax effect of tax losses not available for carry forward	448
Total income tax expense	-

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

9 COMPARATIVE FIGURES

The financial statements cover the financial period from September 4, 2015 (date of incorporation) to March 31, 2015. This being the first set of financial statements, there are no comparative figures.