Reliance WiMax Limited

March 31, 2021

Independent Auditors' Report

To the Members of Reliance WimaxLimited

Report on the audit of the Financial Statements

Qualified Opinion

1. We have audited the financial statements of**Reliance Wimax Limited**("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss(including other comprehensive income),Statement of Cash flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us,except for the possible effects of the matter described in the Basis for the Qualified opinion section of our report,the aforesaid financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies(Indian Accounting Standards)Rules,2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its loss(including other comprehensive income),changes in equity,cash flows for the year ended on that date.

Basis for Qualified Opinion

3. a) We draw attention to Note No 2.11of the financial statements, wherein the accounts of the Company has been prepared by the management on a Going Concern basis for the reason stated in the aforesaid note.However we are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern assumption in the preparation of the financial statements.

   b) We draw attention to Note 2.18 of the financial statements, wherein the Company has advanced Rs. 5,09,78,853 to Reliance Communication Infrastructure Limited. The Company has considered the advances as good for recovery however we are unable to comment on its ultimate recovery / potential diminution in the value of the advances given.

   c) We draw attention to Note no 2.02to the financial statements.The Company has fixed deposit amounting to Rs. 20,000 whose confirmation has not been received / provided to us. Consequential impact, if any of adjustment upon confirmation/reconciliation of above on the Statement of Profit and Loss as at March 31, 2021are not ascertainable and cannot be commented upon.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's report and shareholders information, but does not include the financial statements and our auditor's report thereon.

5. 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, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the financial Statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equityand cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial Statements

8. 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 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 financial statements.

9. 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company 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 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 achieves fair presentation.

10. 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.

11. 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 Legal and Regulatory Requirements

12. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. As required by Section 143(3) of the Act, we report that:

    a) Except for the matters stated in Basis for Qualified Opinion section, 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) Except for the matters stated in the Basis for Qualified Opinion section , in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The Balance Sheet, the Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) Except for the matters stated in the Basis for Qualified Opinion section, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;

f) The matters described in Basis for Qualified opinion section,in our opinion may have adverse effect on the functioning of the Company.

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”;

h) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to any of its directors during the year. Hence, the requirement of the Company for compliance under this section is not applicable.

i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. There were no pending litigations which would impact the financial position of the Company.

   ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

Vishal D. Shah
Partner
Membership No.119303
UDIN: 21119303AAAALK5484

Place: Mumbai
Date: June25, 2021

Annexure A to Auditors' Report

Referred to in our Auditors' Report of even date to the members of Reliance Wimax Limitedon the financial statements for the year ended March 31, 2021

(i) The Company does not have fixed assets as on March 31, 2021.Accordingly paragraph 1 (a) (b) (c) of the order is not applicable to the Company.

(ii) As explained to us, there is no physical inventory in existence and hence, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) The Company has not granted any loan, secured or unsecured, to any company, firm, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of Act. Accordingly, provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the applicable provisions of Section 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, Paragraph 5 of the Order is not applicable to the Company.

(vi) As informed to us, the Central Government has not prescribed the maintenance of cost record under sub-section (1) of section 148 of the Act. Accordingly, the clause 6 of the order is not applicable to the Company.

(vii) (a) According to the records of the Company, the Company does not have any statutory dues like Goods and Service Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess etc. except for Income Tax where Company is regular in depositing the income tax dues.

(b) According to the records of the Company, there are no undisputed dues in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax and cess as at March 31, 2021 which were outstanding for a period of more than six months from the date they became payable.

(c) According to the records of the Company, there are no dues of income-tax, sales-tax, works contract tax, service-tax, duty of customs, duty of excise and value added tax as at March 31, 2021 which have not been deposited on account of a dispute.

(viii) During the year the Company has not availed loan from any financial institution or bank or debenture holders hence the reporting requirements under paragraph 3(viii) of the order is not applicable.

(ix) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans hence the reporting requirements under paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company has not paid managerial remuneration during the year and hence, the reporting requirement under paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

Vishal D. Shah
Partner
Membership No.119303
UDIN: 21119303AAAALK5484

Place: Mumbai
Date: June25, 2021

Annexure – B to Auditor's report

[Annexure to the Independent Auditor's Report referred to in paragraph "13(g)" under the heading "Report on other legal and regulatory requirements" of our report of even date on the financial statements ofReliance Wimax Limited for year ended March 31, 2021.]

Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of**Reliance Wimax Limited**("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal financial controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

Based on our audit and information & explanation provided by the management, following material weakness have been observed with regard to internal financial control.

a) The Company needs to strengthen the process of obtaining confirmation and appropriate documentation with respect to confirmation of Fixed Deposit amounting to Rs. 20,000.

b) The Companyin respect of loans and advances given the internal financial controls system needs to be strengthened for credit evaluation, risk assessment and establishing reasonable certainty of ultimate collection of the loans and advances given.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the matters stated in Basis for Qualified Opinion section, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

Vishal D. Shah
Partner
Membership No.119303
UDIN: 21119303AAAALK5484

Place: Mumbai
Date:June25, 2021

Reliance Wimax Limited

Balance Sheet as at March 31, 2021

(Amount in ₹)

Particulars	Notes		As at March 31, 2021		As at March 31, 2020
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	**2.01**		**-**		**-**
Current Assets					
(a) Financial Assets					
(i) Cash and Cash Equivalents	**2.02**	**1 92 482**		2 09 102	
(ii) Other Financial Assets	**2.03**	**5 09 78 853**		5 09 78 853	
		5 11 71 335		5 11 87 955	
			5 11 71 335		5 11 87 955
TOTAL ASSETS			**5 11 71 335**		5 11 87 955
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.04**	**68 70 660**		68 70 660	
(b) Other Equity	**2.05**	**3 22 50 800**	**3 91 21 460**	3 24 43 900	3 93 14 560
Liabilities					
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.06**	**1 00 00 000**		1 00 00 000	
(ii) Other Financial Liabilities	**2.07**	**20 46 125**		18 73 395	
		1 20 46 125		1 18 73 395	
(b) Other Current Liabilities	**2.08**	**3 750**		-	
			1 20 49 875		1 18 73 395
TOTAL EQUITY AND LIABILITIES			**5 11 71 335**		5 11 87 955
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date
For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/ W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

GOURAV RANAWAT SINGH
Director
DIN No :- 08301161

RAKESH GUPTA
Director
DIN No :- 00130829

Place : Mumbai
Date :- June 25, 2021

Place : Mumbai
Date :- June 25, 2021

Reliance Wimax Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Amount in ₹)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**INCOME**			
	Revenue from Operations		-	-
	Other Income		-	-
	Total Income (I)		-	-
II	**EXPENDITURE**			
	General Administration Expenses	2.09	1 93 100	1 05 265
	Total Expenses (II)		1 93 100	1 05 265
III	**Loss before Tax (I - II)**		(1 93 100)	(1 05 265)
IV	Tax expense:			
	Current Tax		-	-
	Deferred Tax		-	-
V	**Loss after Tax**		(1 93 100)	(1 05 265)
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income/(Loss) for the year**		(1 93 100)	(1 05 265)
	Earning per share of face value of ₹ 10 each fully Paid	2.13		
	Basic (₹)		(0.28)	(0.15)
	Diluted (₹)		(0.28)	(0.15)

Significant Accounting Policies	1
Notes on Accounts	2

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date
For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/ W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

GOURAV RANAWAT SINGH
Director
DIN No :- 08301161

RAKESH GUPTA
Director
DIN No :- 00130829

Place : Mumbai
Date :- June 25, 2021

Place : Mumbai
Date :- June 25, 2021

Reliance WiMax Limited

Statement of Change in Equity for the year ended March 31, 2021

A Equity Share Capital (Refer Note 2.04)

(Amount in ₹)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Balance at the begning of the year	**68 70 660**	68 70 660
Change in equty share capital during the year	**-**	-
Balance at the end of the year	**68 70 660**	68 70 660

B Other Equity (Refer Note 2.05)

(Amount in ₹)

Particular	**Securities Premium**	**General Reserve**	**Retained Earnings**	**Other Comprehensive Income**	**Total**
Balance as at April 01, 2019	25 44 42 554	46 78 000	(22 65 57 910)	(13,479)	3 25 49 165
Add : Loss for the year	-	-	(1 05 265)	-	(1 05 265)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2020	**25 44 42 554**	**46 78 000**	**(22 66 63 175)**	**(13 479)**	**3 24 43 900**
Add : Loss for the year	-	-	(1 93 100)	-	(1 93 100)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2021	**25 44 42 554**	**46 78 000**	**(22 68 56 275)**	**(13 479)**	**3 22 50 800**

The accompanying statement of changes in equity should be read in conjunction with the accompanying notes (1-2).

As per our report of even date
For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/ W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

GOURAV RANAWAT SINGH
Director
DIN No :- 08301161

RAKESH GUPTA
Director
DIN No :- 00130829

Place : Mumbai
Date :- June 25, 2021

Place : Mumbai
Date :- June 25, 2021

Reliance Wimax Limited

Statement of Cash Flow for the year ended March 31, 2021

(Amount in ₹)

	Particulars		For the year ended March 31, 2021		For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Loss before tax as per Statement of Profit and Loss		**(1 93 100)**		(1 05 265)
	Adjusted for:				
	Remeasurement Gain/Loss of defined benefit plan (Net of Tax)	**-**		-	
	Operating Profit/(Loss) before Working Capital Changes		**(1 93 100)**		(1 05 265)
	Adjusted for:				
	Receivable and Other Advances				
	Trade Payable and Other Liabilities	**1 76 480**		98 115	
			1 76 480		98 115
	Cash (Used in) Operations		**(16 620)**		(7 150)
	Tax Refund	**-**		-	
	Tax Paid	**-**		-	
	Net Cash from Operating Activities		**(16 620)**		(7 150)
B	**CASH FLOW FROM INVESTING ACTIVITIES**		**-**		-
	Net Cash Generated from Investing Activities		**-**		-
C	**CASH FLOW FROM FINANCING ACTIVITIES**		**-**		-
	Net Cash Generated from / (used in) Financing Activities		**-**		**-**
	Net Increase in Cash and Cash Equivalents		**(16 620)**		(7 150)
	Opening Balance of Cash and Cash Equivalents		**2 09 102**		2 16 252
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.02)		**1 92 482**		2 09 102

Note:

(1) Figures in brackets indicate cash outgo.

(2) Cash and cash equivalents includes bank balances including Fixed Deposits with Bank.

(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 "Statement of Cash Flow".

The accompanying statement of cash flow should be read in conjunction with the accompanying notes (1-2).

As per our report of even date
For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/ W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

GOURAV RANAWAT SINGH
Director
DIN No :- 08301161

RAKESH GUPTA
Director
DIN No :- 00130829

Place : Mumbai
Date :- June 25, 2021

Place : Mumbai
Date :- June 25, 2021

Reliance Wimax Limited

Significant Accounting Policies and General Information to the Financial Statements

Note: 1 General Information and Significant Accounting Policy

1.01 General Information

Reliance Wimax Limited ("the Company"), is registered under Companies Act 1956, having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710 and wholly owned subsidiary of Reliance Communications Limited.

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention in accordance with the generally accepted accounting principles (GAAP) in India and Comply with Accounting Standard specified under Section 133 the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates or judgements pertaing to useful life of property, plant and equipment (Note 2.01), current tax expense and payable, recognition of deferred tax assets for carried forward tax losses (Note 2.14).

Useful life of Property, Plant and Equipment including intangible asset: The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Taxes : The Company provides for tax considering the applicable tax regulations and based on reasonable estimates.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets.

The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to absorb such credit during the specified period.

Significant Accounting Policies and General Information to the Financial Statements

Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. 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).

1.04 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company

1.05 Property, Plant and Equipment

(i) Property, plant and equipment (PPE) are stated at cost net of Modvat/ Cenvat less accumulated depreciation, amortisation and impairment loss, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(ii) Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

(iii) On transition to Ind AS, the Company has availed the deemed cost exemption in relation to the Tangible Assets on the date of transition

(v) Depreciation is provided on Straight Line Method based on useful life of the assets prescribed in Schedule II to the Act.

1.06 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.07 Revenue Recognition and Receivables

(i) Revenue is recognised when it is probable that the economic benefits will flow to the Company and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

(ii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Significant Accounting Policies and General Information to the Financial Statements

1.08 Taxes on Income and Deferred Taxes

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are determined by discounting expected future cashflows at the pre tax rate that reflects current market assumptions of time value of money and risk specific to the liability. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.10 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax. The number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average shares considered for deriving Basic Earning per Share and also weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares unless the results would be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(i) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) **Subsequent measurement**

Subsequent measurement of the debt instruments depends on the Company's business model for managing asset and cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

(iii) **Financial Assets measured at amortised cost**

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

a) Asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise to cash flows, on specified dates, that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(iv) **Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) Objective of the business model is achieved both, by collecting contractual cash flows and selling financial assets, and

b) Contractual cash flows of the asset represent SPPI: Debt instruments included within FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment loss and reversal and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using EIR method.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if, doing so reduces or eliminates measurement or recognition inconsistency (referred to as 'accounting mismatch').

(vi) **Equity investments:**

All equity investments in scope of Ind AS 109 "Financial Instruments" are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. For all other equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Group makes such election on instrument by instrument basis. The classification is made on initial recognition, which is irrevocable. If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividend, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Also, the Comapny has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when: (I) Rights to receive cash flows from the asset have expired, or (II) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(viii) **Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. Impairment methodology applied depends on whether there has been a significant increase in the credit risk. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables, as permitted by Ind AS 109. Provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

Financial Liabilities

(i) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables and loans.

(ii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described herein:

(a) **Financial liabilities at Fair Value through Profit or Loss**: Financial liabilities at Fair Value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in Statement of Profit or Loss.

(b**) Financial liabilities measured at amortised cost**: After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gains or losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(iii) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.12 Impairment of Non Financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased/ reversed where there has been change in the estimate of recoverable value. The recoverable value is the higher of the assets’ net selling price and value in use.

1.08 Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and demand deposits with banks and short-term investments with an original maturity of three months or less.

Reliance Wimax Limited
Notes annexed to and forming part of financial statements

2.01 Property, Plant and Equipment (Amount in ₹)

Particulars	Leasehold Improvement	Computers	Electrical Installation	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Total
Gross carrying value								
As at March 31, 2019	44 50 308	81 69 347	2 37 285	23 22 74 437	65 54 983	19 61 483	18 92 510	25 55 40 353
Additions	-	-	-	-	-	-	-	-
As at March 31, 2020	44 50 308	81 69 347	2 37 285	23 22 74 437	65 54 983	19 61 483	18 92 510	25 55 40 353
Accumulated Depreciation								
As at March 31, 2019	44 50 308	81 69 347	2 37 285	23 22 74 437	65 54 983	19 61 483	18 92 510	25 55 40 353
Depreciation for the year	-	-	-	-	-	-	-	-
As at March 31, 2020	44 50 308	81 69 347	2 37 285	23 22 74 437	65 54 983	19 61 483	18 92 510	25 55 40 353
Net carrying value as at March 31, 2020	-	-	-	-	-	-	-	**-**

Particulars	Leasehold Improvement	Computers	Electrical Installation	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Total
Gross carrying value								
As at March 31, 2020	44 50 308	81 69 347	2 37 285	23 22 74 437	65 54 983	19 61 483	18 92 510	**25 55 40 353**
Additions	-	-	-	-	-	-	-	**-**
Deletion	(44 50 308)	(81,69,347.00)	(2,37,285.00)	(23,22,74,437.00)	(65,54,982.74)	(19,61,483.00)	(18,92,510.00)	**(25 55 40 353)**
As at March 31, 2021	**-**							
Accumulated Depreciation								
As at March 31, 2020	44 50 308	81 69 347	2 37 285	23 22 74 437	65 54 983	19 61 483	18 92 510	**25 55 40 353**
Depreciation for the year	-	-	-	-	-	-	-	**-**
Deletion	(44 50 308)	(81,69,347.00)	(2,37,285.00)	(23,22,74,437.00)	(65,54,982.74)	(19,61,483.00)	(18,92,510.00)	**(25 55 40 353)**
As at March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net carrying value as at March 31, 2021	-	-	-	-	-	-	-	**-**

(Amount in ₹)

	Particulars	As at March 31, 2021	As at March 31, 2020
2.02	**Cash and Cash Equivalents**		
	Balance with Banks (Refer Note no. 2.22)	**1 72 482**	1 89 102
	Fixed Deposit (Refer Note no. 2.22)	**20 000**	20 000
		1 92 482	2 09 102
2.03	**Other Financial Assets**		
	Advances to Related Parties (Unsecured,Considered good)	**5 09 78 853**	5 09 78 853
		5 09 78 853	5 09 78 853
2.04	**Share Capital**		
	Authorised		
	Equity		
	15 00 000 (15 00 000) Equity Shares of ₹ 10 each	**1 50 00 000**	1 50 00 000
	Preference		
	20 00 000 (20 00 000) Preference Shares of ₹ 10 each	**2 00 00 000**	2,00,00,000
		3 50 00 000	3 50 00 000
	Issued, Subscribed and Paid up		
	6 87 066 (6 87 066) Equity Shares of ₹ 10 each fully paid up	**68 70 660**	68 70 660
		68 70 660	68 70 660

Equity Shares

a) All the 6 87 066 shares are held by Reliance Communications Limited, the Holding Company & its nominees.

b) **Terms/rights attached to equity shares**
The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after the distribution of all the preferential amounts, in proportion to their shareholdings.

Preference Shares

a) All the 10 00 000 shares are held by Reliance Communications Limited, the Holding Company & its nominees.

b) **Terms/rights attached to preference shares**
7.5% Redeemable Non cumulative Non Convertible Preference Shares shall be redeemed at the end of 20 (twenty) years from the date of allotment or as mutually agreed by both the parties. The above shares shall be redeemed at 7.5% yield p.a. on face value.

Reconcilation of shares outstanding at the beginning and at the end of the reporting year.

Equity shares	**No. of Shares**	**Amount**
At the beginning of the year	**6 87 066**	**68 70 660**
Add/ (Less): Changes during the year	**-**	-
At the end of the year	**6 87 066**	**68 70 660**

7.5% Redeemable Non Cumulative Non Convertible Preference Shares	**No. of Shares**	**Amount**
At the beginning of the year	**10 00 000**	**1 00 00 000**
Add/ (Less): Changes during the year	**-**	**-**
At the end of the year	**10 00 000**	**1 00 00 000**

Reliance Wimax Limited
Notes annexed to and forming part of financial statements

2.05 Other Equity (Amount in ₹)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at April 01, 2019	25 44 42 554	46 78 000	(22 65 57 910)	(13 479)	3 25 49 165
Add: Loss for the year	-	-	(1 05 265)	-	(1 05 265)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2020	**25 44 42 554**	**46 78 000**	**(22 66 63 175)**	**(13 479)**	**3 24 43 900**
Add: Loss for the year	-	-	(1 93 100)	-	**(1 93 100)**
Add : Other Comprehensive Income during the year	-	-	-	-	**-**
Balance as at March 31, 2021	**25 44 42 554**	**46 78 000**	**(22 68 56 275)**	**(13 479)**	**3 22 50 800**

Reliance Wimax Limited

Notes annexed to and forming part of financial statements

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
2.06 Borrowings		
10 00 000 7.5% Redeemable Non Cumulative Non Convertible Preference Shares (Refer Note 2.04) (10 00 000)	**1 00 00 000**	1 00 00 000
	1 00 00 000	1 00 00 000
2.07 Other Financial Liabilities		
Provision for Expenses	**13,01,651**	11 73 901
Payable to Related Parties	**7,44,474**	6 99 494
	20 46 125	18 73 395
2.08 Other Current Liabilities		
Payable to Tax Authorities	**3 750**	-
	3 750	-

Reliance Wimax Limited
Notes annexed to and forming part of financial statements

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
2.09 General administration Expenses		
Bank Charges	16 620	-
Legal and Professional Fees	6 480	5 265
Directos Sitting Fees	70 000	-
Payment to Auditors	1 00 000	1 00 000
	1 93 100	**1 05 265**

Notes annexed to and forming part of financial statements

2.10 Previous Year

The figures of the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupees.

2.11 Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. The management believes that it is appropriate to prepare these financial statements on 'going concern' basis. During the earlier year, License issued by Department of Telecommunications, for providing Internet services had expired but Management proposes to enter into trading activity and/ or any other activity utilizing the resources of the Company.

2.12 Contingent Liabilities	**As at March 31, 2021**	As at March 31, 2020
Bank guarantees and letters of credit	**2 20 00 000**	2 20 00 000

2.13 Earnings per Share (EPS)

(Amount in ₹)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Loss attributable to Equity share holders (Numerator - Profit after tax) (₹)	**(1 93 100)**	(1 05 265)
Denominator - Weighted number of equity shares	**6 87 066**	6 87 066
Basic as well as diluted, earning per equity share (₹)	**(0.28)**	(0.15)

(Amount in ₹)

2.14 Deferred Tax Assets (net)	**As at March 31, 2020**	As at March 31, 2020
Related to carried forward losses	**-**	-
Related to Capital Loss	**-**	-
Related to timing difference on depreciation of Fixed Assets	**-**	-
Total Deferred Tax Assets	**-**	-

Significant management judgement considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. As the Company is not carrying business activites, all the expenses incurred is disallowed, hence there is no deferred tax asset as on March 31, 2021.

(a) Amounts recognised in profit and loss

(Amount in ₹)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax	-	-
Tax for earlier years	-	-
Tax expense for the year	**-**	**-**
(b) Amounts recognised in other comprehensive income.	**Nil**	Nil
(c) Reconciliation of Tax Expenses		
Loss before Tax	(1,93,100)	(1,05,265)
Applicable Tax Rate	26%	26%
Computed Tax Expenses (I)	(50,206)	(27,369)
Add: Expenses not considered for taxable profit	50,206	27,369
	-	-

2.15 Segment Reporting

Since, the Company currently does not have any business operations, hence there are no reportable Segments as per Ind AS-108 "Operating segment".

2.16 Post Reporting Events

The above contingent liability of Rs. 2,00,00,000 has not been renwed subsequent to balance sheet date.

Notes annexed to and forming part of financial statements

2.17 Related Parties :

As per Ind AS- 24, issued by the Institute of Chartered Accountants of India, the disclosures of transaction with the related parties as defined in the Accounting Standard are given below

a) **Name of the Related Party** — **Relationship**

	Name of the Related Party	Relationship
i	Reliance Innoventures Private Limited	Ultimate Holding Company
ii	Reliance Communications Limited	Holding Company
iii	Reliance Communications Infrastructure Limited	Fellow Subsidiary Company
iv	Globalcom IDC Limited	Fellow Subsidiary Company

b) **Transactions during the year with related parties :**

(Amount in ₹)

Sr. No.	Nature of Transactions	Holding Company		Fellow Subsidiary Company		Total
1	**Other Financial Liabilities**	**6 99 494**		**46 480**		**7 45 974**
		(6 99 484)		(-)		(6 99 484)
2	**Advances to Related Parties**			**5 09 78 853**		**5 09 78 853**
				(5 09 78 853)		(5 09 78 853)
3	**Preference Shares Issued (7.5% Redeemable Non Cumulative Non Convertible)**	**1 00 00 000**		(-)		**1 00 00 000**
		(1 00 00 000)		(-)		(1 00 00 000)

c) **Details of Material Transaction with Related Party**

(Amount in ₹)

Particulars	March 31, 2021		March 31, 2020
Transaction during the year			
Reimbursement of expenses (net)			
Globalcom IDC Limited	**46 480**		**-**
Balance Sheet (Closing Balance)			
Other Financial Liabilities			
Reliance Communications Infrastructure Limited	**6 99 494**		
Globalcom IDC Limited	**46 480**		-
Othr Financial Assets			
Reliance Communications Infrastructure Limited	**5 09 78 853**		**5 09 78 853**
Borrowings			
Reliance Communications Limited	**1 00 00 000**		1 00 00 000

Note : 2.18

The Company has given an advance of Rs. 5,09,78,853 to its fellow subsidiary M/s Reliance Communication Infrastructure Limited. Since, the advance is given to the Group Company the same is considered as good and fully recoverable.

Note : 2.19

1 **Financial Instruments**

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash , trade and other short term receivables, trade payables, other financial liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Notes annexed to and forming part of financial statements

There is no fair valuation of Financial Instruments. The carrying value of the financial instruments by categories were as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**1 92 482**	2 09 102
Other Financial Assets (Refer Note 2.03)	**5 09 78 853**	5 09 78 853
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:		
Borrowings (Refer Note 2.06)	**1 00 00 000**	1 00 00 000
Other Financial Liabilities (Refer Note 2.07)	**20 46 125**	18 73 395
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 Financial Risk Management Objectives and Policies

The Company's financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability or assets.

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company doesnot have any contractual maturities of financial liabilities.

Note : 2.20

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholers value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Compant monitors on regular basis.

		As at March 31, 2021	As at March 31, 2020
(a)	Equity	3 91 21 460	3 93 14 560
(b)	Debt	1 00 00 000	1 00 00 000
(c)	Equity + Debt (a+b)	4 91 21 460	4 93 14 560
(d)	Capital Gearing Ratio (b/c)	20%	20%

Note : 2.21

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors on June 25, 2021.

Reliance Wimax Limited

Notes annexed to and forming part of financial statements
Note : 2.22

Cash and Cash Equivalents

Balance confirmation in respect of Fixed Deposit of Rs. 20,000 had not been obtained, however there has been no transactions during the year.

As per our report of even date
For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/ W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

Place : Mumbai
Date :- June 25, 2021

GOURAV RANAWAT SINGH
Director
DIN No :- 08301161

RAKESH GUPTA
Director
DIN No :- 00130829

Place : Mumbai
Date :- June 25, 2021

Reliance Bhutan Limited

Financial Statements

March 31, 2021

Independent Auditor's Report

To the Members of Reliance Bhutan Limited

Report on the Standalone Financial Statements

Proposed Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Reliance Bhutan Limited** ("*the Company*") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Effects of COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. The COVID-19 outbreak was declared a global pandemic by the World Health Organization. The Indian government had announced countrywide lockdown from 24th March, 2020 which is continued at present. In this nation-wide lock-down period, though all the services across the nation were suspended, some essential services establishments could operate and were exempted from the lock-down.
The management has assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material for and up to March 31, 2021 and there has been no material change in the controls or processes followed in the closing of the financial statements and hence the necessary effects have been captured in the financial statements for the year 2020-2021.
Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.
Our opinion is not modified in respect of the matters described under paragraph above.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)[i] and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and 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 Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility 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 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 financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
b. The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations as at March 31, 2021

ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2021 for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For Priti V Mehta & Company
Chartered Accountants
Firm Regn.No. 129568W

Priti V.Mehta
(Proprietor)
M. No. 130514
UDIN: 21130514AAAACT3061

Place: Mumbai
Date: 24th June, 2021

Reliance Bhutan Limited
Annexure A to Independent Auditor’s Report – 31st March 2021

With reference to the ‘Annexure A’ referred to in the Independent Auditors’ Report to the Members of **Reliance Bhutan Limited** (‘the Company’) on the financial statements for the year ended March 31, 2021, we report the following:

1. The company does not have fixed assets as on 31st March 2021. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.

2. The Company does not have inventories at the end of financial year. Accordingly paragraphs 2 of the orders are not applicable to the company.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other covered in the register maintained under section 189 of the Act. Accordingly paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the company has not given loans, investments, guarantees, and any security under provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph 3(iv) of the Order is not applicable to the Company.

5. In our opinion, and information and explanations given to us, the Company has not accepted deposits as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, Paragraph 3(v) of the Order is not applicable to the Company.

6. The Central Government has not prescribed maintenance of cost records under Sub-Section (1) of section 148 of the Companies Act, 2013. Accordingly the clause 3(vi) is not applicable.

7. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, goods and services tax, income tax, cess, and other material statutory dues applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, income tax, and cess were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

8. The company has not raised loans from Financial Institutions or Banks or Government or debenture holders. Hence clause 3(viii) of the order requiring comment on repayment of the dues to them is not applicable.

9. In our opinion and according to the information and explanations given to us, the company has not raised money by way of Initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of Clause 3(ix) of the order is not applicable to the company.

10. According to the information and explanations given to us, no significant fraud on or by the company by its officers or employees, that causes a material misstatement to the financial statements, has been noticed or reported during the year.

11. According to the information and explanations given to us, the company has not paid or provided managerial remuneration during the year. Accordingly, the provision of Clause 3(xi) of the order is not applicable to the company.

12. As the company is not the Nidhi company, the provision of Clause 3(xii) of the order is not applicable to the company.

13. According to the information and explanations given to us, the company has made all the transactions with the related parties in compliance with sections 177 & 188 of Companies Act and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

14. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year as per section 42 of the Companies Act.2013. Accordingly, the provision of Clause 3(xiv) of the order is not applicable to the company.

15. According to the information and explanations given to us, the company has not entered into any non cash transactions with the directors or persons connected with them as per section 192 of Companies Act, 2013.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause 3(xvi) is not applicable.

For Priti V Mehta & Company
Chartered Accountants
Firm Regn.No. 129568W

Priti V.Mehta
(Proprietor)
M. No. 130514
UDIN: 21130514AAAACT3061

Place: Mumbai
Date: 24th June,2021

Annexure B to Independent Auditor's Report – 31^{st} March 2021 on the Financial Statements of Reliance Bhutan Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Reliance Bhutan Limited** ('the Company') as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 'the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India'. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Annexure B to Independent Auditor's Report – 31st March 2021 on the Financial Statements of Reliance Bhutan Limited

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Priti V Mehta & Company
Chartered Accountants
Firm Regn.No. 129568W

Priti V.Mehta
(Proprietor)
M. No. 130514
UDIN: 21130514AAAACT3061

Place: Mumbai

Date: 24th June, 2021

Reliance Bhutan Limited

Balance Sheet as at March 31, 2021

(Amount in ₹)

	Notes		As at March 31, 2021		As at 'March 31, 2020
ASSETS					
Non Current Assets					
(a) Income Tax Assets (net)	**2.01**		**18 057**		18 278
Current Assets					
(a) Financial Assets					
(i) Investments	**2.02**	200 00 00 000		200 00 00 000	
(ii) Cash and Cash Equivalents	**2.03**	6 04 553	**200 06 04 553**	5 64 888	200 05 64 888
(b) Other Current Assets	**2.04**				13 817
Total Assets			**200 06 22 610**		200 05 96 983
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.05**	5 00 000		5 00 000	
(b) Other Equity	**2.06**	(4 95 954)	**4 046**	(4 86 762)	13 238
Liabilities					
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.07**	200 03 60 765		200 03 60 765	
(b) Other Current Liabilities	**2.08**	2 57 799	**200 06 18 564**	2 22 980	200 05 83 745
Total Equity and Liabilities			**200 06 22 610**		200 05 96 983

Significant Accounting Policies **1**
Notes to the Financial Statements **2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For **Priti V Mehta & Co**
Chartered Accountants
Firm Registration No 129568W

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Arvind Purohit
Director
DIN No :- 08349713

Place : Mumbai
Date : June 24, 2021

Reliance Bhutan Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Amount in ₹)

		Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**INCOME**			
	Other Income	2.09	25 849	31 941
	Total Income		25 849	31 941
II	**EXPENDITURE**			
	General and Administrative Expenses	2.10	28 320	15 576
	Total Expenses		28 320	15 576
III	**Profit /(Loss) Before Tax (I- II)**		(2 471)	16 365
IV	Tax expense:			
	- Current Tax		6 721	8 305
	- Short/ (Excess) provision of earlier years		-	-
V	**Profit/ (Loss) After Tax**		(9 192)	8 060
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income**		(9 192)	8 060
	Earning per share of face value of ₹ 10 each for fully Paid	2.12		
	Basic (₹)		(0.18)	0.16
	Diluted (₹)		(0.18)	0.16
	Significant Accounting Policies	1		
	Notes to the Financial Statements	2		

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Arvind Purohit
Director
DIN No :- 08349713

Place : Mumbai
Date : June 24, 2021

Reliance Bhutan Limited

Statement of Change in Equity for the year ended March 31, 2021

(Amount in ₹)

A Equity	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Balance at the beginning of the year	**5 00 000**	5 00 000
Change in equity share capital during the period	**-**	-
Balance at the end of the period	**5 00 000**	5 00 000

B Other Equity

Surplus/ (Deficit) in statement of Profit and Loss

Particular	**Retained Earnings**
Balance of Profit/ (Loss) as at April 1,2019	(4 94 822)
Add : Profit \ (Loss) for the year	8 060
Balance Profit/ (Loss) as at March 31, 2020	(4 86 762)
Add : Profit \ (Loss) for the period	(9 192)
Balance Profit/ (Loss) as at March 31, 2021	**(4 95 954)**

As per our Report of even date
For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : June 24, 2021

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Arvind Purohit
Director
DIN No :- 08349713

Reliance Bhutan Limited

Statement of Cash Flow for the year ended March 31, 2021

(Amount in ₹)

			For the year ended March 31, 2021		For the year ended March 31,2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit /(Loss) before tax as per Statement of Profit and Loss		**(2 471)**		16 365
	Adjusted for:				
	Interest on Fixed Deposit with Bank		**(25 849)**		(31 941)
	Operating Profit before Working Capital Changes		**(28 320)**		(15 576)
	Adjusted for:				
	Receivables and other Advances	-		-	
	Other Current Liabilities	34 820	**34 820**	14 161	14 161
	Cash (used in) / Generated from Operations		**6 500**		(1 415)
	Tax Refund		**-**		-
	Tax Paid		**(6 500)**		(6 647)
	Net Cash used in Operating Activities		**( )**		(8 062)
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Interest on Fixed Deposit with Bank		**39 666**		32 923
	Net Cash Generated from Investing Activities		**39 666**		**32 923**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Short Term Borrowings		**-**		5 400
	Net Cash from Financing Activities		**-**		5 400
	Net Increase/ (Decrease) in Cash and Cash Equivalents		**39 665**		30 261
	Opening Balance of Cash and Cash Equivalents		**5 64 888**		5 34 627
	Closing Balance of Cash and Cash Equivalents		**6 04 553**		5 64 888

Note:

i Cash and Cash Equivalent includes cash on hand, cheques on hand, remittances- in-transit and bank balance including Fixed Deposits with Banks.

ii Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 "Statement of Cash Flow".

As per our Report of even date
For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Arvind Purohit
Director
DIN No :- 08349713

Place : Mumbai
Date : June 24, 2021

Notes on Accounts to the Financial Statement as at March 31, 2021

1. General Information and Significant Accounting Policies

1.01 General Information

Realsoft Bhutan Limited ("the Company"), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Infratel Limited.

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Recent Accounting Developments

Standards issued but not yet effective:

Recent pronouncements relating to Ind AS 116 "Leases", Ind AS 12 " Income Tax"and Ind AS 19 "Employee Benefits" issued by the Ministry of Corporate Affairs (the MCA), Government of India (GoI), applicable with effect from April 1, 2019, does not have any impact on Financial Statements of the Company.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.05 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company.

1.06 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.07 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

1.08 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.10 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit and Loss.

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2021

(Amount in ₹)

		As at March 31, 2021	As at 'March 31, 2020
2.01 Income Tax Assets			
Advance taxes and Tax deducted at source (Net)		**18 057**	18 278
		18 057	18 278
2.02 Investments			
a) Investment in Preference Shares of Companies-			
50 00 000 (50 00 000)	7.5% Redeemable Non Cumulative Non Convertible Preference share of Reliance Realty Limited (Formerly Reliance Infocomm Infrastructure Limited) ₹ 10 each	**200 00 00 000**	200 00 00 000
		200 00 00 000	200 00 00 000
2.03 Cash and Cash Equivalents			
Balance with Banks		**6 807**	6 807
Bank Deposit		**5 97 746**	5 58 081
		6 04 553	5 64 888
2.04 Other Current Assets (Considered Good)			
Interest accrued on Fixed Deposits		**-**	13 817
		-	13 817

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2021

	As at March 31, 2021	As at 'March 31, 2020
		(Amount in ₹)
2.05 Equity Share Capital		
Authorised		
50 000 (50 000) Equity Shares of ₹ 10 each	**5 00 000**	5 00 000
	5 00 000	5 00 000
Issued, Subscribed and Paid up		
50 000 (50 000) Equity Shares of ₹ 10 each	**5 00 000**	5 00 000
	5 00 000	5 00 000

2.05.01 Equity Shares

a) All the 50,000 shares are held by Reliance Infratel Limited, the Holding Company & its Nominee.

b) **Terms/rights attached to equity shares**
The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholder

2.05.02 Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Equity Shares

	As at March 31, 2021	As at 'March 31, 2020
	No. of shares	No. of shares
At the beginning of the Year	**50 000**	50 000
Add / (Less) : Changes during the period	**-**	-
At the end of the period	**50 000**	50 000

2.06 Other Equity	As at March 31, 2021	As at 'March 31, 2020
Surplus / (Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	**(4 86 762)**	(4 94 822)
Add: Profit / (Loss) for the period	**(9 192)**	8 060
	(4 95 954)	(4 86 762)

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2021

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
2.07 Borrowings		
Unsecured		
Loans from Related Parties (Refer Note 2.16)	**200 03 60 765**	200 03 60 765
	200 03 60 765	200 03 60 765
2.08 Other Current Liabilities		
Provision for expenses	**97 245**	76 006
Advances from Related Party (Refer Note 2.16)	**1 60 554**	1 46 974
	2 57 799	2 22 980
2.09 Interest Income		
Interest on Fixed Deposit with Bank	**25 849**	31 941
	25 849	31 941

*(Tax Deducted at Source ₹ nil (Previous year ₹ nil)

	As at March 31, 2021	As at March 31, 2020
2.10 General and Administrative expenses		
Professional Fees	**14 160**	-
Payment to Auditors - Audit Fees	**14 160**	14 160
Bank Charges	**-**	1 416
	28 320	15 576

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2021

Note : 2.11

Previous Year

The figures of the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupees except as otherwise stated.

Note : 2.12

(Amount in ₹)

Earnings per Share (EPS)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Numerator - Profit /(Loss) after tax (₹)	**(9 192)**	8 060
Denominator - Weighted number of equity shares	**50 000**	50 000
Basic as well as diluted, earning per equity share (₹)	**(0.18)**	0.16

Note : 2.13

Deferred Tax Assets

Significant management judgement considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. The Company on a conservative basis has restricted deferred tax asset to Nil.

S.No	**Year of Expiry**	**Amount of Loss**
I)	A.Y.2018-2019	98,534
II)	A.Y.2019-2020	86,555

(a) Amounts recognised in profit and loss

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax	**6 721**	8 305
Deferred income tax liability / (asset), net	-	-
Tax expense for the year	**6 721**	8 305

(b) Amounts recognised in other comprehensive income - Rs. Nil

(c) Reconciliation of Tax Expenses

Profit/ (Loss) before Tax	**(2 471)**	16 365
Applicable Tax Rate	**25.75%**	25.75%
Computed Tax Expenses (I)	**(636)**	4 214
Add: Tax on Expenses disallowed	**7 357**	4 091
Income Tax Expenses charge / (credit) to Statement of Profit and Loss	**6 721**	8 305

Note : 2.14

Segment Reporting

There are no reportable Segments as per Ind AS-108 "Operating segment" issued by the Institute of Chartered Accountants of India.

Note : 2.15

Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2021

Note : 2.16

1 **Related Parties :**

As per Ind AS- 24, issued by the Institute of Chartered Accountants of India, the disclosures of transaction with the related parties as defined in the Accounting Standard are given below

a)	**Name of the Related Party**	**Relationship**
i	Reliance Communications Limited	Ultimate Holding Company
ii	Reliance Communications Infrastructure Limited	Holding Company of Holding Company
iii	Reliance Infratel Limited	Holding Company
iv	Reliance Realty Limited	Fellow Subsidiary Company
v	Reliance Tech Services Private Limited	Fellow Subsidiary Company
vi	Reliance IDC Ltd	Fellow Subsidiary Company

b) **Transactions during the year with related parties :**

(Amount in ₹)

Sr. No.	Nature of Transactions	Ultimate Holding Company	Holding Company of Holding Company	Fellow Subsidiary	Total
1	**Short Term Borrowings**				
	Balance as at April 1, 2020	-	**195 03 60 765**	**5 00 00 000**	**200 03 60 765**
		(-)	(195 03 60 765)	(5 00 00 000)	(200 03 60 765)
	Taken During the period	-	-	-	-
		(-)	(-)	(-)	(-)
	Repaid during the period	-	-	-	
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2021	-	**195 03 60 765**	**5 00 00 000**	**200 03 60 765**
		(-)	(195 03 60 765)	(5 00 00 000)	(200 03 60 765)
2	**Other Current Liabilities**				
	Balance as at April 1, 2020	**1 41 574**	-	**5 400**	**1 46 974**
		(1 41 574)	(-)	(-)	(1 41 574)
	Taken During the period	-	-	**13 580**	**13 580**
		(-)	(-)	(-)	(-)
	Adjusted during the period	-	-	-	-
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2021	**1 41 574**	-	**18 980**	**1 60 554**
		(1 41 574)	(-)	(5 400)	(1 46 974)
3	**Investment in Preference Shares**				
	Balance as at April 1, 2020	**-**	**-**	**200 00 00 000**	**200 00 00 000**
		(-)	(-)	(200 00 00 000)	(200 00 00 000)
	Purchases During the period	-	-	-	-
		(-)	(-)	(-)	(-)
	Sale during the period	-	-	-	-
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2021	**-**	**-**	**200 00 00 000**	**200 00 00 000**
		(-)	(-)	(200 00 00 000)	(200 00 00 000)

Note : 2.17

1 **Financial Instruments**

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2021

Particulars	As at 'March 31,	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.03)	**6 04 553**	5 64 888
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Investments (Refer Note 2.02)	**200 00 00 000**	200 00 00 000
Financial liabilities at amortised cost:		
Borrowings (Refer Note 2.07)	**200 03 60 765**	200 03 60 765
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 Financial Risk Management Objectives and Policies

The Company does not have any activity during the year and therefore no financial risks like market risk, credit risk and liquidity risk.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability

The Company's interest bearing financial instruments are reported as below:

	As at 'March 31,	As at March 31, 2020
Fixed Rate Instruments		
Financial Assets	**5 97 746**	5 58 081
Financial Liabilities	**Nil**	Nil
Variable Rate Instruments	**Nil**	Nil

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

Impact on Profit and Loss / Equity

	For the year ended March 31, 2021	For the year ended March 31, 2020
Impact of increase in interest rate by 100 basis point	**5 977**	5 581

If the interest rate is adversely affected with decrease by 100 basis point, profit shall also accordingly be affected vise versa.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and is calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company does not have any contractual maturities of financial liabilities.

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2021

Note : 2.18

Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 - 'Operating Segment'

Note : 2.19

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholders value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Company monitors on regular basis.

Note : 2.20

Impact of Covid 19

There is no significant impact on the Company's financial results on account of the Covid 19 pandemic

Note : 2.21

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2021 are approved by the Board of Directors on June 24, 2021.

As per our Report of even date
For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : June 24, 2021

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Arvind Purohit
Director
DIN No :- 08349713

Annual Report
2020-21

Reliance Webstore Limited

Independent Auditor's Report on Ind AS financial statements
To the Members of Reliance Webstore Limited

Report on the Ind AS financial statements

Qualified Opinion

We have audited the Ind AS financial statements of **Reliance Webstore Limited** ('the Company'), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss(including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including 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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Ind As financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of 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 state of affairs of the Company as at March 31, 2021 and its loss (including other comprehensive income) and its cash flows for the year ended on that date.

Basis for Qualified Opinion

A. Note no. 2.27 of the Ind AS financial statements, regarding the pending impairment review by the Company of its investments and other financial &non-financial assets as at March 31, 2021, hence no provision in the books of account has been made by the Company. In the absence of assessment of impairment by the Company, we are unable to comment on the recoverable amount with regard to said items.

Material Uncertainty Relating to Going Concern

We draw attention to Note no. 2.23 of the Ind AS financial statements regarding significant decline in the operations of the Company, further the net worth of the Company has been eroded, the Company continues to incur losses, current liabilities exceed current assets and Company has defaulted in payment of statutory dues.

These conditions raise significant doubt on the ability of the Company to continue as a 'Going Concern'. These events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Company"s ability to continue as a going concern. However, financial statements have been prepared based on going concern basis for the reasons stated in the said note.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Emphasis of Matter

Effects of COVID-19:

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. The COVID-19 outbreak was declared a global pandemic by the World Health Organization. The Indian government had announced countrywide lockdown from 24th March, 2020 which is continued at present. In this nation-wide lock-down period, though all the services across the nation were suspended, some essential services establishments could operate and were exempted from the lock-down.
The management has assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material for and up to March 31, 2021 and there has been no material change in the controls or processes followed in the closing of the financial statements and hence the necessary effects have been captured in the financial statements for the year 2020-2021.
Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

Our opinion is not modified in respect of the matters described under paragraph above.

Information Other than the Ind AS financial statements and Auditor‟s Report Thereon

The Company‟s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board‟s Report including Annexures to Board‟s Report but does not include the Ind AS financial statements and our auditor‟s report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Ind AS financial statements

The Company‟s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (‘the Act’) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Board of Directors are also responsible for overseeing the Company‟s financial reporting process.

Auditor‟s Responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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. Under section 143(3)(i) of

the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company 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 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS financial statements.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor"s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor"s Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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

(b) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above , in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015. , except requirement of Ind AS 36 on Impairment of Assets, Ind 37 on Provisions, Contingent Liabilities and Contingent Assets, with regard to matters described in the Basis of Qualified Opinion paragraph above.

(e) The matter described under the basis for qualified opinion paragraph and Material Uncertainty Related to Going Concern paragraph above in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in Ind AS Ind AS financial statements of the Company;

(f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

(h) With respect to the other matters to be included in the Auditor"s Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(i) With respect to the other matters to be included in the Auditor"s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note no. 2.22 to the Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Priti V Mehta & Company
Chartered Accountants,
Firm Regn.No:129568W

Priti V. Mehta
Proprietor
M. No.130514
UDIN: 21130514AAAACS1396

Place : Mumbai
Date : 24th June, 2021

Reliance Webstore Limited

‘Annexure A“ to the Independent Auditor’s Report –March 31, 2021

With reference to the Annexure A referred to in the Independent Auditor“s Report to the Members of Reliance Webstore Limited ('the Company') on the Ind AS financial statements for the year ended March 31, 2021, we report the following:

i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the fixed assets have been physically verified by the management during the year and no material discrepancies were notice on such verification.
(c) According to the information and explanations given to us, there is no immovable property lying in fixed assets in the books of the company as on March 31, 2021. Accordingly, paragraphs 3 (i) (c) of the order are not applicable to the company.

ii. The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph (iii) of the Order is not applicable to the Company.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the applicable provisions of Section 186 of the Act.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph (v) of the Order is not applicable to the Company.

vi. As informed to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act. Accordingly paragraph (vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and service tax (GST),duty of excise, service tax, duty of customs, sales tax, value added tax (VAT), entry tax, employees“ state insurance, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities except amount mentioned below which were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

Name of Statute	Nature of Dues	Amount (Rs. In Crore)	Period to which the amount relates	Due Date	Date of Payment
Central Sales Tax Act, 1956	Central Sales Tax Payable	1,78,646	Prior to Mar 17	Various Dates	Unpaid
Maharashtra Value Added Tax Act, 2002	Value Added Tax Payable	3,72,77,026	Prior to Mar 18	Various Dates	Unpaid
Bihar VAT Act, 2005	Value Added Tax Payable	20,915	Prior to Mar 18	Various Dates	Unpaid
Chandigarh VAT Act, 2005	Value Added Tax Payable	7,586	Prior to Mar 18	Various Dates	Unpaid
Daman & Diu VAT Act, 2005	Value Added Tax Payable	525	Prior to Mar 18	Various Dates	Unpaid
Haryana General Sales Tax Act, 1973	Value Added Tax Payable	4,03,041	Prior to Mar 18	Various Dates	Unpaid
Jharkhand VAT Act, 2005	Value Added Tax Payable	342	Prior to Mar 18	Various Dates	Unpaid
Karnataka VAT Act, 2003	Value Added Tax Payable	4,98,753	Prior to Mar 18	Various Dates	Unpaid
Finance Act, 1994	Service Tax	30,63,223	Prior to Mar 18	Various Dates	Unpaid
West Bengal VAT Act, 2005	Value Added Tax Payable	21,16,191	Prior to Mar 18	Various Dates	Unpaid
Madhya Pradesh Value Added Tax Act,2002	Value Added Tax Payable	8,68,253	Prior to Mar-17	Various Dates	Unpaid
Telangana Value Added Tax Act,2005	Value Added Tax Payable	49,11,016	Prior to Mar-17	Various Dates	Unpaid
Maharashtra Value Added Tax Act, 2002	Works Contract Tax Payable	1,06,576	2016-17	Various Dates	Unpaid
Central GST Act, 2017	CGST	1,13,07,516	2017-18 2018-19	Various Dates	Unpaid
Integrated GST Act, 2017	IGST	33,73,764	2017-18 2018-19	Various Dates	Unpaid
Assam GST	SGST	9,297	2017-18	Various Dates	Unpaid

Act, 2017			2018-19		
Haryana GST Act, 2017	SGST	3,25,574	2017-18 2018-19	Various Dates	Unpaid
Himachal Pradesh GST Act, 2017	SGST	2,465	2017-18 2018-19	Various Dates	Unpaid
Jharkhand GST Act, 2017	SGST	2,452	2017-18 2018-19	Various Dates	Unpaid
Kerala GST Act, 2017	SGST	28,810	2017-18 2018-19	Various Dates	Unpaid
Meghalaya GST Act, 2017	SGST	16,669	2017-18 2018-19	Various Dates	Unpaid
Punjab GST Act, 2017	SGST	29,915	2017-18 2018-19	Various Dates	Unpaid
Tamil Nadu GST Act, 2017	SGST	12,20,304	2017-18 2018-19	Various Dates	Unpaid
Uttar Pradesh GST Act, 2017	SGST	14,08,140	2017-18 2018-19	Various Dates	Unpaid
Uttaranchal GST Act, 2017	SGST	10,041	2017-18 2018-19	Various Dates	Unpaid
Andhra Pradesh CST Act	CST	2,26,997	2016-17	Various Dates	Unpaid
Kerala VAT Act	VAT	52,433	2012-13	Various Dates	Unpaid
Telangana CST Act	CST	3,45,69,873	2015-16	Various Dates	Unpaid

(b) According to the information and explanations given to us, there are no dues of Duty of Customs and Cess which have not been deposited on account of any dispute. The dues of Income Tax, Service Tax, Sales Tax, VAT and Entry Tax as disclosed below have not been deposited by the Company on account of dispute.

Nature of Statute	**Nature of Tax**	**Period to which the Amount Relates**	**Forum where the dispute is pending**	**Amount* (Rs. In Crore)**
The Finance Act, 1994	Service Tax	2006-07 to 2010-11, 2013-14	Commissioner of Appeals	26.20
Value Added Tax	CST	2005-06, 2010-11	Joint Commissioner (Appeals)	9.96
	CST	2009-10, 2010-11, 2013-14	Asst. Commissioner of Commercial	0.30

			Taxes	
and Central Sales	CST	2014-15	Dy. Commissioner of Commercial Taxes	0.49
Tax Act	VAT	2003-04, 2010-11, 2012-13, 2014-15	Joint Commissioner (Appeals)	1.37
	VAT	2007-08	Tax Revision Board	0.03
	VAT	2009-10, 2011-12	Case Remanded Back to Assessing Authority	0.16
	VAT	Vehicle Detention case, 2008-09	Deputy Excise and Taxation Commissioner (Appeals)	0.03
Value Added Tax	VAT	2014-15	DETC (Appeals) Cum Joint Director (Investigation) Patiala Division Patiala	0.04
and Central Sales	VAT	2009-10, 2010-11, 2013-14	Asst. Commissioner of Commercial Taxes	1.26
Tax Act	VAT	2014-15	Dy. Commissioner of Commercial Taxes	0.42
	Entry Tax	2003-04	Trade Tax Tribunal	0.06
	Entry Tax	2006-07	Asst. Commissioner of Commercial Taxes	0.00
	Entry Tax	2013-14	Jt. Commissioner (Appeals)	0.20

viii. The company has not raised loans from Financial Institutions or Banks or Government or debenture holders. Accordingly, the provision of clause (viii) of the order is not applicable to the company.

ix. In our opinion, and information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of clause (ix) of the order is not applicable to the company.

x. According to the information and explanations given to us, no significant fraud on or by the company by its officer or employees, that causes a material misstatement to the Ind AS financial statements, has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination, the company is not required to appoint Key managerial Personnel during the year. Accordingly, the provision of clause (xi) is not applicable to the company.

xii. As the Company is not a Nidhi Company, the provision of clause (xii) of the order is not applicable to the company.

xiii. According to the information and explanations given to us, the company has made all the transactions with the related parties in compliance with sections 177 & 188 of the Act, and the details have been disclosed in the Ind AS financial statements as required by the applicable Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with him as per section 192 of the Act. Accordingly, the provision of clause (xv) of the Order is not applicable to the Company.

xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause (xvi) is not applicable.

For Priti V Mehta & Company
Chartered Accountants
Firm Regn.No:129568W

Priti V. Mehta
Proprietor
M. No.130514
UDIN: 21130514AAAACS1396

Place : Mumbai
Date : 24th June, 2021

Reliance Webstore Limited

‘Annexure B“ to the Independent Auditor“s Report - March 31, 2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

We have audited the internal financial controls over financial reporting of Reliance Webstore Limited („the Company“) as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management“s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on „the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India“. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company“s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors“ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the ‘Guidance Note’) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor“s judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company‟s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles.
A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company‟s internal financial controls over financial reporting as at March 31, 2021:
i. Balances of trade receivable, trade payables & other liabilities, certain bank balances and loan & advances are subject to confirmation.

ii. Statutory dues (Goods and Service Tax/Service Tax/ Value Added Tax / Tax Deducted at Source) accounts are in the process of reconciliation and there are delays in filing of certain statutory returns with the respective authorities. Company needs to strengthened internal control system in this regard.

iii. The Company‟s internal control process needs to be strengthened in respect of closure of outstanding entries in Bank Reconciliation Statements.

Qualified Opinion

In our opinion, except for the effects / possible effects of the material weaknesses described above under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

A „material weakness‟‟ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company‟‟s annual or interim Ind AS financial statements will not be prevented or detected on a timely basis.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 Ind AS financial statements of the Company and these material weaknesses affect our opinion on Ind AS financial statements of the Company for the year ended March 31, 2021 [our audit report dated 24th June, 2021, which expressed an qualified opinion on these Ind AS financial statements of the Company].

For Priti V Mehta & Company
Chartered Accountants
Firm Regn.No:129568W

Priti V. Mehta
Proprietor
M. No.130514
UDIN: 21130514AAAACS1396

Place : Mumbai
Date : 24th June, 2021

Reliance Webstore Limited

Balance Sheet as at March 31, 2021

(₹ in crore)

	NOTES	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2.01	-	-
(b) Capital Work In Progress	2.01	-	-
(c) Investments in Subsidiaries	2.02	2.15	2.15
(d) Financial Assets			
(i) Others Financial Assets	2.03	0.03	0.03
(e) Income Tax Assets	2.04	6.32	7.41
(f) Deferred Tax Assets	2.05	0.70	0.70
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	2.06	7.08	7.08
(ii) Cash and Cash Equivalents	2.07	2.36	1.03
(iii) Other Financial Assets	2.08	0.01	0.01
(b) Other Current Assets	2.09	186.58	262.40
Total Assets		205.23	280.81
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	2.10	0.05	0.05
(b) Other Equity	2.11	(640.11)	(639.78)
		(640.06)	(639.73)
LIABILITIES			
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.12	612.32	612.32
(ii) Trade Payable	2.13		
Due to Micro and Small Enterprises		2.18	2.18
Due to Others		61.55	61.50
(iii) Other Financial Liabilities	2.14	91.02	29.06
(b) Other Current Liabilities	2.15	78.22	215.48
Total Equity and Liabilities		205.23	280.81
Significant Accounting Policies	1		
Notes On Accounts	2		

Notes referred to above form an integral part of the Financial Statements

As per our Report of even date

For Priti V. Mehta & Co.
Chartered Accountants
Firm Regn No. 129568W

Priti V. Mehta
Propritor
Membership No.130514

Place :Mumbai
Date :June 24, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN: 06739382

Grace Thomas
Director
DIN: 07079566

Reliance Webstore Limited
Statement of Profit and Loss for the year ended March 31, 2021

(₹ in crore)

	NOTES	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME			
Revenue from Operations	**2.16**	**-**	1.69
Other Income	**2.17**	**0.10**	0.17
Total Income		**0.10**	1.86
EXPENDITURE			
Cost of Goods Sold	**2.18**	**-**	0.50
Finance Costs	**2.19**	**0.12**	0.01
Other Expense	**2.20**	**1.29**	1.52
Total Expenses		**1.40**	2.03
Profit / (Loss) before Tax		**(1.31)**	(0.17)
Tax Expense :			
Current Tax		**-**	-
Short Provision for Tax of Earlier Year		**(0.98)**	-
Deferred Tax Charge/ (Credit) (net)		**-**	-
Profit / (Loss) After Tax		**(0.33)**	(0.17)
Other Comprehensive Income		**-**	-
Total Comprehensive Income		**(0.33)**	(0.17)
Earning per Share of face value of ₹10 each fully paid up	**2.25**		
Basic (₹)		**(65.94)**	(33.71)
Diluted (₹)		**(65.94)**	(33.71)
Significant Accounting Policies	**1**		
Notes On Accounts	**2**		

Notes referred to above form an integral part of the Financial Statements

As per our Report of even date

For Priti V. Mehta & Co.
Chartered Accountants
Firm Regn No. 129568W

Priti V. Mehta
Propritor
Membership No.130514

Place :Mumbai
Date :June 24, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN: 06739382

Grace Thomas
Director
DIN: 07079566

Reliance Webstore Limited

Statement of Cash flow for the year ended Mar. 31, 2021

(₹ in crore)

			For the Year ended March 31, 2021		For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/ (Loss) before tax as per Statement of Profit and Loss		**(0.33)**		(0.17)
	Adjusted for:				
	Finance Cost	**0.12**		0.01	
	Effect of change in Unrealised Foreign Exchange Rate	**-**	**0.12**	-	0.01
	Operating Profit before Assets and Liabilities Changes		**(0.21)**		(0.16)
	Adjusted for:				
	Receivables and other Advances	**75.82**		(15.36)	
	Trade Payables and Other Liabilities	**(75.25)**		11.88	
			0.57		(3.48)
	Cash Generated from Operations		**0.36**		(3.64)
	Income Tax Refund	**1.08**		1.40	
	Income Tax Paid	**-**	**1.08**	-	1.40
	Net Cash from Operating Activities		**1.44**		(2.25)
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Interest Income		**-**		-
	Net Cash from / (used in) Investing Activities		**-**		-
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Repayment of Short term Borrowings (net)		**-**		(0.89)
	Interest Paid		**(0.12)**		(0.01)
	Net Cash (Used in) / from Financing Activities		**(0.12)**		(0.90)
	Net Increase/ (Decrease) in Cash and Cash Equivalents		**1.33**		(3.14)
	Opening Balance of Cash and Cash Equivalents		**1.03**		4.18
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.07)		**2.36**		1.03

NOTE:

1 Figures in brackets indicates Cash Outflow

2 Cash and Cash Equivalent includes cash on hand, cheques on hand and bank balances.

As per our Report of even date

For Priti V. Mehta & Co.
Chartered Accountants
Firm Regn No. 129568W

Priti V. Mehta
Propritor
Membership No.130514

Place :Mumbai
Date :June 24, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN: 06739382

Grace Thomas
Director
DIN: 07079566

Reliance Webstore Limited

Statement of Change in Equity for the year ended March 31, 2021

	For the year ended Mar 31, 2021	(₹ in crore) For the year ended March 31, 2020
A. Equity Share Capital		
Balance at the beginning of the year	0.05	0.05
Change in equity share capital during the year	-	-
Balance at the end of the year	**0.05**	0.05

B. Other Equity (₹ in crore)

Attributable to the equity holders

Particulars	Retained Earnings
Opening Balance as at April 1, 2019	**(639.61)**
Total Comprehensive Income for the year	(0.17)
Balance as at March 31, 2020	**(639.78)**
Total Comprehensive Income for the year	(0.33)
Balance as at March 31, 2021	**(640.11)**

As per our Report of even date

For Priti V. Mehta & Co.
Chartered Accountants
Firm Regn No. 129568W

Priti V. Mehta
Propritor
Membership No.130514

Place :Mumbai
Date :June 24, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN: 06739382

Grace Thomas
Director
DIN: 07079566

Reliance Webstore Limited

General Information and Significant Accounting Policies to the Financial Statements

Note: 1

1.01 General Information

Reliance Webstore Limited (“RWSL” or “the Company”), is wholly owned subsidiary of Reliance Communications Limited. The Company is registered under the Companies Act, 1956 having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710.

The Company in the earlier year, was engaged in the business of marketing of Telecom products and collection, providing marketing and infrastructure services.

1.02 Basis of Preparation of Financial Statements

(i) The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and Comply with Accounting Standard specified under Section 133 the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

(ii) The Company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

1.03 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees (“Rupees” or “₹“) which is functional currency of the Company. All amounts are rounded off to the nearest crore, unless stated otherwise.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The Company has based its assumptions and estimates on parameter available when the financial statements where prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of Company. Such changes are reflected in assumptions when they occur. The areas involving critical estimates or judgements pertaining to useful life of property, plant and equipment ,current tax expense and payable, and recognisition of Deferred Tax Assets/(Liabilities) (Note 2.05) . Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(i) Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ii) Taxes : The Company provides for tax considering the applicable tax regulations and based on probable estimates.

(iii) Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent it is probable evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer probable that Company will be able to absorb such credit during the specified period.

(iv) Fair value measurement and valuation process: The Company measures certain financial assets and liabilities at fair value for financial reporting purposes.

(v) Trade receivables and Other financial assets: The Company follows a simplified approach for recognition of impairment loss allowance on Trade receivables (including lease receivables). The Company estimates irrecoverable amounts based on specific identification method and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

(vi) Defined benefit plans (gratuity benefits) : The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post employment benefit obligation. The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(vii) Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. 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.

(viii) Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

1.05 Property, Plant and Equipment

(i) Property, plant and equipment (PPE) are stated at cost net of Modvat and Cenvat / GST, less accumulated depreciation and impairment loss if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(ii) Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The residual values, useful lives and methods of depreciation of property, plant and equipment (PPE) are reviewed at each financial year end and adjusted prospectively, if appropriate.

(iii) Expenses directly attributable to project, prior to commencement of commercial operation are considered as project development expenditure and shown under Capital Work-in-Progress.

(iv) Depreciation is provided on Straight Line Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(v) Depreciation on Leasehold Improvements is provided on Straight Line Method based on the lease period i.e. 10 years or lease period whichever is lower.

1.06 Impairment of Non Financial Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal or external factors. An impairment loss is recognised when the carrying cost of assets exceeds recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss of prior accounting period is increased/reversed where there has been change in the estimate of recoverable value. The recoverable value is higher of the fair value less cost to sell and value in use of the Asset.

1.07 Investments

Current Investments are carried at lower of cost and quoted / fair value, computed investment wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary in the opinion of the management.

1.08 Inventories of Stores, Spares and Communication Devices

Inventories of stores and spares are accounted for at cost and all other cost incurred in bringing the inventory to their present location and condition determined on weighted average basis, or net realisable value, whichever is less. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

1.09 Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

(ii) Monetary items denominated in foreign currencies at the reporting date are restated at year end rates.

(iii) Non monetary foreign currency items are recorded at the rate prevailing on the date of transaction.

(iv) Any income or expense on account of exchange difference on settlement / restatement is recognised in the Statement of Profit and Loss.

(a) Exchange difference on foreign currency borrowings relating to depreciable capital asset are included in cost of assets.

(b) Exchange difference on foreign currency transactions, on which receipt and/ or payments are not planned, initially recognised in other comprehensive income and reclassified from equity to profit and loss on repayment of the monetary items.

1.10 Revenue Recognition and Receivables

(i) Revenue includes sale of communication devices, accessories/ any other traded goods and services, net of taxes and income from services are recognised when the same is performed on the basis of actual usage of facilities by customers.

(ii) Service Income in Marketing, Billing Income, Common Cost / Infrastructure Sharing Income and Promotional Activities are recognised after considering credit note / discount.

(iii) Interest on Investment is booked on time proportion basis taking into account the amounts invested and the rate of interest and in case of Fixed Maturity Plans, the gains are accrued.

(iv) Dividend income on investments is accounted for when the right to receive the payment is established.

(v) Revenue from Contracts with Customers

The Company has applied Ind AS 115 "Revenue from Contracts with Customers" w.e.f. April 1, 2018, using the cumulative effect method and therefore comparative information has not been restated and continues to be reported under Ind AS 18. Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’. As a result, it is required to determine whether control is transferred over time. If not, only then revenue be recognised at a point in time, or else over time. The Company also determines if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration gets allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense.

1.11 Taxes on Income and Deferred Tax

Income Tax comprises of current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or OCI.

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable / recoverable in respect of the taxable income / loss for the reporting period. Deferred Tax represents the effect of temporary difference between carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in the computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The Deferred Tax Asset is recognised for all deductable temporary difference, carried forward of unused tax credit and unused tax loss, to the extent that it is probable that taxable profit will be available against which such deductable temporary differences can be utilised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

1.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.13 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. The number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average shares considered for deriving Basic Earning per Share and also weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares unless the results would be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.14 Measurement of fair value of financial instruments

The Company’s accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified. When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred. (Refer to note 2.24.1) for information on detailed disclosures pertaining to the measurement of fair values.

1.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts.

Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) Subsequent measurement

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Financial Assets measured at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) Asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables."

Financial Assets measured at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met: a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and b) The contractual cash flows of the assets represent SPPI: Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other comprehensive Income is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit or loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Equity Investment

Also, Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition.

(iii) Derecognition of Financial Assets

A financial asset is primarily derecognised when: a) Rights to receive cash flows from the asset have expired, or b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either(a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

1.16 Financial Liabilities

(i) Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reliance Webstore Limited
Note on Accounts to the Financial Statement

NOTE : 2.01

Property, Plant and Equipment

(₹ in crore)

Particulars	Leasehold Improvement	Plant and Machinery	Furniture and Fixtures	Vehicles	Total	Capital Work in Progress
Gross carrying value						
As at April 1, 2019	4.18	224.11	2.75	0.36	231.40	-
Additions	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	-
As at March 31, 2020	4.18	224.11	2.75	0.36	231.40	-
Additions	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	-
As at March 31, 2021	**4.18**	**224.11**	**2.75**	**0.36**	**231.40**	**-**
Accumulated Depreciation						
As at April 1, 2019	4.18	224.11	2.75	0.36	231.40	-
Depreciation for the year	-	-	-	-	-	
Provision for Impairment	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	
As at March 31, 2020	4.18	224.11	2.75	0.36	231.40	-
Depreciation for the year	-	-	-	-	-	-
Provision for Impairment	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	-
As at March 31, 2021	**4.18**	**224.11**	**2.75**	**0.36**	**231.40**	**-**
Net Carrying Value						
As at March 31, 2020	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
NOTE : 2.02		
INVESTMENT		
In Equity Shares of Subsidiary Companies		
Unquoted, fully Paid up		
21 00 000 Shares of Globalcom IDC Limited (Formerly known as Reliance IDC Limited) ₹10 each (2100000)	**2.10**	2.10
50 000 Shares of Reliance Communication Tamil Nadu Limited ₹ 10 each (50000)	**0.05**	0.05
(Refer Note 2.30)	**2.15**	2.15

Note: 2.02.01 - Equity Shares of Globalcom IDC Limited (Formerly known Reliance IDC Limited), held by the company has been pledged against facility of ₹ 1,200 crore sanctioned by State Bank of India to Reliance Communications Limited the holding company and Reliance Infratel Limited fellow subsidiary.

NOTE : 2.03		
OTHERS FINANCIAL ASSETS		
Bank deposits with maturity for more than 12 months	**0.03**	0.03
	0.03	0.03
NOTE : 2.04		
INCOME TAX ASSETS		
TDS and Advance Tax (Net)	**6.32**	7.41
	6.32	7.41

NOTE : 2.05	**As at Mar 31**		For the year ended March 31,	
DEFRRED TAX ASSETS	**2021**	2020	**2021**	2020
Related to carried forward loss	**-**	-	**-**	-
Related to timing difference on depreciarion	**-**	-	**-**	-
MAT Credit Entitlement	**0.70**	0.70	**-**	-
Net Deferred Tax Assets	**0.70**	0.70	**-**	-
Deferred Tax Charge/ (Credit)				

The Company offsets tax assets and liabilities if and only if it has a legally enforceble right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

Significant management judgment considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income for the period over which deferred income tax assets will recovered.

Reliance Webstore Limited
Note on Accounts to the Balance Sheet and Statement of Profit and Loss

(₹ in crore)

		For the year ended March 31, 2021	For the year ended March 31, 2020
(a)	**Amounts recognised in profit and loss**		
	Current Tax	**(0.98)**	-
	Deferred Tax Charge/ (Credit) (net)	**-**	-
	Tax expense for the year	**(0.98)**	-
(b)	**Reconciliation of Tax Expenses**		
	Profit/ (Loss) before Tax	**(1.31)**	(0.17)
	Applicable Tax Rate	**31.20%**	31.20%
	Computed Tax Expense (I)	**(0.41)**	(0.05)
	Add: Items not considered for Tax Computation		
	DTA Recognised in earlier year reversed during the year	**-**	-
	Tax Losses for which no DTA was recognised	**0.41**	0.05
	Expenses disallowed as per Income Tax Act.	**-**	-
	Subtotal (II)	**-**	-
	Less: Items not considered for Tax Computation		
	Short Provision for Tax of Earlier Year	**-**	-
	Subtotal (III)	**-**	-
	Income Tax Expenses charge to Statement of Profit and Loss (I+II-III)	**-**	

NOTE : 2.06
TRADE RECEIVABLES (Unsecured)

Considered Good (Refer Note No. 2.30)	**7.08**	7.08
Considered Doubtful	**-**	-
Less: Loss Allowance	**-**	-
	7.08	7.08

Reliance Webstore Limited

Note on Accounts to the Balance Sheet and Statement of Profit and Loss

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
NOTE : 2.07		
CASH AND CASH EQUIVALENTS		
Balances with Banks	**2.36**	1.03
	2.36	1.03
NOTE : 2.08		
OTHERS FINANCIAL ASSETS		
Interest Accrued	**0.01**	0.01
	0.01	0.01
NOTE : 2.09		
OTHER CURRENT ASSETS		
Advances and Receivables		
Considered good (Refer Note No 2.30)	**101.81**	175.44
Others		
Deposit with Government Authorities	**0.37**	0.37
Deposit with Others	**1.61**	1.56
Balance with Customs, Central Excise Authorities etc.	**82.78**	85.03
	186.58	262.40

Reliance Webstore Limited

Note on Accounts to the Balance Sheet and Statement of Profit and Loss

(₹ in crore)

	As at **March 31, 2021**	As at March 31, 2020
NOTE : 2.10		
SHARE CAPITAL		
Authorised		
50 000 (50 000) Equity Shares of ₹ 10 each	**0.05**	0.05
	0.05	0.05
Issued, Subscribed and Paid up		
50 000 (50 000) Equity Shares of ₹ 10 each fully paid up	**0.05**	0.05
	0.05	0.05

1) Shares held by Holding / Ultimate Holding Company and / or their Subsidiaries

	No. of Shares	No. of Shares
Reliance Communications Limited , Holding Company and its Nominees	50,000	50,000

2) Details of Shareholders holding more than 5% shares in the Company

	No. of Shares	%	No. of Shares	%
Reliance Communications Limited (Holding Company) and its Nominees	50,000	100.00	50,000	100.00

3) The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company.

4) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	Number	**(₹ in crore)**	**Number**	**(₹ in crore)**
Equity Shares				
At the beginning of the year	50,000	0.05	50,000	0.05
Add/Less: Changes during the year	-	-	-	-
At the end of the year	**50,000**	**0.05**	50,000	0.05

Reliance Webstore Limited

Note on Accounts to the Balance Sheet and Statement of Profit and Loss

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
NOTE : 2.11		
OTHER EQUITY		
Surplus in Retained Earnings		
Opening Balance	**(639.78)**	(639.61)
Profit/(Loss) for the year	**(0.33)**	(0.17)
Balance carried forward	**(640.11)**	(639.78)
	(640.11)	(639.78)
NOTE : 2.12		
BORROWINGS		
Unsecured		
Rupee Loan from Related Party (Refer Note 2.30)	**612.32**	612.32
	612.32	612.32
NOTE : 2.13		
TRADE PAYABLES		
Due to Micro, Small and Medium Enterprises	**2.18**	2.18
Others	**61.55**	61.50
	63.73	63.68

Note : 2.13.01

Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2nd October 2006, certain disclosures are required to be made relating to MSE. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to Micro and Small Enterprises.

Particulars	**As at March 31, 2021**	As at March 31, 2020
(a) Principal amount due to the enterprises defined under MSMED	**2.18**	2.18
(b) Interest due thereon to the enterprises defined under MSMED	**1.81**	1.73
(c) Amount of Interest paid to the enterprises under section 16 of MSMED	**-**	-
(d) Payment made to the enterprises beyond appointed date under section 16 of MSMED	**-**	0.08
	-	0.00
(e) Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED		
(f) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	**1.81**	1.74
(g) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure	**1.19**	1.12

NOTE : 2.14		
OTHER FINANCIAL LIABILITIES		
Provision for Expenses	**91.03**	29.06
	91.02	29.06
NOTE : 2.15		
OTHER CURRENT LIABILITIES		
Advance from Customers	**10.50**	7.08
Other Liabilities*	**67.72**	208.40
	78.22	215.48

(*Other Liabilities include Book Over draft, Security Deposits, Payable to Government Authorities)

Reliance Webstore Limited
Note on Accounts to the Balance Sheet and Statement of Profit and Loss

(₹ in crore)

		For the year ended March 31, 2021		For the year ended March 31, 2020
NOTE : 2.16				
REVENUE FROM OPERATIONS				
Hand Sets & Devices	-		1.69	
Less: VAT/Sales Tax	-	-	-	1.69
		-		1.69

	For the year ended March 31, 2021	For the year ended March 31, 2020
NOTE : 2.17		
OTHER INCOME		
Interest Income ₹ 15,500 (Previous Year ₹ 15,112)	-	0.00
Interest Income on Income Tax Refund	0.10	-
Miscellaneous Income	-	0.17
	0.10	0.17

Reliance Webstore Limited

Note on Accounts to the Balance Sheet and Statement of Profit and Loss

(₹ in crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
NOTE : 2.18		
COST OF GOODS SOLD		
Handsets	-	0.50
	-	0.50

Reliance Webstore Limited

Note on Accounts to the Balance Sheet and Statement of Profit and Loss

	For the year ended March 31, 2021	(₹ in crore) For the year ended March 31, 2020
NOTE : 2.19		
FINANCE COST		
Other Financial Cost (net) (Bank Charges)	**0.12**	0.01
	0.12	0.01
NOTE : 2.20		
OTHERS EXPENSES		
Selling Expenses		
Selling and Marketing Expense (₹ 9,947)	**-**	0.05
Customer Acquisition & Customer Care	**-**	0.29
	-	0.35
General Administration Expenses		
Interest on TDS/GST	**1.23**	0.63
Rent, Rates & Taxes	**0.01**	0.00
Professional Fees	**0.02**	0.18
Other General and Administrative Expenses	**0.01**	0.34
	1.26	1.15
Payment to Auditors		
Audit Fees	**0.02**	0.02
Tax Audit Fees	**0.01**	0.01
	0.03	0.03
	1.29	1.52

Reliance Webstore Limited

Note on Accounts to the Financial Statement

Note : 2.21

Previous Year

Previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupees in crore, except as otherwise stated.

Note 2.22

Contingent Liabilities and Capital Commitment (as represented by the Management)

(₹ in crore)

		As at March 31, 2021	As at March 31, 2020
(i)	Estimated amount of contracts remaining to be executed on capital accounts and not provided for	-	-
(ii)	Disputed Liabilities not provided for		
	- Sales Tax and VAT	**17.54**	14.06
	- Custom, Excise and Service Tax	**26.21**	26.20
	- Entry Tax and Octroi	**0.26**	0.26
	- Other Litigations	**11.00**	11.00

Note : 2.23

Going Concern

During the year, operation of the Company adversely Impacted due to competitive intensity in the telecom sector. Networth of the Company has been eroded. The management believes that it is appropriate to prepare these financial statements on " going concern" basis as management proposes to enter into trading activity and/ oother activity utilizing the resources of the Company.

Reliance Webstore Limited
Note on Accounts to the Financial Statement

Note 2.24

2.24.1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rate and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of financial instruments by categories were as follows:

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets at amortised cost:		
Cash and Cash Equivalents (Refer Note 2.07)	2.36	1.03
Trade receivables (Refer Note 2.06)	7.08	7.08
Other financial assets (Refer Note 2.08 & 2.03)	0.04	0.04
Total	**9.48**	**8.14**
Financial assets at fair value through Profit and Loss:	**Nil**	**Nil**
Financial assets at fair value through other comprehensive Income:	**Nil**	**Nil**
Financial liabilities at amortised cost:	-	-
Trade payables (Refer note 2.13)	63.73	63.68
Other Financial Liabilities (Refer note 2.14)	91.02	29.06
Borrowings (Refer Note 2.12)	612.32	612.32
Total	767.06	**705.06**
Financial liabilities at fair value through Profit and Loss:	Nil	**Nil**
Financial Liabilities at fair value through other Comprehensive Income:	Nil	**Nil**

2.24.2 Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.
The Company’s financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and financial assets includes trade receivables, deposits, cash and bank balances, other receivables etc. arises from its operation. Corporate Insolvancy Resolution (CIR) Process has been initiated against the Holding Company and operations of the Company has also been adversaly impacted and its associated risks are as under

Market risk

The Company purchase its assets and spares in several currencies and consequently the Company is exposed to foreign exchange risk to the extent that there is mismatch between the currencies in which its purchases from overseas suppliers and borrowings in various foreign currencies. Market risk is the risk that change in market price such as foreign exchange rates, interest rates will affect income or value of its holding financial assets/instruments. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Company’s operations are adversly affected as the rupee appreciates/ depreciates against US dollar.

Foreign Currency Risk from financial instruments as of :

Particulars	March 31, 2021		
	U.S. dollars	GB Pound	Total
Borrowings	-	-	-
Trade payables	14.62	0.07	14.69
Net (assets) / liabilities	14.62	0.07	14.69

Particulars	March 31, 2020		
	U.S. dollars	GB Pound	Total
Borrowings	-	-	-
Trade payables	14.62	0.07	14.69
Net (assets) / liabilities	14.62	0.07	14.69

Sensitivity Analysis

Not relavent till the time operations become normal.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Not relavent till the time operations become normal.

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is carrying value of respective financial assets.

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit default swap quotes and credit ratings from international credit rating agencies and historical experience for customers.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Ageing of Trade Receivable (₹ in crore)

	As at March 31, 2021			As at March 31, 2020		
Particulars	**Gross Amount**	**Weighted Average loss rate**	**Loss Allowance**	Gross Amount	Weighted Average loss rate	Loss Allowance
0-90	-	-	-	0.28	-	-
91-180	-	-	-	0.21	-	-
181-365	-	-	-	0.24	-	-
Above 365	7.08	-	-	6.35	-	-
	7.08	**-**	**-**	7.08		-

Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Corporate Insolvancy Resolution (CIR) Process has been initiated against the Holding Company and operations of the Company has also been adversaly impacted. Management belives that operations may become normal and thereafter liquidity periodic budget and rolling forcast shall be determined.

Note 2.25

Earnings per Share (EPS)	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Basic and Diluted EPS (before and after Exceptional Items)		
(a) Profit attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating Basic EPS)	**(0.33)**	(0.17)
(b) Weighted average number of Equity Shares (used as denominator for calculating Basic EPS)	**50,000**	50,000
(c) Basic and Diluted Earnings per Share of ₹ 10 each (₹)	**(65.94)**	(33.71)

Note 2.26

Segment Performance

The Company has a single line of activity. So there is neither more than one business segment and nor more than one geographical segment. Hence segment information as per Ind AS - 108 is not required to be disclosed.

Note 2.27

On completion of the corporate insolvency resolution process of the Holding Company, the Company will carry out a comprehensive review of all the assets and liabilities and accordingly provide for impairment of assets and write back of liabilities, if any.Consistent with the practice followed in earlier years, interest has not been charged on loans given to subsidiaries / fellow subsidiaries in earlier years.Receivable and Payable balances are subject to confirmation from the respective parties Further, the Company is in the process of reconciling Goods & Service Tax (GST) and Tax Deducted at source.

Note 2.28

While the Company is sensitive about the impact of the pandemic (COVID- 19), not only on the human life but on businesses and industrial activity across the globe, however, its effect will only be realized and ascertained over the next few months

Vide notification dated March 24, 2020 issued by Ministry of Home Affairs, a nation-wide lockdown was announced to contain COVID-19 outbreak and same had been extended for additional period. However, the Company is leasing its premises to the Holding Company and fellow subsidiaries providing Telecommunication services, being essential services, had been exempted and permitted to continue operation during the period of lockdown. The Company has continued to provide services without any interruptions and honour commitments during lockdown and as such there has been no significant impact on the operations of the Company on account of COVID-19.

Reliance Webstore Limited
Note on Accounts to the Financial Statement

Note 2.29

Corporate Social Responsibility (CSR) Expenses

(a) Gross amount required to be spent by a company during the year Rs. Nil (Previous year ₹ 1.02 crore).

	For the year ended March 31, 2021 In Cash	For the year ended March 31, 2021 Yet to be paid in cash	For the year ended March 31, 2020 In Cash	For the year ended March 31, 2020 Yet to be paid in cash
(b) Amount spent during the year on:				
(i) Construction / acquisition of any asset	-	-	-	-
(ii) On purposes other than (i) above	-	-	-	-

Note 2.30

Related Parties

As per the Ind AS 24 of "Related Party Disclosures" as referred to in Accounting Standard Rules, disclosure of the transactions with the related parties as defined therein are given below.

A List of related party

1 Reliance Communications Limited	Holding Company
2 Globalcom IDC Limited (Formerly known as Reliance IDC Limited)	Subsidiary Company
3 Reliance Communications Tamilnadu Limited	Subsidiary Company
4 Reliance Communications Infrastructure Limited	Fellow subsidiary
5 Reliance Infratel Limited	Fellow subsidiary
6 Reliance Realty Limited (Formarly known as Reliance Infocomm Infrastructure Limited)	Fellow subsidiary
7 Reliance Globalcom Limited (up to June 30,2019)	Fellow subsidiary
8 Reliance Tech Services Limited	Fellow subsidiary
9 Reliance Communications Hongkong Limited	Fellow subsidiary
10 Reliance Telecom Limited	Fellow subsidiary
11 Reliance Capital Limited	Enterprise over which Promoter of Holding Company having control
12 Reliance Nippon Life Asset Management Limited	Enterprise over which Promoter of Holding Company having control
13 Reliance General Insurance Company Limited	Enterprise over which Promoter of Holding Company having control
14 Big Flicks Private Limited	Enterprise over which Promoter of Holding Company having control
15 Reliance Nippon Life Insurance Company Ltd.	Enterprise over which Promoter of Holding Company having control
16 Zapak Digital Entertainment Limited	Enterprise over which Promoter of Holding Company having control
17 Reliance Infrastructure Limited.	Enterprise over which Promoter of Holding Company having control

B Transactions during the year with related parties

(₹ in crore)

	Holding Company	Subsidiaries	Fellow Subsidiaries	Enterprise over which Promoter of Holding Company having control	Total
(A) **Non Current investment**					
Balance as at April 1, 2020	-	2.15	-	-	2.15
	-	-	-	-	-
Purchase/(Sale) Of Investment	-	-	-	-	-
	-	-	-	-	-
Balance as at March 31, 2021	**-**	**2.15**	**-**	**-**	**2.15**
(B) **Trade Receivables**					
As at March 31, 2021	**-**	**-**	**-**	**0.16**	**0.16**
As at March 31, 2020	-	-	0.97	0.16	1.12
(C) Other Current Assets					
As at March 31, 2021	**2.40**	**-**	**0.73**	**-**	**3.13**
As at March 31, 2020	136.04	-	0.73	-	136.77
(D) Short Term Borrowings					
Balance as at April 1, 2020	-	-	612.32	-	612.32
	-	-			-
Taken/ Adjusted during the year	-	-	-	-	-
	-	-	-	-	-
Repaid / Adjusted during the year	-	-	-	-	-
	-	-		-	-
Balance as at March 31, 2021	**-**	**-**	**612.32**	**-**	**612.32**

Reliance Webstore Limited
Note on Accounts to the Financial Statement

(₹ in crore)

	Holding Company	Subsidiaries	Fellow Subsidiaries	Enterprise over which Promoter of Holding Company having control	Total
(E) Trade Payables					
As at March 31, 2021	**-**	**12.68**	**-**	**0.00**	**12.69**
As at March 31, 2020	-	12.68	-	0.00	12.69
(F) Other Financial Liabilities					
As at March 31, 2021	-	-	**13.66**	**-**	**13.66**
As at March 31, 2020	133.54	-	13.66	-	147.20

Note 2.31

Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Note 2.32

Particular of Derivatives Instruments

Foreign Currency exposures that are not hedge by derivative instruments or otherwise for Loans are Nil (Previous year $ Nil), equivalent to Nil (Previous year Nil)

Note 2.33

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholders value.

The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

The Company monitors capital using gearing ratio, which is debt divided by total capital plus debt.

	As at March 31, 2021	As at March 31, 2020
(a) Equity	(640.06)	(639.73)
(b) Debt	612.32	612.32
(c) Equity and Debt (a + b)	(27.74)	(27.42)
(d) Capital Gearing Ratio (b / c)	(22.07)	(22.33)

Note : 2.34

Authorisation of Financial Statements

The financial statements for the years ended March 31, 2021 were approved by the Board of Director on June 24,2021

As per our Report of even date

For Priti V. Mehta & Co.
Chartered Accountants
Firm Regn No. 129568W

Priti V. Mehta
Proprietor
Membership No.130514

Place :Mumbai
Date :June 24, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN: 06739382

Grace Thomas
Director
DIN: 07079566

AJAY AGARWAL & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Campion Properties Limited

Report on the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Campion Properties Limited Company Limited ("the Company), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and loss, statement of cash flows, and Statement of change in Equity for the year ended, and notes to the financial statement, including 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, except for the possible effect of matter described on the basis for Qualified Opinion Paragraph the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its loss, Changes in equity and its cash flow for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note No. 27(a) in the financial statement, which indicate that the company incurred a net loss of Rs.5,53,73,428 for the year ended 2020-21 and, as of that date Company's current liabilities exceeded its total assets by Rs. 68,58,18,978. The company is wholly owned subsidiary of Reliance Communications limited.Reliance Communications Ltd. is under resolution processed under The Insolvency and Bankruptcy Code 2016 (IBC). As a consequence, management and operation of the holding company is under the control and custody of Resolution Professionals (RPs) appointed vide Hon'ble NCLT orders dated May 18. These factor indicate that a material uncertainty exists that significant doubt on the company's ability to continue as going concern.

The company holds building on leased hold land with build up area of approximately 15000 square meters with multi-leveled basement parking, spread across two level and valued for 666 crores approximately as on 1st April 2015 by an independent valuer. Management estimates, current market of the property in the same range as on 31st March 2021, which exceeds the accumulated losses by approx. Rs. 600 crores. The company does not have any external borrowing and current liabilities consists of mainly borrowings from the holding and fellow subsidiary companies. The company is in process of exploring the opportunity for renting out the property. In view of the management's expectation of the successful renting of the property in near future, the financial statement has been prepared on the going concern basis.

AJAY AGARWAL & CO.
M. No. 84812
FRN : 005972N
DELHI
Chartered Accountants

However, in view of the above uncertainties, we are unable to comment on the ability of the company to continue as a going concern and the consequential to accompanying financial statements, if any, that might have been necess arily had the financial statements prepared under liquidation basis.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for the StandaloneFinancial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies ; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Board of director are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone 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 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 financial statements.

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

AJAY AGARWAL & CO. Chartered Accountants M. No. 84812 FRN : 005972N DELHI

• 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company 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 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 achieves fair presentation.

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.

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 Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we report that in our opinion the said order is applicable to the company, hence comments on the matters specified in paragraphs 3 and 4 of the said order are required and are given in Annexure-1

2. As required by section 143(3) of the Act, 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 purpose of our audit;

(b)In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

AJAY AGARWAL & CO. Chartered Accountants M. No. 84812 FRN: 006972N DELHI

(c) The standalone Balance Sheet, Statement of Profit & Loss and cash flow statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7of the Companies (Accounts) Rules 2014.

(e)The Going Concern matter described in basis for qualified option selection related to Going Concern Paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

(f)On the basis of written representations received from the directors as on March 31,2021 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31,2021 from being appointed as a director in terms of Section 164(2) of the Act.

(g)With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure-II.

(h)With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:-

(i) The Company does not anypending litigations which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M/S AJAY AGARWAL & CO.
Chartered Accountants
FRN No. 005972N
M. No. 084812

AJAY AGARWAL & CO. Chartered Accountants M. No. 84812 FRN : 005972N DELHI

(CA AJAY KUMAR AGARWAL)
Partner
UDIN: 21084812 AAAAOC8332

Place: New Delhi
Date: 24/06/2021

Annexure-I to the Auditor's Report

The Annexure referred to in paragraph 1 of our report of even date to the members of Campion Properties Limited on the accounts of the company for the year ended 31st March, 2021.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. In respect of Fixed Assets :

(a)The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b)As explained to us, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(c)Title deed of immovable property is held by the Company as Fixed Assets.

2. In respect of its inventories:

There is no inventory maintained by entity.

3. The company has not granted any loan secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013.

4. In our opinion, the company has not granted any loans, investments and guarantees, therefore, Clause 4 of the Companies (Auditor's Report) Order 2016 is not applicable to the company.

5. The company has not accepted deposits during the year.

6. The company is not required to maintain the cost records which has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

7. In respect of statutory dues:

(a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, , service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities.

(b) The company does not have any dues of income tax or sales-tax or service tax or duty of customs or duty of excise or value added tax on account of any dispute.

8. The company does not have any loans or borrowings from financial institution or bank or debenture holders, therefore, the clause 8 of the Companies (Auditor's Report) Order 2016 is not applicable to the company.

9. No money has been raisedby way of public issue or follow-on offer (including debt instruments) and term loans were applied for the purposes for which those are raised.

10. No fraud has been made by the company nor has any fraud on the Company by its officers or employees been noticed or reported during the year.

11. The company has not paid any managerial remuneration to directors during the year hence clause 11 of the Companies (Auditor's Report) Order 2016 is not applicable to the company.

AJAY AGARWAL & CO.
M. No. 84812

12. In our opinion, the company is not Nidhi Company. Therefore, the clause 12 of the Companies (Auditor's Report) Order 2016 is not applicable to the company.

13. All transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.

14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. The company has not entered into any non-cash transactions with directors or persons connected with him.

16. The company is not required to be register under section 45-IA of the Reserve Bank of India Act, 1934.

For M/S AJAY AGARWAL & CO.
Chartered Accountants
FRN No. 005972N
M. No. 084812

AJAY AGARWAL & CO. M. No. 84812 FRN : 005972N DELHI Chartered Accountants

(CA AJAY KUMAR AGARWAL)
Partner
UDIN: 21084812AAAA0C8332

Place: New Delhi
Date: 24/06/2021

Annexure -II to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Campion Properties Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the

M. No. 84812
NEW DELHI
Chartered Accountants

company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/S AJAY AGARWAL & CO.
Chartered Accountants
FRN No. 005972N
M. No. 084812

AJAY AGARWAL & CO. M. No. 84812 FRN : 005972N DELHI Chartered Accountants

(CA AJAY KUMAR AGARWAL)
Partner
UDIN: 21084812AAAAOC8332

Place: New Delhi
Date: 24/06/2021

Campion Properties Limited

Balance sheet as at March 31, 2021

(Amount in Rs.'000)

Particulars	Note No.	As at March 31,2021	As at March 31, 2020
Assets			
Non-current assets			
Property, Plant and Equipment	2	83,119	109,877
Investment Property	3	813,774	828,461
		896,893	**938,339**
Current assets			
Financial assets			
(i) Trade receivables	4	-	-
(ii) Cash and cash equivalents	5	2,220	2,349
Current tax assets	6	-	-
Other current assets	7	2,001	2,001
		4,221	**4,350**
Total assets		**901,114**	**942,689**
Equity and liabilities			
Equity			
Share capital	8	35,636	35,636
Other equity	9	(721,455)	(666,082)
		(685,819)	**(630,446)**
Current liabilities			
Financial Liabilities			
(i) Borrowings	10	1,535,707	1,535,707
(ii) Trade payables			
Total outstanding dues of Micro and Small Enterprise	11	-	-
Total outstanding dues to creditors other than Micro and Small Enterprise	11	8,561	7,107
Other current liabilities	12	42,507	30,164
Current Tax Liability	13	157	157
		1,586,933	**1,573,135**
Total Equity and Liabilities		**901,114**	**942,689**
See accompanying notes to the financial statements 1-29			

In terms of our report of even date attached

For M/S AJAY AGARWAL & CO.

Chartered Accountants

(Firm Registration No.0005972N)

(CA AJAY KUMAR AGARWAL)

Partner

M No 084812

Place of Signature: New Delhi

Date:

For and on behalf of the Board

Director Rakesh Gupta

DIN : 00130829

Director:Gourav Ranawat Singh

DIN : 08301161

Place of Signature: Mumbai

Date:24.06.2021

Campion Properties Limited

Statement of Profit and Loss for the quarter ended March 31,2021

(Amount in Rs.'000)

Particulars	**Note No.**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Revenue from Operations	14	-	-
Other Income	15	-	-
Total Income		**-**	**-**
Expenses			
Depreciation and Amortization Expense	16	41,446	33,180
Other Expenses	17	13,928	12,819
Total Expenses		**55,373**	**45,999**
Loss before exceptional item and tax		**(55,373)**	**(45,999)**
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Tax for earlier years			
Loss for the year / period		**(55,373)**	**(45,999)**
Other Comprehensive Income			
(A) Items that will be reclassified subsequently to profit or loss		-	-
(B) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income, net of taxes		**-**	**-**
Total Comprehensive income for the period		**(55,373)**	**(45,999)**
Earning per equity share			
(1) Basic	23	(15.54)	(12.91)
(2) Diluted	23	(15.54)	(12.91)

See accompanying notes to the financial statements 1-29

In terms of our report of even date attached

For M/S AJAY AGARWAL & CO.

Chartered Accountants

(Firm Registration No.0005972N)

For and on behalf of the Board

(CA AJAY KUMAR AGARWAL)
Partner
M No 084812

Director Rakesh Gupta
DIN : 00130829

Director:Gourav Ranawat Singh
DIN : 08301161

Place of Signature: New Delhi
Date:

Place of Signature: Mumbai
Date:24.06.2021

Campion Properties Limited
Statemenf of Cash Flow for the year ended March 31, 2021

(Amount in Rs.'000)

	Particulars	For the quarter ended March 31, 2021	For the year ended March 31, 2020
(A)	**Cash flow from Operating Activities**		
	Net Profit /(Loss) after tax	(55,373)	(45,999)
	Adjustment for:		
	Depreciation	41,446	33,180
	Provision for Doubtful Debt	-	-
	Provision for Doubtful Advances	-	-
	Write-back of Creditors	-	-
	Cash loss from operating before Working Capital Changes	**(13,928)**	**(12,819)**
	Adjustment for:		
	(Increase)/Decrease in Trade Receivables	-	-
	(Increase)/Decrease in Current Tax Assets	-	-
	(Increase)/Decrease in Other Current Assets	-	-
	Increase/(Decrease) in Trade Payables	1,454	-
	Increase/(Decrease) in Other Current Liabilities	12,344	12,676
	Cash flow from Operating Activities (A)	**(129)**	**(143)**
(B)	**Cash Flow from Investing Activities**		
	Property, Plant and Equipment	-	-
	Capital Work in Progress	-	-
	Investment Property	-	-
	Cash Flow from Investing Activities (B)	**-**	**-**
(C)	**Cash flow from Financing Activities**		
	Secured Loans (net)	-	-
	Cash flow from Financing Activities (C)	**-**	**-**
(D)	**Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)**	**(129)**	**(143)**
	Opening Balance of Cash and Cash equivalents	**2,349**	**2,492**
	Closing Balance of Cash and Cash equivalents	**2,220**	**2,349**
	Net Increase/(Decrease) in Cash and Cash equivalents	**(129)**	**(143)**
	Components of Cash and Cash Equivalents (refer note 5)		
	Cash in Hand	-	-
	Balances with Banks- In Current account	2,220	2,349
		2,220	**2,349**

In terms of our report of even date attached
For M/S AJAY AGARWAL & CO.
Chartered Accountants
(Firm Registration No.0005972N)

(CA AJAY KUMAR AGARWAL)

Partner
M No 084812

Place of Signature: New Delhi
Date:

For and on behalf of the Board

Director:Rakesh Gupta
DIN: 00130829

Director:Gourav Ranawat Singh
DIN : 08301161

Place of Signature: Mumbai
Date:24.06.2021

Campion Properties Limited
Statement of Changes in Equity for the quarter ended March 31,2021

(Amount in Rs.'000)

Particulars	Share capital	Retained Earning	Other Comprehensive Income	Total Equity
As at 1 April 2019	**35,636**	**(620,082)**	**-**	**(584,446)**
Net Profit	-	(45,999)	-	(45,999)
Deferred Tax Assets/ (Liabilities) Adjustment	-	-	-	-
As at March 31.2020	**35,636**	**(666,082)**	**-**	**(630,446)**
As at April 1, 2020	**35,636**	**(666,082)**		**(630,446)**
Net Profit/ loss for the period	-	(55,373)	-	(55,373)
Actuarial (gain)/loss in respect of defined benefit plan	-		-	-
Fair value change on available for sale financial assets	-		-	-
As at March 31.2021	**35,636**	**(721,455)**	**-**	**(685,819)**

In terms of our report of even date attached
For M/S AJAY AGARWAL & CO.
Chartered Accountants
(Firm Registration No.0005972N)

For and on behalf of the Board

(CA AJAY KUMAR AGARWAL)
Partner
M No 084812

Director:Rakesh Gupta
DIN: 00130829

Director:Gourav Ranawat Singh
DIN : 08301161

Place of Signature: New Delhi
Date:

Place of Signature: Mumbai
Date:24.06.2021

Note 1. Corporate Information, Basis of Preparation of Financials and Significant Accounting Policies

1.1 Background of the Company:

a. Corporate Information

Campion Properties Limited ("the Company" or "CAPL"), having CIN number U55101MH2001PLC218815, was incorporated on August 23, 2001 having its registered office at H Block, 1st Floor Dhirubhai Ambani Knowledge City, Navi Mumbai, Thane, Maharashtra 400710.

The company has been formed to carry on business of leasing of property at Maharaja Ranjit Singh Marg for commercial/ business office.

1.1 Basis of preparation of Financial Statements :

a Statement of Compliance

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles (GAAP) in India and comply with Indian Accounting Standards specified under Section 133 the Companies Act,2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act, to the extent notified applicable as well as applicable guidance notes and pronouncements of the Institute of Chartered Accountants of India (ICAI).

For all the periods up to and including 31 March 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, accounting standards specified under Section 133 of the Companies Act, 2013, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956. The Company followed the provisions of Ind AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition, viz. 1 April 2015. Some of the Company’s Ind AS accounting policies used in the opening Balance Sheet are different from its previous GAAP policies applied as at 31 March 2015, but no additional transitional adjustments were required as correspond to previous applicable Accounting Standards.

b. Basis of Measurement

These financial statements are prepared in accordance with Indian Accounting Standards (IND ASs) with the going-concern principle and on a historical cost basis except for Certain Financials Assets and Liabilities that are measured at Fair Value (Refer Accounting Policy Regarding Financial Instruments). The methods used to measure fair values are discussed below.
The presentation and grouping of individual items in the Balance Sheet, the Statement of Profit & Loss, the Cash Flow statement and the Statement of Changes in Equities are based on the principle of materiality.

The company’s accounting policies and disclosures require the measurement of fair values for financial instruments.

The company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. (Refer to note 21 for information on detailed disclosures pertaining to measurement of fair values)

c. Functional and presentation currency

These financial statements are presented in Indian Rupees which is presentation currency of the company. All amounts have been rounded off to the nearest thousand, unless otherwise stated.

d. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.
An asset is classified as current if:

- It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to realise the asset within 12 months after the reporting period; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- It is expected to be settled in the normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within 12 months after the reporting period; or
- The Company does not have an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.
Deferred tax assets/liabilities are classified as non-current.

e. Use of Estimates :

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on going basis. Revisions to accounting estimates are recognised prospectively.

1.2 Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.
The Company has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 & Ind AS 40 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment and investment property as per the previous GAAP as at 1 April 2015, i.e.; the Company’s date of transition to Ind AS, were maintained on transition to Ind AS.

a Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a.1 Financial assets

a.1.1 Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

a.1.2 Subsequent measurement

Debt instruments:
Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Debt instruments at amortized cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument measured at fair value through other comprehensive income (FVTOCI):

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments :

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

a.1.3 Derecognition

A financial asset is primarily derecognised when:

I) The rights to receive cash flows from the asset have expired, or

II)The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either(a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

a.1.4 Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

As a practical expedient, the company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables, as permitted by Ind AS 109. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

a.2 Financial liabilities

a.2.1 Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

a.2.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

b. Property, Plant & Equipment :

Initial recognition and measurement

Property, Plant and Equipment are stated at cost/ fair value net of Modvat/ Cenvat and include amount added on revaluation less accumulated depreciation, amortisation and impairment loss, if any. Subsequent Expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the company.

All costs including borrowing financing cost of qualifying assets till commencement of commercial operations, net charges of foreign exchange contracts and adjustments arising up to March 31, 2007 from exchange rate variations relating to borrowings attributable to fixed asset are capitalised.

Cost of an item of PPE comprises its purchase price, including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Derecognition

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of Profit & Loss in the year the asset is derecognised.

The asset's residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end.

c. Investment Properties

Initial recognition and measurement:

Investment Properties are, properties held for rental income and/ or capital appreciation, initially measured at cost including transaction cost and stated at cost net of Modvat/ Cenvat, Value Added Tax and include amount added on revaluation less accumulated depreciation and amortisation based on Straight Line Method, impairment loss, if any.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on valuation performed by qualified and experienced Independent Valuer.

Transition to Ind AS:

The company has availed the deemed cost exemption in relation to the Investment Property on the date of transition.

Derecognition:

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

d. Intangible Assets other than Goodwill

Initial recognition and measurement

Intangible assets, namely computer software are amortised on Straight Line Method, over the balance period of Licenses starting from the date of acquisition or commencement of commercial services, whichever is later.

The Company has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of intangible assets as per the previous GAAP as at 1 April 2015, i.e.; the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

e. Depreciation & Amortisation:

(i) Depreciation on Property, Plant and Equipment's

Depreciation on Property, Plant and Equipment's is provided on the Straight Line Method rates over the useful lives as prescribed in the Schedule II to the Companies Act, 2013.

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed.

Name of Assets	Life in years
Furniture & Fittings	10 Years
Office Equipment	05 Years
Plant & Machinery	15 Years

(ii) Amortisation:

Intangible Assets are amortized over the remaining on straight line method as per Ind AS – 38 as prescribed in Schedule – II of the Companies Act, 2013. Cost of software recognized as intangible asset, is amortized on straight line method over a period of legal right to use or 3 years, whichever is less.

(iii) Depreciation on Investment Property

Name of Assets	Life in years
Building	60 Years
Leasehold Improvements	99 Years (lease period)

f. Impairment of Non- Financial Assets :

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

Goodwill and intangible assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they may be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased / reversed where there is change in the estimate of recoverable value. The recoverable value is higher of net selling price and value in use.

g. Borrowing Cost :

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

h. Provisions :

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

i. Employee benefits

Long Term Benefits

I. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period during which services are rendered by employees.

Contributions to defined contribution schemes such as Provident Fund, etc. are charged to the Statement of Profit and Loss, as and when incurred.

II. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan like gratuity.
The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in profit or loss.

III. Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefits.

The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

Short-term benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period.

j. Lease

In respect of Operating Leases, lease rentals are expensed on straight line basis with reference to the term of lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, except for lease rentals pertaining to the period up to the date of commencement of commercial operations, which are capitalised.

Where the lessor effectively retains substantially all risk and benefits of ownership of the leased assets they are classified as operating lease. Operating lease payments are recognised as an expense in the Statement of Profit and Loss.

In respect of Finance Leases, the lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as Fixed Assets with corresponding amount shown as liabilities for leased assets. The principal component in lease rental in respect of the above is adjusted against liabilities for leased assets and the interest component is recognised as an expense in the year in which the same is incurred except in case of assets used for capital projects where it is capitalised.

k. Revenue Recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

Interest income on investment is recognised on time proportion basis. Dividend is considered when right to receive is established.

l. Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Foreign currency monetary items (assets and liabilities) are retranslated using the exchange rate prevailing at the reporting date.

(iii) Non-monetary items, which are measured in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of the transaction.

(iv) Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities are recognised in the Statement of Profit and Loss except in case of gains or losses arising on long term foreign currency monetary items relating to the acquisition of depreciable assets which are added to or deducted from the cost of such assets.

m. Earnings per share :

In determining Earning per Share, the company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item. The number of shares used in computing Basic Earnings per Share is the weighted average number of shares, excluding owned by the Trust, outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

n. Accounting for Taxes on Income :

Provision for current tax represents the amount that would be payable based on computation of tax as per the provisions of the Income Tax Act, 1961. Current tax is determined based on the amount of tax payable in respect of taxable income for the year after taking into consideration benefits admissible under the Income Tax Act, 1961.Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Deferred tax represents the effect of timing difference between the carrying amount of assets and liabilities in the consolidated financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that is probable that taxable profit will be available against which those deductible temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

Deferred Tax assets / Liabilities are not recognised for initial recognition of Goodwill or of an asset or liability in a transition that is not a business combination and at the time of transaction affects neither the accounting profit nor taxable profit/(loss), MAT credit is recognised as an asset only if there is convincing evidence that the Company will pay normal income tax during the specified period.

o. Cash and Cash Equivalents:

Cash comprises of Cash on Hand, Cheques on Hand and demand deposits with Banks. Cash Equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

p. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

q. Contingent liabilities :

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

r. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the company in restating its previous GAAP financial statements, including the Balance Sheet as at April 1, 2015 and the financial statements as at and for the year ended March 31, 2016.

1.3 First-time Ind AS adoption reconciliations

The Company has adopted Indian Accounting Standard (Ind AS) from April 1, 2016 with a transition date of April 1, 2015. The figures for the previous year have also been converted as per Ind AS, but no additional transitional adjustments were required as correspond to previous applicable Accounting Standards. Hence, no reconciliation item has been shown.

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Note 2. Property, Plant and Equipment (Refer Note 1.2 b) **(Amount in Rs.'000)**

Particulars	Furniture & Fittings	Office Equipment	Plant & Machinery	Total
Gross carrying value				
As at April 1, 2020	102,624	43,006	204,462	**350,092**
Additions	-	-	-	**-**
Disposals	-	-	-	**-**
As at March 31, 2021	**102,624**	**43,006**	**204,462**	**350,092**
Accumulated Depreciation				
As at April 1, 2020	85,805	40,855	113,555	**240,215**
Additions	11,205	-	15,553	**26,758**
Disposals	-	-	-	**-**
As at March 31, 2021	**97,010**	**40,855**	**129,108**	**266,973**
Closing net carrying value as at April 1, 2020	**16,820**	**2,150**	**90,907**	**109,877**
Closing net carrying value as at March 31, 2021	**5,615**	**2,150**	**75,354**	**83,119**

(Amount in Rs.'000)

Particulars	Furniture & Fittings	Office Equipment	Plant & Machinery	Total
Gross carrying value				
As at April 1, 2019	**102,624**	**43,006**	**204,462**	**350,092**
Additions	-	-	-	**-**
Disposals	-	-	-	**-**
As at March 31,2020	**102,624**	**43,006**	**204,462**	**350,092**
Accumulated Depreciation				
As at April 1, 2019	78,765	40,855	101,581	**221,202**
Additions	7,039	-	11,974	**19,013**
Disposals	-	-	-	**-**
As at March 31,2020	**85,805**	**40,855**	**113,555**	**240,215**
Closing net carrying value as at April 1, 2019	**23,859**	**2,150**	**102,881**	**128,890**
Closing net carrying value as at March 31, 2020	**16,820**	**2,150**	**90,907**	**109,877**

Note 3. Investment Property (Refer Note 1.2 c) **(Amount in Rs.'000)**

Particulars	Leasehold Land	Building	Total
Gross carrying value			
As at April 1, 2020	164,627	807,464	**972,091**
Additions	-	-	**-**
Disposals	-	-	**-**
As at March 31,2021	**164,627**	**807,464**	**972,091**
Accumulated Depreciation			
As at April 1, 2020	29,055	114,575	**143,630**
Additions	1,683	13,005	**14,687**
Disposals	-	-	**-**
As at March 31,2021	**30,737**	**127,580**	**158,317**
Closing net carrying value as at April 1, 2020	**135,573**	**692,889**	**828,461**
Closing net carrying value as at March 31, 2021	**133,890**	**679,884**	**813,774**

(Amount in Rs.'000)

Particulars	Leasehold Land	Building	Total
Gross carrying value			
As at April 1, 2019	164,627	807,464	**972,091**
Additions	-	-	**-**
Disposals	-	-	**-**
As at March 31,2020	**164,627**	**807,464**	**972,091**
Accumulated Depreciation			
As at April 1, 2019	27,412	102,051	**129,463**
Additions	1,643	12,524	**14,167**
Disposals	-	-	**-**
As at March 31,2020	**29,055**	**114,575**	**143,630**
Closing net carrying value as at April 1, 2019	**137,216**	**705,413**	**842,628**
Closing net carrying value as at March 31, 2020	**135,573**	**692,889**	**828,461**

Campion Properties Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

(Amount in Rs.'000)

Note 4. Trade Receivables	**As at March 31, 2021**	**As at March 31, 2020**
(i) Unsecured, considered good	-	-
(ii) Unsecured considered doubtful	82,636	82,636
Less: Provision for doubtful debts	(82,636)	(82,636)
	-	**-**
Total	**-**	**-**

(Amount in Rs.'000)

Note 5. Cash and Cash Equivalent	**As at March 31, 2021**	**As at March 31, 2020**
Balances with Banks		
Current Accounts	2,220	2,349
Cash on Hand	-	-
Total	**2,220**	**2,349**

(Amount in Rs.'000)

Note 6. Current tax assets	**As at March 31, 2021**	**As at March 31, 2020**
Taxes Paid	-	-
Total	**-**	**-**

(Amount in Rs.'000)

Note 7. Other Current Assets	**As at March 31, 2021**	**As at March 31, 2020**
Moblization Advance	11,134	11,134
Advance to Supplier and Contractors	282	282
Prepaid Expenses	-	-
Security Deposits	18,484	18,484
Less: Provision for doubtful advances	(29,899)	(29,899)
Sub Total (A)	**-**	**-**
EMD Deposits	2,001	2,001
Sub Total (B)	**2,001**	**2,001**
Total	**2,001**	**2,001**

Campion Properties Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

(Amount in Rs.'000)

Note 8. Share Capital	**As at March 31, 2021**	**As at March 31, 2020**
Authorized		
Equity Shares of Rs. 10/- each (as at March 31, 2021, : 3,600,000, as at March 31, 2020: 3,600,000)	36,000	36,000
	36,000	**36,000**
Issued, Subscribed & Fully Paid up		
Equity Shares of Rs. 10/- each (as at March 31, 2021, :3,563,601, as at March 31, 2020: 3,563,601)	35,636	35,636
	35,636	**35,636**

*(Out of the above shares 3,553,601 are allotted as fully paid up under demerger scheme of Hotel Ranjit, New Delhi from ITDC to the company sanctioned by department of company affairs, Govt of India vide its order dated 12/7/2002 without payment being received. 3,563,601 equity shares are held by holding company: Reliance Communications Limited.

(a) Movements in equity share capital	**As at March 31, 2021**		**As at March 31, 2020**	
	No of Shares	**Amount**	**No of Shares**	**Amount**
Balance at the beginning of the year	3,563,601	35,636,010	3,563,601	35,636,010
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	**3,563,601**	**35,636,010**	**3,563,601**	**35,636,010**

(b) The rights, preferences and restrictions attaching to equity shares including restrictions on the distribution of dividends and the repayment of capital;

The company has only one class of Equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of Liquidation of the company, the holder of equity share will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the

(c) Shares held by holding company

	As at March 31, 2021		**As at March 31, 2020**	
Equity Shares	**No of Shares**	**Percentage**	**No of Shares**	**Percentage**
Reliance Communications Limited and its nominee's*	3,563,601	100%	3,563,601	100%

*As per the records of the company, including its register of shareholder/ member and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both the legal and beneficial ownership of shares. Six shares are jointly held for statutory requirement with six individual of which Reliance Communication Limited has ownership and beneficial interest.

(d) Shares held by each shareholder holding more than 5% shares

	As at March 31, 2021		As at March 31, 2020	
Equity Shares	**No of Shares**	**Percentage**	**No of Shares**	**Percentage**
Reliance Communications Limited and its nominee's	3,563,601	100%	3,563,601	100%

(Amount in Rs.'000)

Note 9. Other Equity	**As at March 31, 2021**	**As at March 31, 2020**
Deficit in Statement of Profit & Loss		
Balance as per last period Balance Sheet	(666,082)	(620,082)
Add: Loss for the period	(55,373)	(45,999)
Add: Deferred Tax adjustment		
Balance at the end of the year	**(721,455)**	**(666,082)**

(Amount in Rs.'000)

Note 10. Current Liablities - Borrowings	**As at March 31, 2021**	**As at March 31, 2020**
Unsecured		
Loan from Holding Company*	1,527,520	1,527,520
Loan from Globalcom IDC Limited	8,188	8,188
Total	**1,535,707**	**1,535,707**

*Loan from the holding Company is Interest Free loan and payble on demand.

(Amount in Rs.'000)

Note 11. Trade Payables	**As at March 31, 2021**	**As at March 31, 2020**
Total outstanding dues of Micro and Small Enterprise*		-
Total outstanding dues to creditors other than Micro and Small Enterprise	8,561	7,107
Total	**8,561**	**7,107**

*Note: There are no outstanding dues to Micro, Medium and Small Scale Business Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

(Amount in Rs.'000)

Note 12. Other Current Liablities	**As at March 31, 2021**	**As at March 31, 2020**
Statuatory Due Payable		
TDS Payable	12	10
Service Tax Payable	-	-
Labour Cess	-	-
Expenses Payable	42,496	30,153
Security Deposit	-	-
Total	**42,507**	**30,163**

(Amount in Rs.'000)

Note 13. Current Tax Liability	**As at March 31, 2021**	**As at March 31, 2020**
Provision for Income Tax	157	157
Total	**157**	**157**

Campion Properties Limited
Notes forming part of Financial Statements for the year ended March 31, 2021

Note 14. Revenue from Operations	For Year ended March 31, 2021	For Year ended March 31, 2020
Sale of services		
Rental Income	-	-
Total	**-**	**-**

Note 15. Other Income	For Year ended March 31, 2021	For Year ended March 31, 2020
Interest received on		
Fixed Deposits	-	-
Others	-	-
Total	**-**	**-**

Note 16. Depreciation	For Year ended March 31, 2021	For Year ended March 31, 2020
Property, Plant and Equipment	26,758	19,013
Investment Property	14,687	14,167
Total	**41,446**	**33,180**

Note 17. Other Expenses	For Year ended March 31, 2021	For Year ended March 31, 2020
Lease Rent	4,675	5,291
Rates & Taxes	7,581	7,368
Legal & Professional	27	42
Sitting Fees	80	-
Insurance -Fixed Assets	1,454	-
Interest on GST	-	-
Interest on TDS	-	-
Interest on Property Tax demand	-	-
Payment to auditors (refer note no. 18)	108	116
Other Miscellaneous Expenses	2	2
Total	**13,928**	**12,819**

Note 18 Payment to Auditors **(Amount in Rs. '000)**

Particulars	For Year ended March 31, 2021	For Year ended March 31, 2020
As auditors		
Audit Fee	50	50
Limited Review	45	49
Tax audit	-	-
Internal Financial Control	-	-
In other Capacities	-	-
Certification	-	-
Total	**95**	**99**

Note 19 Segment Reporting

There are no reportable segments in accordance with Indian Accounting Standard-108 'Operating Segment ' prescribed under the Companies (Indian Accounting Standards) Rules, 2015.

Note 20 Disclosure for Investment Properties

(i) Amount Recognised in Profit or Loss for Investment Property **nount in Rs. '000)**

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2020
Rental income	-	-
Less: Direct Operating expenses from property that generated rental income	-	-
Less: Direct Operating expenses from property that did not generated rental	(12,256)	(12,660)
Profit/ (Loss) from Investment Property before Depriciations	(12,256)	(12,660)
Less: Depricatons	(14,687)	(14,167)
Profit/ (Loss) from Investment Property	**(26,944)**	**(26,827)**

(ii) Contractual Obligations

There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

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(iii) Leasing Arrangements

Certain Investment Properties are leased to tenants under long term operating leases with rental payable monthly. Minimum lease payments receivable under non cancellable operating leases of Investment properties:

(Amount in Rs.'000)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Within one year	-	-
Later than one year but not later than 5 years	-	-
Later than 5 years	-	-
	-	**-**

(iv) Fair Value

(Amount in Rs.'000)

Particulars	**As at March 31,**	**As at March 31, 2020**
Investment Property	6,656,000	6,656,000
	6,656,000	**6,656,000**

(v) Estimation of Fair Value

The Company's investment properties is a 14,973 sq mtr plot at Maharaja Ranjeet Singh Marg, Minto Road, New Delhi, 110002. The valution of the property is based on valuations performed by Duff & Phelps India Private Limited, an accredited independent valuer. Duff & Phelps India Private Limited is a specialist in valuing these types of investment properties. The valuation was carried out by following guidance of Indian Accounting Standards (Ind AS) 16 & 113. The main inputs used are market rate based on the compareable transactions & industry data, circle rate prevailing in the area and relacment cost due to paucity of bigger land plots available for sale in near vicinity to the subject property.

The company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Note 21 Employee Benefits

At present the Company does not have any employee, hence no provision in accordance with the Indian Accounting Standard-19 'Employee Benefit' prescribed under the Companies (Indian Accounting Standards)

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Note 22 Related Party Disclosures

As per the Indian Accounting Standard-24 prescribed under the Companies (Indian Accounting Standards) Rules, 2015, the Company's related parties and transactions are disclosed below:

A. Parties where control exists

Reliance Communications Limited — Holding Company

B. Fellow Subsidiary Company

Zapak Digital Entertainment Limited — Fellow Subsidiary Company
Globalcom IDC Limited — Fellow Subsidiary Company

C. Directors- are collectively responsilble for all the decision being made

Shri Rakesh Gupta
Shri. Gourav Ranawat Singh
Shri. Vinay Soni

Details of transactions and closing balances

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Taken		
Reliance Communications Limited	-	2,001
Expense Paid		
Insurance Expenses-Reliance Communications Ltd.	1,454	-
Transaction with Directors		
Sitting Fees- Globalcom IDC Ltd.	80	-

Outstanding Balances:	As at March 31, 2021	As at March 31, 2020
Loan Taken		
Reliance Communications Limited	1,527,520	1,527,520
Globalcom IDC Limited	8,188	8,188
Payable		
Globalcom IDC Limited	82.58	-
Reliance Communications Limited	8,561	7,107

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Note 23 Earning per Equity Share

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Nominal Value of Equity Shares (Rs.)	10	10
Profit/ (Loss) attributable to Equity Shareholders	(55,373,428)	(45,999,437)
Weighted Average number of Equity Shares outstanding during the period	3,563,601	3,563,601
Basic and Diluted Earnings per Share	(15.54)	(12.91)

Note 24 Deferred Tax (Assets)/ Liabilities

In compliance with IND AS-12, "Income Taxes" prescribed under the Companies (Indian Accounting Standards) Rules, 2015, the deferred tax asset arising on account of brought forward losses and unabsorbed depreciation has not been recognised in view of consideration of prudence and uncertainty regarding the realisation of the same in the foreseeable future.

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Note 25 Financial Instruments - Accounting Classification and Fair Value Measurements

The fair value of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short term deposits, trade and other short receivables, trade payables , other current liabilities , short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level: 1 Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 Other techniques for which all inputs which have a significant effect on the recorded fair value are observables, either directly or indirectly

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The management assessed that trade receivables, cash and cash equivalents, other recoverable, trade payables, other financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

(Amount in Rs.'000)

Financial Assets		**Carrying Amount**	**FVPL**	**FVOCI**	**Amortised cost**
Trade Receivables and Cash & Cash Equivalent	As at March 31, 2021	2,220	-	-	2,220
Trade Receivables and Cash & Cash Equivalent	As at March 31, 2020	2,349	-	-	2,349

Financial liabilities		**Carrying Amount**	**FVPL**	**FVOCI**	**Amortised cost**
Borrowings and Trade payables	As at March 31, 2021	1,544,268	-	-	1,544,268
Borrowings and Trade payables	As at March 31, 2020	1,542,814	-	-	1,542,814

Note 26 Financial Risk Management Objective and Policies

The purpose of financial risk management is to ensure that the Company has adequate and effective utilized financing as regards the nature and scope of the business. The objective is to minimize the impact of such risks on the performance of the Company. The Company's financial risk management policy is set by the Board of Directors.

The Company’s principal financial liabilities comprise trade payables and other liabilities. The main purpose of these financial instruments is to raise finance for operations. It has various financial assets such as loans, advances, land advances, trade receivables, cash which arise directly from its operation.

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The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk.

a. **Credit risk:**

It is one party to a financial instrument or customer contract will cause a financial loss due to non fulfillment of its obligations under a financial instrument or customer contract for the other party, leading to a finance loss. The Company’s credit risks relate to the leasing activities and non payment of lease rent by leasee. The customer credit risk is managed by lesing out the properties to group companies or related companies. Since all the trade receivables are realted companies there is no or mimimal risk of default by customers as the rental are to be recoevered from within group.

b. Liquidity risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company’s cash flow is a mix of cash flow from collections from customers, leasing and interest income. Further, the company obtains sub-ordinate debts and other debts from the Holding Company to meet out the operational cost.

c. Market Risk :

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The company is exposed to 2 types of market risks namely currency risk and interest rate risk. Financial Instruments affected by market risk include loans and borrowings and deposits. The company monitors the risks arising out of trade payables on a regular basis with the help of the group treasury team. Further the company may enter into derivatives if the exposure arising out of these risks exceeds significantly.

c.1. Currency Risk:

There is no currency risk since all operations are in INR.

c.2. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates is not managed by taking interest free loan.

Note 27 Other Disclosures

a) Basis of Preparation of Financial Statements

The Company has incurred a net loss of Rs.5,53,73,428 for the Period 1st April, 2020 to March 31,2021 and, as of that date Company's current liabilities exceeded its total assets by Rs. 68,58,18,978 The company is wholly owned subsidiary of Reliance Communications limited.Reliance Communications Ltd. is under resolution processed under The Insolvency and Bankruptcy Code 2016 (IBC). As a consequence, management and operation of the holding company is under the control and custody of Resolution Professionals (RPs) appointed vide Hon'ble NCLT orders dated May 18. These factor indicate that a material uncertainty exists that significant doubt on the company's ability to continue as going concern.

However the Company does not have any intention to suspend the operational activities. The company holds building on leased hold land with build up area of approximately 15000 square meters with multi-leveled basement parking, spread across two level and valued for 666 crores approximately as on 1st April 2015 by an independent valuer. Management estimates, current market of the property in the same range as on 31st March 2021, which exceeds the accumulated losses by approx Rs.600 crores. The company does not have any extrenal borrowing and current liabilities consists of mainly borrowings from the holding and fellow subsidary companies. The company is in process of exploring the opportunity for renting out the property. In view of the management's expectation of the successful renting of the property in near future, the financial statement has been prepared on the going concern basis.

b) Disclosure of Compliance with IND AS

The Company has adopted Indian Accounting Standards ("Ind-AS") and these financial statements have been prepared in accordance with the principles of recognition and measurement of Ind AS, prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder. Accordingly, the annual financial statements of the previous periods are restated as per Ind AS.

c) In the opinion of the management, the current assets and loans & advances are at least equal to the value stated in the Balance Sheet, if realized in the ordinary course of business.

d) Balances with Trade receivables / trade payables are subject to confirmation/ reconciliation.

Note 28 Events occurring after the reporting period

(a) Other events

There are no events occurring after the reporting period which have material impact on the financials.

Note 29 Approval of financial statements

The financial statements were approved by the Board of Directors on 24th June, 2021

For M/S AJAY AGARWAL &
Chartered Accountants
(Firm Registration No. 005972N)

(CA AJAY KUMAR AGARWAL)
Partner
M.No.084812

Place of Signature: New Delhi
Date:

For and on behalf of the Board

Director:Rakesh Gupta
DIN- 00310829

Director:Gourav Ranawat Singh
DIN-08301161

Place of Signature: Mumbai
Date:24/06/2021

Reliance Telecom Limited
Financial Statements

2020-21

Independent Auditors' Report

To the Members of Reliance Telecom Limited

Report on the Audit of the Financial Statements

Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by anoperationalcreditor against Reliance Telecom Limited, Reliance Communications Limited ("the Holding Company"), Reliance Infratel Limited and Reliance Communication Infrastructure Limited ("the Fellow Subsidiaries") and appointed Resolution Professional who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

Qualified Opinion

We have audited the financial statements of **Reliance Telecom Limited**("the Company"), which comprise the balance sheet as at March 31, 2021, and the Statement of Profit and Loss, Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of 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 state of affairs of the Company as at March 31, 2021, and its loss(including other comprehensive loss) and the statement of changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

a) We draw attention to Note no. 2.06& 2.21 of the financial statements on "Assets Held for Sale (AHS)" regarding Spectrum acquired on deferred payment basis classified as held for sale at the value ascertained at the end of March 31, 2018, for the reasons referred to in the aforesaid note and impact of the non-payment of spectrum instalments due to Department of Telecommunication (DOT). Non determination of fair value of spectrum as on the reporting date is not in compliance with Ind AS 105 "Non Current Assets Held for Sale and Discontinued Operations". Accordingly, we are unable to comment on the consequential impact, if any, on the carrying amount of Assets Held for Sale and on the reported losses for the year ended March 31, 2021.

b) We draw attention to Note no.2.18.01of the financial statements regarding admission of the Company into Corporate Insolvency Resolution Process ("CIRP"), and pending determination of obligations and liabilities including various claims submitted by the Operational/financial/other creditors and employees including interest payable on loans during CIRP. We are unable to comment the accounting impact& disclosure thereof pending reconciliation and determination of final obligation.

The Company accordingly has not provided interest on borrowings amounting to Rs. 176.44crore for the year ended March 31, 2021 &Rs.557.86crore up to previous financial year calculated based on the basic rate of interest as per the terms of the loan.The Company further has not provided foreign exchange gains amounting to Rs.52.57 crore for the year ended March 31, 2021 &foreign exchange loss of Rs.215.84 crore up to previous financial year, resulting in understatement of loss by the said amounts. Had such interest and foreign exchange gains / losses as mentioned above been provided, the reported loss for the year ended March 31, 2021 would have been higher by Rs. 123.87crore and Net worth of the Company would have been lower by Rs. 897.57 crore and Rs. 773.70 crore as on March 31, 2021 and as on March 31, 2020 respectively.Non provision of interest and non-recognition of foreign exchange variation (gain)/ loss is not in compliance with Ind AS 23 “Borrowing Costs” and Ind AS 21 “The Effects of Changes in Foreign Exchange Rates” respectively.

c) We draw attention to Note no. 2.21 of the financial statements, regarding pending comprehensive review of carrying amount of all assets (including receivables, investments and balances lying under Goods & Service Tax and Tax Deducted at Source) & liabilities and non provision for impairment of carrying value of the assets and write back of liabilities if any, pending completion of the Corporate Insolvency Resolution Professional (CIRP). In the absence of comprehensive review as mentioned above for the carrying value of all the assets and liabilities, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the year ended March 31, 2021. Non determination of fair value of financial assets & liabilities and impairment in carrying amount for other assets and liabilities are not in compliance with Ind AS 109 “Financial Instruments”, Ind AS 36 “Impairment of Assets” and Ind AS 37 “Provisions, Contingent Liabilities & Contingent Assets”.

d) We draw attention to Note no. 2.26 of the financial statements, regarding non adoption of Ind AS 116 “Leases” effective from April 01, 2019 and the consequent impact thereof. The aforesaid accounting treatment is not in accordance with the relevant Ind AS 116.

e) We draw attention to Note no.2.21 of the financial statements, regarding continuous losses incurred by the Company, current liabilities exceeding its current assets, default in repayment of borrowings and default in payment of regulatory and statutory dues. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. The accounts however has been prepared by the management on a going concern basis for the reason stated in the aforesaid note. We however are unable to obtain sufficient and appropriate audit evidence regarding management’s use of the going concern basis of accounting in the preparation of the financial statements, in view of ongoing Corporate Insolvency Resolution Process, the outcome of which cannot be presently ascertained.

The Networth of the Company excludes the effect of qualification under (a), (c), (d) and (e) above which are non-quantifiable as referred therein.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Actand the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

Emphasis of Matter Paragraph

1. We draw attention to Note no 2.24 of the financial statements, regarding provision of license fee and spectrum usage charges based on management estimates pending special audit from Department of Telecommunications, pursuant to the judgment of Hon'ble Supreme Court of India, vide its order dated October 24, 2019 and status of payment thereof.

2. We draw attention to Note no 2.36 of the financial statements, as regards to the management's evaluation of impact of COVID - 19 on the future performance of the Company. The actual outcome of the assumptions and estimates may vary in future due to impact of pandemic.

   Our opinion on the financial statement is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters stated in the Basis for Qualified Opinion paragraph,we have determined the matters described below to be the key audit matters to be communicated in our report

For matter below,our description of how Key audit matter is addressed in our audit is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation and disclosure of accrual estimates for legal claims, litigations, regulatory matters and contingencies and deposits against the same legal matters including provision of license fee and spectrum usage charges, pursuant to the judgment of Hon'ble Supreme Court of India, vide its order dated October 24, 2019	
TheCompanyisinvolvedasapartyinlegal proceedings, including regulatory and other governmental proceedings. The Company has also deposited substantial amounts with regulatory authorities against the demands in dispute, which has been classified as deposit. This area is significant to our audit, since the accounting and disclosure for (contingent) legal liabilities is complex and judgmental (due to the difficulty in predicting the outcome of the matter and estimating the potential impact if the outcome is unfavourable), and the amounts Involved are, or can be, material to the financialstatementsasawhole.Further reference	Our audit procedures included, amongst others, testing the effectiveness of the Company's internal controls around the identification and evaluation of claims/provisions, proceedings and investigations at different levels in the Company, and the recording and continuous re-assessment of the related (contingent) liabilities and provisions and disclosures. We inquired with both internal legal staff including Resolution Professional (RP) as well as with the Company's financial staff in respect of ongoing investigations or claims, proceedings and investigations, inspected relevant correspondence, inspected the minutes of the meetings of the Audit Committee and requested a confirmation from the group's in-house responsible officials and RP. Also

ismadetoNote no.2.23Contingent liabilities and note no. 2.25 on provision of Licence fees and Spectrum Usage Charges.	the Company has obtained legal opinions in past against these disputes. For claims settled during the year, we vouched the payments, as appropriate, and read the related orders to verify whether the settlements were properly accounted for. We also assessed the adequacy of the Company's disclosure around legal claims, litigations, regulatory matters and contingencies as included in Note no. 2.23 Contingent liabilities. We consider management's conclusion on the predicted outcome and estimation ofpotentialimpactreasonableandweassessedthatthedisc losuresinNote no. 2.23,Contingentliabilities arereasonable.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, but 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 during the course of our audit or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The financial Statements, which is the responsibility of the Company's Management is relied upon by the Resolution Professional based on the assistance provided by the Directors and taken on record by the Resolution Professional as fully described in Note 2.38of financial Statements.

The Company's Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management/Resolution Professionalis 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/Resolution Professionaleither intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management/Resolution Professionalis also responsible for overseeing the Company's financial reporting process read together with Note no.2.38 of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether thefinancial 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 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company 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 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 achieves fair presentation.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

Pursuant to application filed by Ericsson India Pvt. Ltd. before the National Company Law Tribunal, Mumbai Bench (“NCLT”) in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder (“Code”), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process (“CIRP”) of Reliance Telecom Limited ("the Company"), vide its orders dated May 15, 2018. The NCLT had appointed the interim resolution professional of the Company vide its orders dated May 18, 2018. Thereafter, the committee of creditors (“CoC”) of the Company, at the meetings of the CoC held on May 30, 2019, in terms of Section 22 (2) of the Code, resolved with the requisite voting share, to replace the Interim Resolution Professional with the Resolution Professional (“RP”) for the Company, which has been confirmed by the NCLT in its orders dated June 21, 2019 (published on the website of the NCLT on June 28, 2019).

The financial statements of the Company should be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it should be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the financial statements. As mentioned in Note No 2.38 of the financial statements, in view of the ongoing CIRP, the powers of the board of directors stand suspended and are exercised by the Resolution Professional.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure A” a statements on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

(a) Except for the matters stated in Basis for qualified Opinion paragraph above,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) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015as amended,except requirements of Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations", Ind AS 23 "Borrowing Cost", Ind AS 21 "Effects of Changes in foreign exchange rates", Ind AS 109 "Financial Instruments", Ind AS 36 "Impairment of Assets",Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" and Ind AS 116 "Leases", with regard to matters described in the Basis of Qualified Opinion paragraph above.

(e) The matters described under the basis for qualified opinion paragraph aboveand Qualified Opinion paragraph of "Annexure B" to this reportin our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in financial statements of the Company;

(f) On the basis of the written representations received from two directors of the Company as on March 31, 2021 taken on record by the Board of Directors, these two directorsare not disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act. Further as mentioned in Note 2.36 of the financial statementsone of the director of the Company has resigned from the position of director, however his resignation has not been accepted for the reason stated in the said note and Company has not received declaration from this director in this regard, accordingly we are unable to commentwhether this director is disqualifiedas on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(j) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note2.23of the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There are no amounts, which are required to be transferred, to the Investor Education andProtection Fund by the Company.

For **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm’s Registration No. 107783W/W100593

Vishal D. Shah
Membership No.119303
UDIN: 21119303AAAALM6875

Date: June 26, 2021
Place: Mumbai

Reliance Telecom Limited

'Annexure A' to the Independent Auditor's Report - March 31, 2021

With reference to the Annexure A referred to in the Independent Auditors' Report to the Members of Reliance Telecom Limited ('the Company') on the financial statements for the year ended March 31, 2021, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment.

(b) The Company has transferred its Property, Plant and Equipment (PPE) (Except Building) to Assets Held for Sale (AHS) and has fully provided for Property, Plant and Equipmentexcept to the extent of scrap value. The Management has physically verifiedsome of its fixed assets during the year and no material discrepancies were identified on such physical verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosedinNote2.01of thefinancial statements,areheldinthenameoftheCompany.

(ii) Since the Company does not have any inventory. Accordingly, paragraph (ii) of the Order is not applicable to the Company.

(iii) As per information and explanation provided to us and on the basis of verification of records of the Company, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph (iii) of the Order is not applicable to the Company.

(iv) As per the information and explanation given to us and on the basis of verification of records of the Company, the Company during the year, has not granted any loan, made investment and provided guarantees and securities to the parties covered under section 185 and section 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph (v) of the Order is not applicable to the Company.

(vi) According to the information and explanation given to us, since the turnover of the Company is below threshold limit, maintenance of cost records under sub-section 1 of Section 148 of the Act, in respect of telecommunication activities is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that there are delays in amounts deposited with appropriate authorities for amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and services tax, service tax, , duty of customs, sales tax, value added tax, entry tax, employees' state insurance, cess and other material statutory dues. As explained to us, the Company did not have any dues on account of duty of excise.

According to the information and explanations given to us, undisputed amounts payable in respect of provident Fund, income tax, goods and services tax, sales tax, value added tax, employees' state insurance and other material statutory dues which were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable are as under:

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
The Orissa Value Added Tax Act,2004	VAT Payable	87,567	2016-17	Various Dates	Unpaid
Jharkhand Value Added Tax Act, 2005	VAT Payable	1,18,370	2017-18	Various Dates	Unpaid
Jharkhand Central Sales Tax Act,1956	Sales Tax Payable	7,003	2017-18	Various Dates	Unpaid
The Himachal Pradesh value added Tax Act,2005	WCT payable	8,633	2017-18	Various Dates	Unpaid
The Maharashtra Value Added Tax Act, 2002	WCT Payable	1,97,680	2016-17& 2017-18	Various Dates	Unpaid
Jharkhand Value Added Tax Act,2005	WCT Payable	6,378	2017-18	Various Dates	Unpaid
Madhya Pradesh Value Added Tax Act,2002	WCT Payable	45,202	2017-18	Various Dates	Unpaid
Chhattisgarh Value Added Tax Act, 2005	WCT Payable	18,288	2017-18	Various Dates	Unpaid
The West Bengal Value added Tax Act,2003	WCT payable	40,765	2017-18	Various Dates	Unpaid
	WCT payable	18,752	2016-17	Various Dates	Unpaid
Professional Tax Act,1957 – Various States	Professional Tax payable	53,423	2017-18 onwards	Various Dates	Unpaid
Income Tax Act, 1961	Tax Deducted at Source	4,58,972	2017-18	Various Dates	Unpaid
Income Tax Act, 1961	Tax Deducted at Source	20,00,000	2019-20	07-11-2019	Unpaid
Income Tax Act, 1961	Tax Deducted at Source	816	2018-19	Various Dates	Unpaid

(b) According to the information and explanations given to us, there are no dues of customs and duty of excise which have not been deposited on account of any dispute. The dues of income tax, service tax, sales tax, value added tax, entry tax and cess as at March 31, 2021 which have not been deposited on account of dispute, are as follows:

Name of the Statute	**Nature of dues**	**Amount* (Rs. in Crore)**	**Period**	**Forum where the dispute is pending**
Local Sales Tax Act, Value Added Tax and Central Sales Tax Act	Sales Tax, VAT and CST	7.24	1997-1998,2000-2001 to2015-2016	Appellate Authority upto Commissioner's Level
		6.49	1997-1998 to 2007-08 , 2010-2011	Tribunal
Entry Tax Act, 1976	Entry Tax	1.22	2005-2006 to 2009-2010, 2011-2012 to 2013-2014, 2015-2016	Appellate Authority upto Commissioner's Level
		7.26	2006-2007 to 2010-2011	Tribunal
		1.40	1998-1999, 1999-2005, 2010-2011 to2016-2017	High Court
The Finance Act, 1994	Service Tax	1.14	2005-2006, 2006- 2007	Appellate Authority uptoCommissioner's Level
		34.16	2005-2006 to 2008-2009	Tribunal
Madhya Pradesh Luxury, Entertainment, Merriment, Advertising Act, 2011	Entertainment Tax	40.77	2011-2012 to 2014-2015	High Court
Meghalaya(Mobile phone connection cess) Act, 2002	Cess	0.59	2002-2003	High Court

*Net of amounts paid under protest.

(viii) (a) The Company has defaulted in repayment of following dues to the banks and Financial Institutions during the year, which were not paid as at Balance Sheet date:

Sr. No.	Lenders' Name	Amount (Rs in Crore) Borrowings	Amount (Rs in Crore) Interest	Period (Maximum Days) Borrowings	Period (Maximum Days) Interest
1	Bank of India	46.00	0.61	1,462	1,461
2	Canara Bank	50.40	-	1,371	-
3	Central Bank of India	18.40	0.22	1,462	1,462
4	Corporation Bank(merged with Union Bank of India)	13.80	0.16	1,462	1,461
5	China Development Bank	863.67	26.7	1,298	1,484
6	Export Import Bank of China	215.92	6.67	1,298	1,484
7	IDBI Bank	276.00	3.78	1,462	1,461
8	IDBI Bank	54.92	-	1,475	-
9	Indian Overseas Bank	18.40	0.22	1,462	1,461
10	Oriental Bank of Commerce (merged with Punjab National Bank)	13.93	0.22	1,279	1,461
11	Punjab National Bank	187.60	-	1,487	-
12	State Bank of India	115.00	1.76	1,462	1,461
13	Syndicate Bank (merged with Canara Bank)	36.80	0.44	1,462	1,461
14	Union Bank of India	21.96	0.24	1,462	1,461
15	HSBC-France	261.47	4.46	1,406	1,406
16	Vishvakarma Equipment Finance Limited	118.00	-	486	-
	Total	**2,312.27**	**45.48**		

(Refer Note No.2.10.03 of the financial statements)

Apart from above outstanding of interest mentioned above, the Company has not provided interest of Rs. 176.44 crore and Rs. 734.30 crore for the year ended and up to March 31, 2021 respectively and therefore it has not been disclosed above.

(b) Installments amounting to Rs. 594.34 crore payable to Department of Telecommunications (DOT) as on March 31, 2021 for spectrum acquired on deferred payment basis, has not been paid. (Refer note 2.06.01 of the financial statements).

(ix) According to the information and explanations provided to us and based on our examination of the records of the Company, during the year, theCompanyhasnotraisedanymoneybywayofinitialpublicoffer or further public offer (including debt instruments) or term loans.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit. Also refer note no. 2.23 of the financial statements

(xi) Accordingtotheinformationandexplanationsgiventousandbasedonourexamination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or personsconnected with him. Accordingly, paragraph (xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) of the Order are notapplicable to the Company.

For **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm’s Registration No: 107783W/W100593

Vishal D. Shah
Partner
Membership No: 119303
UDIN: 21119303AAAALM6875

Date: June 26, 2021
Place: Mumbai

Reliance Telecom Limited
'Annexure B' to the Independent Auditor's Report - March 31, 2021

Report on the Internal Financial Controls under Clause (h) of Sub-section 3 of Section 143 of the Companies Act,2013 (''the Act'')

We have audited the internal financial controls with reference to financial statements of **Reliance Telecom Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company’s internal financial controls with reference to financial statements as at March 31, 2021:

i. The Company’s internal process with regard to confirmation and reconciliation of Balances of trade receivable, trade payables & other liabilities and loan & advances resulting the Company not providing for adjustments, which are required to be made to the carrying values of such assets and liabilities. (Read with Note no.2.21).

ii. In respect of delays in payment of statutory dues including Goods and Service Tax/Service Tax/ Value Added Tax / Tax Deducted at Source accounts and delays in filing of certain statutory returns during the year with the respective authorities..

iii. The Company’s internal financial control with regard to the compliance with the applicable Indian Accounting Standards and evaluation of carrying values of assets and liabilities and other matters, as fully explained in basis for qualified opinion paragraph of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the financial statements.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinionand to the best of our information and according to the explanations given to us, except for the effects / possible effects of the material weaknesses described above under Basis of Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered material weakness identified and reported above in determining thenature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2021 and these material weaknesses has affected our opinion on the said financial statements of the Company [our audit report dated June 26, 2021}and we have expressed an qualified opinion on thesefinancial statements of the Company.

For**Pathak H.D. & Associates LLP**
Chartered Accountants
Firm's Registration No: 107783W/W100593

Vishal D. Shah
Partner
Membership No: 119303
UDIN: 21119303AAAALM6875

Date: June 26, 2021
Place: Mumbai

Reliance Telecom Limited

Balance Sheet as at March 31, 2021

(₹ in Crore)

Particulars	Notes		As at March 31, 2021		As at March 31, 2020
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	**2.01**	0.02		0.04	
(b) Income Tax Assets (net)	**2.02**	8.46	**8.48**	14.74	14.78
Current Assets					
(a) Financial Assets					
(i) Trade Receivables	**2.03**	44.70		44.70	
(ii) Cash and Cash Equivalents	**2.04**	36.32		40.51	
(b) Other Current Assets	**2.05**	338.14		337.22	
(c) Assets Held for Sale	**2.06**	3,402.77	**3,821.93**	3,402.77	3,825.20
Total Assets			**3,830.41**		3,839.98
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.07**	85.00		85.00	
(b) Other Equity	**2.08**	(10,928.51)	**(10,843.51)**	(10,168.74)	(10,083.74)
LIABILITIES					
Non-Current Liabilities					
(a) Financial Liabilities					
(b) Provisions	**2.09**	0.03	**0.03**	0.03	0.03
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.10**	6,568.96		6,568.96	
(ii) Trade Payables	**2.11**				
Micro and Small Enterprises		13.49		13.47	
Creditors other than Micro and Small Enterprises		552.95		552.66	
(iii) Other Financial Liabilities	**2.12**	4,492.81		4,016.43	
(b) Other Current Liabilities	**2.13**	37.18		37.17	
(c) Provisions	**2.14**	0.02		0.01	
(d) Liabilities directly related to Assets Held for Sale	**2.06**	3,008.48	**14,673.89**	2,734.99	13,923.69
Total Equity and Liabilities			**3,830.41**		3,839.98
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

Reliance Telecom Limited

Balance Sheet as at March 31, 2021

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date.

For Pathak H.D. & Associates LLP
Firm Regn No. 107783W/W100593
Chartered Accountants

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Dated : June 26, 2021

For Reliance Telecom Limited

Anish Niranjan Nanavaty
Resolution Professional

Pallavi S Mane
Director
DIN 08270359

Mahesh Mungekar
Director
DIN 00778339

Sanjay K Agarwal
Chief Financial Officer

Vinay Sony
Company Secretary & Manager
A59194

Reliance Telecom Limited

Statement of Profit and Loss for the year ended March 31, 2021

(₹ in crore)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**INCOME**			
(a)	Revenue from Operations		-	-
(b)	Other Income	**2.15**	5.87	-
(c)	**Total Income ((a) +(b))**		**5.87**	-
II	**EXPENSES**			
(a)	Access Charges, License Fees and Network Expenses	**2.16**	7.52	8.86
(b)	Employee Benefits Expenses	**2.17**	0.49	0.45
(c)	Finance Costs	**2.18**	281.48	257.03
(d)	Depreciation and Amortisation (Previous year ₹ 9,743)	**2.01**	0.02	-
(e)	General Administration Expenses	**2.19**	4.01	21.74
(f)	**Total Expenses ((a) to (e))**		**293.52**	288.08
III	**Profit /(Loss) before Exceptional items and Tax (I(c)- II(f))**		**(287.65)**	(288.08)
IV	**Exceptional Items**			
	Provision of Liability on account of License and Spectrum Fee	**2.24**	472.13	3,015.98
V	**Profit / Loss before Tax (III- IV)**		**(759.78)**	(3,304.06)
VI	**Tax Expense:**			
(a)	- Current Tax		**-**	-
(b)	- Deferred Tax Charge/ (Credit)		**-**	-
VII	**Profit /Loss after Tax (V- VI)**		**(759.78)**	(3,304.06)
VIII	**Other Comprehensive Income**			
	Remeasurement Gain/ (Loss) of the net defined employee benefit (Net of Tax)		0.01	0.04
IX	**Total Comprehensive Income / (Loss) for the year (VII + VIII)**		**(759.77)**	(3,304.02)
X	**Earnings per Share of ₹ 10 each fully paid up**	**2.28**		
	- Before exceptional items (Basic and Diluted) (₹)		**(33.84)**	(33.89)
	- After exceptional items (Basic and Diluted) (₹)		**(89.39)**	(388.71)
Significant Accounting Policies		**1**		
Notes on Accounts		**2**		

Reliance Telecom Limited

Statement of Profit and Loss for the year ended March 31, 2021

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date.

For Pathak H.D. & Associates LLP
Firm Regn No. 107783W/W100593
Chartered Accountants

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Dated : June 26, 2021

For Reliance Telecom Limited

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Reliance Telecom Limited

Statements of Change in Equity as at March 31, 2021

(a) Equity Share Capital (Refer Note 2.07) (₹ in Crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Balance at the beginning of the year	85.00	85.00
Change in Equity Share Capital during the year	-	-
Balance at the end of the year	**85.00**	85.00

(b) Other Equity (Refer Note 2.08) (₹ in Crore)

Particulars	**Reserves and Surplus**			**Total**
	Preference Share Redemption Reserve	**Retained Earnings**	**Other Comprehensive Income**	
Balance as at April 1, 2019	200.00	(7,064.54)	(0.18)	(6,864.72)
Surplus/ (Deficit) of Statement of Profit and Loss	-	(3,304.06)	-	(3,304.06)
Other Comprehensive Income	-	-	0.04	0.04
Balance as at April 1, 2020	200.00	(10,368.60)	(0.14)	(10,168.74)
Surplus/ (Deficit) of Statement of Profit and Loss	-	(759.78)	-	**(759.78)**
Other Comprehensive Income	-	-	0.01	**0.01**
Balance as at March 31, 2021	**200.00**	**(11,128.38)**	**(0.13)**	**(10,928.51)**

Significant Accounting Policies **1**
Notes on Accounts **2**

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date.

For Pathak H.D. & Associates LLP
Firm Regn No. 107783W/W100593
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Vishal D. Shah
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Place : Mumbai
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For Reliance Telecom Limited

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Reliance Telecom Limited

Statement of Cash Flow for the year ended March 31, 2021

(₹ in crore)

Particulars		**For the year ended March 31, 2021**		For the year ended March 31, 2020
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit /(Loss) before tax as per Statement of Profit and Loss		**(759.78)**		(3,304.06)
Adjusted for:				
Depreciation and Amortisation (Previous year ₹ 9,743)	0.02		-	
Effect of change in Foreign Exchange Rate (net)	(5.12)		13.89	
Excess Provision for Gratuity and Leave Encashment (₹ 21,831)	-		(0.03)	
Finance Costs	281.48		257.03	
Interest Income	(0.75)		-	
		275.63		270.89
Operating Profit / (Loss) before Working Capital Changes		**(484.15)**		(3,033.17)
Adjusted for:				
Receivables and Other Advances	(0.76)		(1.18)	
Trade Payables and Other Liabilities	474.45		3,024.06	
		473.69		3,022.88
Cash Generated from Operations		**(10.46)**		(10.29)
Tax Refund	6.28		-	
Tax Paid	-	6.28	-	-
Net Cash from Operating Activities		**(4.18)**		(10.29)
B CASH FLOW FROM INVESTING ACTIVITIES				
Additions of Property, Plant and Equipments, Intangible Assets and Capital Work in Progress/ Intangible under Development		-		0.27
Net Cash from/ (Used in) Investing Activities		**-**		0.27
C CASH FLOW FROM FINANCING ACTIVITIES				
Net Proceeds from / (Repayment of) Short term Borrowings		-		-
Repayment of Non-Current Borrowings		-		-
Finance Costs		(0.01)		(9.01)
Net Cash from/ (Used in) Financing Activities		**(0.01)**		(9.01)
Net Increase/ (Decrease) in Cash and Cash Equivalents		**(4.19)**		(19.03)
Opening Balance of Cash and Cash Equivalents		(202.01)		(182.98)
Closing Balance of Cash and Cash Equivalents		**(206.20)**		(202.01)

Note:

(1) Figures in brackets indicate cash outgo.

(2) Cash and Cash Equivalents includes cheques on hand, remittances-in-transit and bank balance.

(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard (Ind AS) 7. "Statement of Cash Flow".

(4) **Breakup of Cash and Cash Equivalents:**

	As at March 31, 2021	As at March 31, 2020
(i) Cash and cash equivalent	36.32	40.51
(ii) Less: Bank overdraft	(242.52)	(242.52)
(iii) Cash and cash equivalent (net) as per Ind AS 7	**(206.20)**	(202.01)

Reliance Telecom Limited

Statement of Cash Flow for the year ended March 31, 2021

Significant Accounting Policies	**1**
Notes on Accounts	**2**

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date.

For Pathak H.D. & Associates LLP
Firm Regn No. 107783W/W100593
Chartered Accountants

Vishal D. Shah
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Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2021

Note: 1

General Information and Significant Accounting Policies

1.1 General Information

Reliance Telecom Limited (“RTL” or “the Company” or "Corporate Debtor"), a subsidiary of Reliance Communications Limited ("RCOM" or " the Holding Company"). The Company is registered under the Companies Act, 1956, having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. RTL was providing Telecommunication services in eight telecom service areas namely: Assam, Bihar, Himachal Pradesh, Kolkata, Madhya Pradesh, North East, Orissa and West Bengal through GSM Technology. The Company, during the earlier year, had discontinued Wireless business.

Corporate Insolvency Resolution Process (“CIRP”) has been initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stands vested with the Resolution Professional (“RP”) appointed by the Hon'ble National Company Law Tribunal (NCLT).

1.01 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for assets, specified hereunder, which are measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 the Companies Act, 2013 ("the Act") except matters specified in Note 2.06, 2.18.01, 2.21 and 2.25 read with relevant rules of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realization in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.02 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company. All amounts are rounded off to the crore, with two decimals, unless stated otherwise.

1.03 Property, Plant and Equipment

(i) Property, Plant and Equipment (PPE) are stated at cost net of Input credits/ Modvat/ Cenvat less accumulated depreciation, amortisation and impairment loss, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(ii) Cost of an item of PPE comprises its purchase price, including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

(iii) As per Para 46A of Accounting Standard 11, 'The Effects of Changes in Foreign Exchange Rates', related to acquisition of depreciable assets pursuant to the notifications dated December 29, 2011 and August 9, 2012 issued by Ministry of Corporate Affairs (MCA), under the Companies (Accounting Standard) (Second Amendment) Rules 2011, the cost of depreciable capital assets includes foreign exchange differences arising on translation of long term foreign currency monetary items as at the balance sheet date in so far as they relate to the acquisition of such assets is capitalised and subsequently on adoption of Indian Accounting Standard also the same is allowed for the transactions recorded upto March 31, 2016.

(iv) Depreciation is provided on Straight Line Method based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013 except in case of the following assets where useful life is different than those that are prescribed in Schedule II, considered based on technical evaluation.

(a) Telecom Electronic Equipments - 20 years

(b) Furniture, Fixtures and Office Equipments - 5, 10 years

(c) Vehicles - 5 years

(d) Leasehold improvements - Shorter of the remaining lease term or useful life.

(v) Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

(vi) Depreciation methods, useful lives and residual values are reviewed periodically at each reporting date.

(vii) Depreciation on all the assets capitalised pursuant to para 46A of AS 11 is provided over the remaining useful life of the depreciable capital asset.

(viii) Depreciation on additions is calculated pro rata from the following month of addition.

(ix) Expenses incurred relating to project, prior to commencement of commercial operations, are considered as project development expenditure and shown under Capital Work in Progress.

1.04 Intangible Assets

(i) Intangible Assets are stated at cost as applicable less accumulated amortisation/ impairment, if any.

(ii) Intangible assets acquired are measured on initial recognition at cost. Cost includes all direct costs relating to acquisition of Intangible assets and borrowing cost relating to qualifying assets.

(iii) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iv) Intangible assets, namely Telecom Licenses are amortised, over the period of Licenses on Straight Line Method (SLM) . Software assets are amortized from the date of acquisition or commencement of commercial services, whichever is later.

(v) There are no intangible assets assessed with indefinite useful life. The life of amortisation of the intangible assets are as follows:

(a) Telecom Licenses - 20 years

(b) Software - 5 years

(vi) Amortisation methods, useful lives and residual values are reviewed periodically at each reporting date.

1.05 Non-current Assets Held for Sale

Non-current assets are classified as the Assets Held for Sale when their carrying amount is to be recovered principally through a sale transaction. Non-current assets classified as held for sale are measured at the lower of their carrying amount and/ or fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets and sale is expected to be concluded within twelve months from the date of such classification.

Assets and liabilities classified as held for sale are presented separately in the balance sheet. Non-current assets are not depreciated or amortised while they are classified as held for sale.

Loss is recognised for any initial or subsequent write down of such non current assets to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell an asset but not in excess of any cumulative loss previously recognised.

If the criteria for assets held for sale are no longer met, it ceases to be classified as held for sale and are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation or any amortisation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when such assets ceases to be classified as held for sale.

1.06 Impairment of Non Financial Assets

Intangible assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they may be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased / reversed where there has been change in the estimate of recoverable value. The recoverable value is higher of the assets net selling price and value in use.

1.07 Inventories of Stores, Spares and Communication Devices

Inventories of stores, spares and communication devices are accounted for at costs and all other costs incurred in bringing the inventory to their present location and condition, determined on weighted average basis or net realizable value, whichever is less. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

1.08 Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the year.

Long-term employee benefits

(i) **Defined contribution plan**

The Company's contribution towards Employees' Superannuation Plan is recognised as an expense during the period in which it accrues.

(ii) **Defined benefit plans**

Provident Fund

The Company's contribution towards provident fund is recognised as an expense during the period in which it accrues.

Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value, mortality rate and the fair value of any plan assets is deducted. Mortality rate is based on publicly available mortality table in India.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Remeasurements which comprise actuarial gain and losses, the return of plan assets (excluding interest) and the effect of assets ceiling (if any, excluding interest), are recognised in Other Comprehensive Income.

(iii) **Other Long term employment benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the balance sheet date.

Remeasurements gain and losses is recognised in the Statement of Profit and Loss in the period in which they arise.

1.09 Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as expense in the period in which they are incurred.

1.10 Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the time of the transaction.

(ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(iii) Non monetary foreign currency items are carried at cost. (i.e. translated using the exchange rates at the time of initial transactions).

(iv) Exchange difference on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for;

(a) Exchange difference on foreign currency borrowings relating to depreciable capital asset are included in cost of assets which are regarded as an adjustment to interest cost.

(b) Exchange difference on foreign currency transactions, on which receipt and/ or payments are not planned, initially recognised in other comprehensive income and reclassified from equity to profit and loss on repayment of the monetary items.

(v) Accounting of transactions that include the receipt or payment of advance consideration in a foreign currency the date of transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

(vi) Any Gain/ Loss arising out of marking a class of derivative contracts to market price is recognised in the Statement of Profit and Loss.

1.11 Revenue Recognition and Receivables

(i) Revenue is recognised when control over goods or services is transferred to a customer, which under current GAAP is based on the transfer of risks and rewards. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

(ii) The Company determines whether revenue should be recognised 'over time' or 'at a point in time'. As a result, it is required to determine whether control is transferred over time. If not, only then revenue be recognised at a point in time, or else over time. The Company also determines if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration gets allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. This could result in earlier recognition of revenue compared to current practice – especially impacting industries where revenue is presently not recorded until all contingencies are resolved. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense.

(iii) Interest income is recognised on time proportion basis.

1.12 Taxes on Income and Deferred Tax

Income Tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or other comprehensive income.

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that is probable and that taxable profit will be available against which such deductible temporary differences can be utilised. MAT credit is recognised as an asset only if there is convincing evidence that the Company will pay normal income tax during the specified period.

1.13 Asset Retirement Obligation (ARO),Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are determined by discounting expected future cash flows at the pre tax rate that reflects current market assumptions of time value of money and risk specific to the liability. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Asset Retirement Obligation (ARO) relates to the removal of equipments when they will be retired from its active use. Provision is recognised based on the best estimate, of the management, of the eventual costs (net of recovery), using discounted cash flow, that relates to such obligation and is adjusted to the cost of such assets. Estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent Assets are neither recognised nor disclosed in the financial statements of the Company.

1.14 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any exceptional item. Number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial Assets

(i) **Initial recognition and measurement**

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of the financial asset. In the case of financial assets recorded at fair value through Profit and Loss, the transaction cost is recognised in the Statement of Profit and Loss.

(ii) **Subsequent measurement**

Subsequent measurement of the Financial Assets depends on the Company’s business model for managing the asset and cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets:

Financial Assets measured at amortised cost:

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) Asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI):

A ‘debt instrument’ is classified as at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling financial assets, and

b) The contractual cash flows of the asset represent SPPI: Debt instrument is included within FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit or loss (FVTPL):

A ‘debt instrument’, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

Equity investments :

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Also, Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition”.

Derecognition of Financial Assets

A financial asset is primarily derecognised when: (I) The rights to receive cash flows from the asset have expired, or (II)The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company assesses on a forward looking basis the Expected Credit Loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables, as permitted by Ind AS 109. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

Financial Liabilities

(i) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described herein:

Financial liabilities at Fair Value through Profit or Loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities measured at amortised cost: After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognised in Profit and Loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.16 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements

Critical estimates and judgements

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates or judgements pertains to useful life of property, plant and equipment (Note 2.01), current tax expense and payable, recognition of deferred tax assets for carried forward tax losses, impairment of trade receivables, other financial assets (Note 2.02, 2.03 and 2.05), Assets Held for Sale (Note 2.06) and measurement of defined benefit obligation (Note 2.31). Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(i) Useful life of Property, Plant and Equipment including intangible asset: The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ii) Taxes : The Company provides for tax considering the applicable tax regulations and based on probable estimates.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized.

(iii) Fair value measurement and valuation process: The Company measured financial assets and liabilities, if any, at fair value for financial reporting purposes.

(iv) Trade receivables and Other financial assets: The Company follows a ‘simplified approach’ (i.e. based on lifetime Expected Credit Loss (“ECL”)) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

(v) Defined benefit plans (gratuity benefits) : The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(vi) Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. 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).

(vii) Determination of net realisable value of Assets Held for Sale and related liabilities.

(viii) Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(ix) The Company has provided liability against License & Spectrum Fee dues along with interest and penalty, for the demands raised by DoT considering Non-Telecom income till FY 2014-15 and for the balance years, for which demand have not been raised by DoT, the company has computed estimated liability on Non-Telecom revenue from FY 2015-16 onwards along with interest and penalty thereof.

1.17 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.01

Property, Plant and Equipment

(₹ in crore)

Particulars	**Buildings**	**Capital Work in Progress**
Gross carrying value		
As at April 1, 2019	0.04	-
Additions	-	-
Deductions	-	-
As at March 31, 2020	0.04	-
Additions	-	-
Deductions	-	-
As at March 31, 2021	**0.04**	**-**
Accumulated Depreciation		
As at April 1, 2019	-	
Depreciation for the year (₹ 9,743)	-	
Deductions	-	
As at March 31, 2020	-	
Depreciation for the year	0.02	
Deductions	-	
As at March 31, 2021	0.02	
Net Carrying Value		
As at March 31, 2020	0.04	
As at March 31, 2021	**0.02**	

Notes:

2.01.01 Building includes cost of shares in Co-operative Society ₹ 250 (Previous year ₹ 250).

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.02

(a) Income Tax Assets (net) (Refer Note 2.21) (₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Income Tax and Tax Deducted at source (net of provision for tax)	8.46	14.74
	8.46	14.74

(b) Deferred Tax Assets (Net) (₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Amount recognised in Financial Statement				
(i) Deferred Tax Assets				
Relating to Carried forward losses and unabsorbed depreciation	1,819.62	1,714.25	105.37	56.51
Disallowances under Income Tax Act, 1961	75.78	73.36	2.42	(16.08)
MAT Credit Entitlement	29.31	29.31	-	-
Relating to temporary difference on depreciation/ amortisation and Impairment of Assets	151.02	275.91	(124.89)	(192.58)
	2,075.73	2,092.83	**(17.10)**	(152.15)
(ii) Deferred Tax Liabilities	-	-	-	-
Net Deferred Tax Assets (i)- (ii)	**2,075.73**	2,092.83	**(17.10)**	(152.15)
Deferred Tax Assets recognised/ restricted	**Nil**	Nil	**Nil**	Nil

Significant management judgement is considered in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimate of the taxable income for the period over which deferred tax assets will be recovered.

The Company has unabsorbed business losses/depreciation and MAT Credit entitlement which according to the management will be used to setoff taxable profit arising in subsequent years from operation and/or sale of assets of the Company. However, Deferred Tax Assets have been restricted to ₹ Nil (Previous year ₹ Nil) due to non existence of reasonable certainty. Year wise expiry of total Losses are as under:

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Sr. Year of Expiry	**Amount of Loss** (₹ in crore)
i. Financial Year 2022-23	39.55
ii. Financial Year 2024-25	688.56
iii. Financial Year 2025-26	684.06
iv. Financial Year 2026-27	542.71
v. Financial Year 2027-28	532.56
vi. Financial Year 2028-29	518.98
vii. Unabsorbed Depreciation for unlimited period	2,825.74

(b) Amounts recognised in profit and loss

(₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Current income tax	-	-
Deferred income tax liability / (asset), net	-	-
Tax expense for the year	**-**	-
(c) Amounts recognised in Other Comprehensive Income	**Nil**	Nil
(d) Reconciliation of Tax Expenses		
Profit/ (Loss) before Tax	**(759.78)**	(3,304.06)
Applicable Tax Rate	**31.200%**	31.200%
Computed Tax Expenses (I)	**(237.05)**	(1,030.87)
Add/ (Less):		
DTA not recognised on account of		
Temporary differences	89.75	89.83
Provision for Impairment disallowed/ Others not allowed under Income Tax Act, 1961	147.30	941.04
Subtotal (II)	**237.05**	1,030.87
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I+II)	**-**	-

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.03

Trade Receivables (unsecured, Considered good/ unless stated otherwise) (₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Considered Good (Refer Note 2.21)	44.70	44.70
Credit impaired	199.65	199.65
Less: Allowance for credit impaired	199.65	199.65
	44.70	44.70

Note: 2.04

Cash and Cash Equivalents (₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with Banks*	36.32	40.51
	36.32	40.51

* includes balance of ₹ Nil (Previous Year ₹ 0.01 crore) in respect of 2 (Previous Year 6) Bank accounts, which is subject to confirmation from Bank.

Note: 2.05

Other Current Assets (Unsecured)* (₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
a) Advances and Receivables		
Considered good		
Related Parties (Refer Note 2. 30)	8.69	8.59
Others	173.92	173.57
	182.61	182.16
b) Others		
Deposits	35.80	35.80
Balance with GST Authorities etc.	118.02	116.77
Prepaid Expenses	1.71	2.49
	338.14	337.22

* Refer Note 2.21

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.06

Assets Held for Sale (₹ in crore)

Particulars	**Net Block Reclassified from PPE and Intangible Assets**		**Provision for Impairment**		**Assets Held for Sale**	
	For the year ended March 31,		**For the year ended March 31,**		**As at March, 31**	
	2021	2020	**2021**	2020	**2021**	2020
Tangible						
Plant and Machinery	-	-	-	-	7.37	7.37
Capital Work in Progress	-	-	-	-	0.14	0.14
Subtotal	**-**	-	**-**	-	**7.51**	7.51
Intangible						
Telecom Licences	-	-	-	-	2,542.12	2,542.12
Intangible Assets under Development-Telecom Licences	-	-	-	-	853.14	853.14
Subtotal	**-**	-	**-**	-	**3,395.26**	3,395.26
Total	**-**	-	**-**	-	**3,402.77**	3,402.77

Liabilities directly related to Assets Held for Sale (₹ in crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Deferred Payment Liabilities relating to Telecom Licences	1,921.48	1,921.48
Interest accrued on Spectrum	1,087.00	813.51
	3,008.48	2,734.99

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

2.06.01 The assets pertaining to Wireless Business continued to be classified as assets held for sale at the value ascertained as at March 31, 2018, along with liabilities and disclosed separately as discontinued operations in line with Ind AS 105 “Non-current. During the year, ₹ Nil (Previous year ₹ Nil) have been impaired and represented as exceptional items. On finalisation and implementation of debt resolution process through Hon'ble NCLT, the Company will carry out a comprehensive impairment review of its tangible, intangible assets and Assets held for sale. Refer Note 2.21.

During the earlier years, Reliance Communications Limited (RCOM), being the Holding Company, successfully bid under auction conducted for spectrum, by The Department of Telecommunications (DoT), for and on behalf of the Company and won spectrum in 5 service areas at a total cost of ₹ 2,584.57 crore. RCOM has made upfront payment of ₹ 663.09 crore on behalf of the Company, under the deferred payment option on April 8, 2015 and balance ₹ 4,754.72 crore (including interest), was payable in 16 annual installment starting from Financial year 2018-19. The Installments of ₹ 297.17 crore each aggregating to ₹ 594.34 crore, due on April 9, 2019 and April 9, 2020 are yet to be paid and balance installments not due as at March 31, 2021 is aggregating to ₹ 3,863.21 crore including interest @10% per annum. Further, an installment of ₹ 297.17 crore due on April 9, 2021 is yet to be paid. Spectrum won in 3 service areas are yet to be put to use and was reflected as Intangible assets under development.

In this regard it is pertinent to note that the dues pertaining to the spectrum (including entire deferred payments) have been claimed by DoT vide letter dated May 20, 2020 and the same have been admitted by the RP, and accordingly, the dues shall be dealt with in accordance with provisions of the Code. In accordance with the aforesaid and admission of deferred spectrum installments as claims, the Company has not paid the installments.

2.06.02 Refer note 2.10.01 for security in favour of lenders. Reliance Communications Limited (RCOM), the Holding Company had, during the earlier years, allotted, 1,500, 11.25% Secured Redeemable, Non Convertible Debentures (NCDs) of the face value of ₹ 1,00,00,000 each, aggregating to ₹ 1,500 crore (current outstanding ₹ 750 crore), and 3,000, 11.20% Secured Redeemable, Non Convertible Debentures (NCDs) of the face value of ₹ 1,00,00,000 each, aggregating to ₹ 3,000 crore. The NCD's, alongwith 6.5% Senior Secured Notes (SCN's), Foreign Currency Loans and Rupee Term Loans of ₹ 25,424 crore availed by Reliance Communications Limited (RCOM), the Holding Company and Foreign Currency Loans of ₹ 1,623 crore availed by Reliance Infratel Limited (RITL), a fellow subsidiary were secured by a first pari passu charge on the whole of the movable plant and machinery of the Company including (without limitations) tower assets and optic fibre cables, if any (whether attached or otherwise), capital work-in-progress (pertaining to movable fixed assets) both present and future including all the rights, title, interest, benefits, claims and demands in respect of all insurance contracts relating thereto of the Borrower Group; comprising of the Company, RCOM, the Holding Company and its fellow subsidiaries namely RITL and Reliance Communications Infrastructure Limited (RCIL) in favour of the Security Trustee for the benefit of the NCD Holders and the Lenders of the said secured loans. Further, Rupee Term Loan of ₹ 2,359 crore availed by RCOM and ₹ 1,109 crore availed by RITL have also been secured by second pari passu charge on the said assets. Rupee loans availed by RCOM also includes ₹ 5,463 crore secured by current assets, movable and immovable assets including intangible, both present and future of the Borrower Group. Further, non fund based outstanding of ₹ 246 crore availed by the Company, ₹ 1,361 crore availed by RCOM and ₹ 4 crore availed by RCIL have been secured by second pari passu charge on movable fixed assets of the Borrower Group.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.07

Equity Share Capital

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised		
40 00 00 000 Equity Shares of ₹ 10 each (40 00 00 000)	400.00	400.00
10 00 00 000 Preference Shares of ₹ 10 each (10 00 00 000)	100.00	100.00
	500.00	500.00
Issued, Subscribed and Paid up		
8 50 00 000 Equity Shares of ₹ 10 each fully paid up (8 50 00 000)	85.00	85.00
	85.00	85.00

2.07.01 Equity Shares

(a) **Equity Shares held by Holding Company and its subsidiaries**

Particulars	No of Shares	No of Shares
Reliance Communications Limited, Holding Company and its nominees	**6 69 80 100**	6 69 80 100
Reliance Realty Limited , a fellow subsidiary	**1 80 19 900**	1 80 19 900

(b) **Details of Shareholders holding more than 5% shares in the Company**

Particulars	No of Shares	%	No of Shares	%
Reliance Communications Limited and its nominees	**6 69 80 100**	**78.80%**	6 69 80 100	78.80%
Reliance Realty Limited	**1 80 19 900**	**21.20%**	1 80 19 900	21.20%

(c) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after the distribution of all the preferential amounts, in proportion to their shareholding.

(d) Reconciliation of Shares outstanding at beginning and at the end of the reporting period.

Particulars	March 31, 2021		March 31, 2020	
	No of Shares	(₹ in crore)	No of Shares	(₹ in crore)
Equity Shares				
At the beginning of the year	8 50 00 000	85.00	8 50 00 000	85.00
Add: Shares issued during the year	-	-	-	-
At the end of the year	**8 50 00 000**	**85.00**	8 50 00 000	85.00

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.08

Other Equity

(₹ in crore)

Particulars		**As at March 31, 2021**		As at March 31, 2020
Preference Share Redemption Reserve				
(i) Opening Balance	200.00		200.00	
(ii) Additions during the year	-	200.00	-	200.00
Surplus /(Deficit) in retained earnings				
(i) Opening Balance	(10,368.60)		(7,064.54)	
(ii) Add: Profit /(Loss) for the year	(759.78)	(11128.38)	(3,304.06)	(10,368.60)
Other Comprehensive Income				
(i) Opening Balance	(0.14)		(0.18)	
(ii) Add: Additions during the year (net)	0.01	(0.13)	0.04	(0.14)
		(10,928.51)		(10,168.74)

Nature and Purpose of Reserve

Preference Share Redemption Reserve

Preference Share Redemption Reserve was created out of profits as required under the Act then applicable which shall be utilised for the purpose of redemption of Preference Shares issued by the Company.

Note: 2.09

Provisions

(₹ in crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Provision for Retirement Benefit (Refer Note 2.22 & 2.31)	0.03	0.03
	0.03	0.03

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.10

Borrowings- Current

(₹ in Crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Secured		
From Banks (Refer Note 2.10.01)		
Foreign Currency Loans	1,341.06	1,341.06
Rupee Term Loan	36.80	36.80
Unsecured		
From Banks		
Rupee Loans	242.52	242.52
From Related Parties (Refer Note 2.30)		
Borrowings	3,555.88	3,555.88
Preference Shares (Refer Note 2.10.06 & 2.10.07)	1,392.70	1,392.70
	6,568.96	6,568.96

2.10.01 Secured Loans

The Company, during earlier years, had availed Rupee Term Loan (Outstanding as on March 31, 2021 was ₹ 610.69 crore) under consortium banking arrangement and Foreign Currency Loan (Secured Loans) (Outstanding as on March 31,2021 was ₹ 1,341.06 crore), which have been secured by way of first pari passu charge on movable plant and machinery, including (without limitations) tower assets and optic fibre cables, if any (whether attached or otherwise), capital work-in-progress (pertaining to movable fixed assets), both present and future, including all rights, title, interest, benefits, claims and demands in respect of all insurance contracts relating thereto of the Borrower Group; comprising of the Company, Reliance Communications Limited (RCOM), the Holding Company and its fellow subsidiaries namely Reliance Infratel Limited (RITL) and Reliance Communications Infrastructure Limited (RCIL) (Borrower Group) in favour of the Security Trustee for the benefit of the Lenders. The said Secured Loans apart from the above security, are also secured by pledge of equity shares of RCIL held by RCOM and of the Company held by RCOM and Reliance Realty Limited (RRL) by execution of the Share Pledge Agreement with the Share Pledge Security Trustee.

The Company, in favour of the Lenders of the Foreign Currency Loans, has also assigned eight Unified Access Services (UAS) Licences, by execution of Tripartite Agreements with Department of Telecommunications (DoT) and IDBI Bank, being the agent acting on behalf of the Lenders. The Company, during the earlier year, migrated to Unified licence in 7 telecom circles. Assignment of Telecom Licenses of the Company for the Rupee Term Loans is pending to be executed. The said Foreign Currency Loans are also guaranteed by Holding Company.
Rupee Term loans are also secured by pledge of equity shares of RITL held by RCIL, current assets, movable and immovable assets including intangible, both present and future of the Borrower Group and Corporate Guarantee of the Borrower Group. During the earlier year, charge over the three immovable assets of the Borrower Group was created. However, charge over balance immovable assets of the Borrower Group and Reliance Globalcom BV (RGBV) the security for Rupee Loan is pending to be created.

During the earlier year, lenders have invoked guarantees provided by Borrower group for outstanding Rupee loan of ₹ 610.69 crore availed by the Company, ₹ 5,950.00 crore availed by RCOM and ₹ 485 crore availed by RITL. Further, the Company created first ranking exclusive charge (pari passu inter se the Lenders) over Designated Account with future rights, title and interest therein, including all of its rights in respect of any amount standing to the credit of the Designated Account and the debt represented by it, in favour of State Bank of India, the Convenor (for the benefit of the Lenders) as continuing security.

2.10.02 Long term loans of ₹ 1,377.86 crore has classified as Short term as the Company is under CIRP.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

2.10.03 Delay/ Default in Repayment of Borrowings and interest

The Company has delayed/ defaulted in payment of dues to banks and other lenders. The lenderwise details are as under:

Sr	Name of Bank	Borrowings				Interest				Borrowings				Interest			
		Delayed during the financial year ended March 31, 2021		Default as at March 31, 2021		Delayed during the financial year ended March 31, 2021		Default as at March 31, 2021		Delayed during the financial year ended March 31, 2020		Default as at March 31, 2020		Delayed during the financial year ended March 31, 2020		Default as at March 31, 2020	
		Amount [₹ in crore]	Period [Maximum days]	Amount [₹ in crore]	Period [Maximum days]	Amount [₹ in crore]	Period [Maximum days]	Amount [₹ in crore]	Period [Maximum days]	Amount [₹ in crore]	Period [Maximum days]	Amount [₹ in crore]	Period [Maximum days]	Amount [₹ in crore]	Period [Maximum days]	Amount [₹ in crore]	Period [Maximum days]
1	Central Bank of India	-	-	18.40	1,462	-	-	0.22	1,462	-	-	18.40	1,097	-	-	0.22	1,097
2	Bank of India	-	-	46.00	1,462	-	-	0.61	1,461	-	-	46.00	1,097	-	-	0.61	1,096
3	Canara Bank	-	-	50.40	1,371	-	-	-	-	-	-	50.40	1,006	-	-	-	-
4	Indian Overseas Bank	-	-	18.40	1,462	-	-	0.22	1,461	-	-	18.40	1,097	-	-	0.22	1,096
5	Oriental Bank of Commerce (merged with Punjab National Bank)	-	-	13.93	1,279	-	-	0.22	1,461	-	-	13.93	914	-	-	0.22	1,096
6	State Bank of India	-	-	115.00	1,462	-	-	1.76	1,461	-	-	115.00	1,097	-	-	1.76	1,096
7	IDBI Bank Ltd	-	-	276.00	1,462	-	-	3.78	1,461	-	-	276.00	1,097	-	-	3.78	1,096
8	Union Bank of India	-	-	21.96	1,462	-	-	0.24	1,461	-	-	21.96	1,097	-	-	0.24	1,096
9	Corporation Bank (merged with Union Bank of India)	-	-	13.80	1,462	-	-	0.16	1,461	-	-	13.80	1,097	-	-	0.16	1,096
10	Syndicate Bank (merged with Canara Bank)*	-	-	36.80	1,462	-	-	0.44	1,461	-	-	36.80	1,097	-	-	0.44	1,096
11	Punjab National Bank	-	-	187.60	1,487	-	-	-	-	-	-	187.60	1,122	-	-	-	-
12	IDBI Bank Ltd	-	-	54.92	1,475	-	-	-	-	-	-	54.92	1,110	-	-	-	-
13	Vishvakarma Equipment Finance Ltd.	-	-	118.00	486	-	-	-	-	-	-	118.00	121.00	-	-	-	-
14	HSBC- France	-	-	261.47	1,406	-	-	4.46	1,406	-	-	261.47	1,041	-	-	4.46	1,041
15	China Development Bank*	-	-	863.67	1,298	-	-	26.70	1,484	-	-	863.67	933	-	-	26.70	1,119
16	Export Import Bank of China*	-	-	215.92	1,298	-	-	6.67	1,484	-	-	215.92	933	-	-	6.67	1,119
17	**Total**	**-**		**2,312.27**		**-**		**45.48**		-		2,312.27		-		45.48	

* Facilities recalled

2.10.04 Since the Company is under CIRP and claims have been filed by lenders, the overall obligations and liabilities including obligation for interest on loans shall be determined during the CIRP. Hence due to non availability of revised repayment schedule of borrowings, the total loan amount has been disclosed in delay/ default however, the figures of delay/ default are based on original terms of facility and from the date of recall, where loans have been recalled.

2.10.05 Apart from above outstanding of Interest, the Company has not provided Interest Expenses of ₹734.30 crore upto March 31, 2021 (Previous year upto March 31, 2020 ₹ 557.86 crore) calculated based on basic rate of interest as per terms of loan as at March 31, 2021 and therefore it has not been disclosed.

2.10.06 Preference Shares

Particulars	**As at March 31, 2021**	As at March 31, 2020
	No of Shares	No of Shares
(a) 1% Non Convertible, Non Cumulative, Redeemable Preference Shares		
Reliance Communications Limited, Holding Company	**4 50 00 000**	4 50 00 000
	100.00%	100.00%

Preference Shares are redeemable at any time after expiry of 6 months from the date of allotment (i.e. March 3, 2003) and before expiry of 20 years from the date of allotment, at a face value of ₹ 10/- each by one month notice from the Preference Shareholders; or on expiry of 20 years from the date of allotment at a price of ₹ 100/- per share (including ₹ 90/- premium per share), in case above option is not exercised.

(b) 1% Redeemable, Non Cumulative, Non Convertible Preference Shares		
Reliance Communications Tamilnadu Limited (RCTL)	**1 34 77 000**	1 34 77 000
	100.00%	100.00%

Preference Shares are redeemable at any time after the date of allotment (i.e. December 11, 2013) and before expiry of 20 years from the date of allotment, at 1% yield per annum less dividend paid, if any, at the time of redemption on issue price (Face value plus premium paid at the time of application) by giving three months notice to the Preference Shareholders; or on expiry of 20 years from the date of allotment at a price of ₹ 1000/- per share (including ₹ 990/- premium per share), in case above option is not exercised.

2.10.07 Details of Authorised Capital (Refer Note 2.07)

Note: 2.11

Trade Payables (Refer Note 2.21) (₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Due to Micro and Small Enterprises (Refer Note 2.29)	13.49	13.47
Due to Creditors other than Micro and Small Enterprises		
Related Parties (Refer Note 2.30)	173.27	173.27
Others	379.68	379.39
	566.44	566.13

Note: 2.12

Other Financial Liabilities (₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long Term Debts		
Secured		
From Banks (Refer Note 2.10.01)		
Rupee Term Loan	573.89	573.89
From Others		
Rupee Loans	118.00	118.00
Others		
Interest accrued and due on borrowings	45.48	45.48
Capital Creditors	164.60	169.66
Other Liabilities*		
-From Related Parties* (Refer Note 2.30)	67.85	67.85
-Others** (Refer Note 2.21 & 2.25)	3,522.99	3,041.55
	4,492.81	4,016.43

* The amount was received from Reliance Realty Limited during financial year 2018-19. Pending finalisation of terms, interest has not been charged and the same has been shown as "Other Financial Liabilities".

**Includes amounts due towards Provision for accrual of expenses, salary payable and other.

Note: 2.13

Other Current Liabilities (Refer Note 2.21) (₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Income received in advance	13.25	13.25
Other Liabilities*	23.93	23.92
	37.18	37.17

* Includes amounts due towards security deposit, advance from customers and statutory dues.

Note: 2.14

Provisions (₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Employee Benefits (Refer Note 2.22 & 2.31)	0.02	0.01
	0.02	0.01

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.15

Other Income (₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Interest Income	0.75	-
Net gain on Foreign currency transactions and translation	5.12	-
	5.87	-

Note: 2.16

Access Charges, License Fees and Network Expenses (₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
License Fees	6.08	5.99
Rent, Rates and Taxes	0.51	2.25
Repairs and Maintenance	0.23	0.02
Insurance*	-	0.03
Power, Fuel and Utilities	0.70	0.57
Other Network Operating Expenses	-	-
	7.52	8.86

*Refer Note 2.30

Note: 2.17

Employee Benefits Expenses* (₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Salaries and Wages	0.47	0.43
Contribution to Provident and Other Funds (Refer Note 2.31)	0.01	0.01
Employee Welfare and Other Amenities	0.01	0.01
	0.49	0.45

*Including Managerial Remuneration (Refer Note 2.30)

Note: 2.18

Finance Costs

(₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Interest on Financial Liabilities	273.50	248.64
Other Financial Cost	7.98	8.39
	281.48	257.03

2.18.01 Non Provision of Interest and Foreign Exchange Variation

Considering various factors including admission of the Company to debt resolution process under the IBC with effect from May 15, 2018 and pursuant to the commencement of Corporate Insolvency Resolution Process (CIRP) of the Company under Insolvency and Bankruptcy Code, 2016 (IBC), there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The Overall obligation and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined during the CIRP and accounting impact/ disclosure, if any, will be given on completion of CIRP. Further, prior to May 15, 2018, the Company was under Strategic Debt Restructuring (SDR) and asset monetization and debt resolution plan was being worked out. The Company has not provided Interest of ₹ 176.44 crore calculated based on basic rate of interest as per terms of loan and foreign exchange variation gain to ₹ 52.57 crore for the year ended March 31, 2021. Had the Company provided Interest and foreign exchange variation, the Loss would have been higher by ₹ 123.87 crore for the year ended March 31, 2021. The Net worth as on March 31, 2021 and as on March 31, 2020 would have been lower by ₹ 897.57 crore and ₹ 773.70 crore respectively. During the previous years, Interest of ₹ 557.86 crore and foreign exchange variation loss to ₹ 215.84 crore was not provided during the financial year ended March 31, 2018, March 31, 2019 and March 31, 2020. Consistent with the practice followed in earlier years, interest has not been charged on loans availed from Holding Company & Fellow Subsidiary.

Note: 2.19

General Administration Expenses

(₹ in crore)

Particulars		**For the year ended March 31, 2021**		For the year ended March 31, 2020
Professional Fees	0.02		0.93	
CIRP Cost	2.20		3.21	
Net loss on Foreign currency transactions and translation	-		13.89	
Other General and Administration Expenses	1.76	3.98	3.46	21.49
Payment to Auditors				
- Audit Fees		0.03		0.25
		4.01		21.74

Note : 2.20

Previous Year

Figures of the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupees in crore, with two decimals, except as otherwise stated.

Note: 2.21

Going Concern

Pursuant to an application filed by Ericsson India Pvt. Ltd before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed there under ("Code"), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process ("CIRP") of Reliance Telecom Limited ("the Company" or " Corporate Debtor") vide its order dated May 15, 2018. The NCLT had appointed Ms. Mitali Shah as the interim resolution professional for the Company vide its order dated May 18, 2018. However, the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by an order dated May 30, 2018 had stayed the order passed by the Hon'ble NCLT for initiating the CIRP of the Company and allowed the management of the Company to function. In accordance with the order of the Hon'ble NCLAT, Ms. Mitali Shah handed over the control and management of the Company back to the erstwhile management of the Company on May 30, 2018. Subsequently, by order dated April 30, 2019, the Hon'ble NCLAT allowed stay on CIRP to be vacated. On the basis of the order of the Hon'ble NCLAT, Ms. Mitali Shah, wrote to the management of the Company on May 02, 2019 requesting the charge, operations and management of the Company to be handed over back to IRP. Therefore, Ms. Mitali Shah had in his capacity as IRP taken control and custody of the management and operations of the Company from May 02, 2019. Subsequently, the committee of creditors of the Company pursuant to its meeting held on May 30, 2019 resolved, with requisite voting share, to replace the existing interim resolution professional, i.e. Ms. Mitali Shah with Mr. Anish Niranjan Nanavaty as the resolution professional for the Company in accordance with Section 22(2) of the Code. Subsequently, upon application by the CoC in terms of Section 22(3) of the Code, the NCLT appointed Mr. Anish Niranjan Nanavaty as the resolution professional for the Company ("RP") vide its order dated June 21, 2019, which was published on June 28, 2019 on the website of the NCLT. Accordingly, the IRP handed over the matters pertaining to the affairs of the Company to the RP as on June 28, 2019 who assumed the powers of the board of directors of the Company and the responsibility of conducting the CIRP of the Company.

On the basis of the Hon'ble NCLAT's order dated April 30, 2019, the CIRP in respect of the Company has been re-commenced and interim resolution professional has been appointed. Subsequently, appointment of Mr. Anish Niranjan Nanavaty as the Resolution Professional (RP) of the Company has been confirmed by the NCLT vides its order dated June 21, 2019, which was published on June 28, 2019 on the NCLT's website.

Pursuant to strategic transformation programme, as a part of asset monetization and resolution plan of the Company, Reliance Communication Limited, the holding company and Reliance Infratel Limited, the fellow subsidiary, with the permission of and on the basis of suggestions of the Lenders, had entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) for monetisation of certain specified assets on December 28, 2017 for sale of Wireless Spectrum, Towers, Fibre and Media Convergence Nodes (MCNs). During the previous financial year, the said asset sale agreements were terminated by mutual consent on account of various factors and developments including inter alia non receipt of consents from lenders and permission/ approvals from Department of Telecommunication.

On completion of the CIRP, the Company will carry out a comprehensive review of all the assets including balances lying in Goods and Service Tax and liabilities and accordingly provide for impairment of assets and write back of liabilities, if any. Receivable and Payable balances are subject to confirmation from the respective parties.

Considering these developments including, in particular, the RP having taken over the management and control of the Company inter alia with the objective of running them as going concern, the financial results continue to be prepared on going concern basis. However, since the Company continues to incur loss, current liabilities exceed current assets and Company has defaulted in repayment of borrowings, payment of regulatory and statutory dues, these events indicate that material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern.

Note: 2.22

Movement of Provisions (Current/ Non current)

(₹ in crore)

Particulars	Current For the year ended		Non Current For the year ended	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Provision for Retirement Benefits (Refer Note 2.29)				
Balances at the beginning of the year	**0.01**	0.01	**0.03**	0.05
Additional Provision/(Reduction)	**0.01**	-	**-**	(0.02)
Balances at the close of the year	**0.02**	0.01	**0.03**	0.03

Note: 2.23

Contingent Liabilities and Capital Commitment (as represented by the Management)

(₹ in crore)

	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	**Nil**	Nil
(ii)	Claims against the Company not acknowledged as debts*	**1,198.64**	1,197.85

* These includes demands received from Sales Tax/ Service Tax/ Entry Tax authorities in various States/ Department of Telecommunications, which are pending before the Appellate Authorities/ Tribunal/ High Court/ TDSAT and the stay orders are granted against the said demands. The Company is confident that the aforesaid claims will be successfully contested.

The Company has deposited ₹ 31.50 crore (Previous year ₹ 31.44 crore) under protest with the Sales tax/ Service tax/ Entry tax authorities/ Income tax/ Department of Telecommunications against the demand, which are included in Income Tax Assets, Deposits and Advances and Receivables-Others (Refer Note 2.02 " Income Tax Assets" and 2.05 "Other Current Assets).

(iii)	Guarantees given including on behalf of other companies for business purpose	**0.08**	0.13

(iv) Spectrum Charges

Department of Telecommunication (DoT) had, during the earlier year, issued demand on the Company for ₹ 4.70 crore towards levy of one time Spectrum Charges, being the prospective charges for holding GSM Spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and prospective charge of ₹ 168.77 crore for GSM spectrum held beyond 4.4 MHz for the period from January 1, 2013 till the expiry of the initial terms of the respective Licenses. Based on a petition filed by the Company (T.P. No. 220 of 2018), the Hon'ble TDSAT, vide its order dated February 4, 2019, set aside the impugned orders and demands for OTSC except for Bihar circle. The said order passed by Hon'ble TDSAT has been stayed by Hon'ble Supreme Court vide its order dated August 19, 2019 and the matter remains sub-judice .

(v) Considering various factors including admission of the Company to debt resolution process under the Code with effect from May 15, 2018 and pursuant to the commencement of Corporate Insolvency Resolution Process (CIRP) of the Company under the Code, there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The Overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined during the CIRP.

(vi) Consequent to the investigations by an investigative agency (CBI) in relation to the entire telecom sector in India, certain preliminary charges were framed by a Trial Court in October, 2011 against a Director and the Company. The Special CBI Judge vide judgement dated December 21, 2017 has acquitted the persons so named. CBI has filed an appeal before the Hon'ble Delhi High Court challenging the said Trial Court order. These proceedings have no impact on the business, operations, and/ or licenses of the Company and, even more so, are not connected in any manner to any other group companies.

(vii) The Company has been served with copies of writ petitions filed by Mr. Punit Garg and certain others, being directors of the Company, its holding company and its fellow subsidiary before the Hon'ble High Court of Delhi, challenging the provisions of the RBI Master Directions on Frauds- Classification and Reporting by commercial banks and select FIs bearing No. RBI/ DBS/ 2016-17/ 28 DBS. CO. CFMC. BC. No. 1/ 23.04.001/ 2016-17 dated July 1, 2016 ("Circular") and the declaration by certain banks classifying the loan accounts of the Company, Reliance Communications Limited ("RCOM") and Reliance Infratel Limited ("RITL") being fraudulent in terms of the Circular.

The Company, RCOM and RITL have been represented through their advocates and accepted notice in the petitions. The respective respondent-banks have been directed, on various dates of hearing, to maintain status quo until the next date of hearing by the Hon'ble High Court, the said petitions have been listed on various dates and are presently sub judice before the Hon'ble High Court of Delhi. Since the matter is pending before the Hon'ble High Court of Delhi, presently there is no impact of such declaration by the banks, in the financial statements.

(viii) During quarter ended March 31, 2021 , one of the lender has issued show cause notice to the Company, its holding Company and certain fellow subsidiaries and certain directors seeking reasons as to why the Company, its holding company and fellow subsidiaries should not be classified as willful defaulter. The Company has responded to the show cause notice. The Company in its response has highlighted that the proceedings and the classification of the Company as a willful defaulter is barred during the prevailing moratorium under section 14 of the Code and requested the bank to withdraw the notice. No further response has been received by the Company from the bank since then. Since the matter is pending before the banks, presently there is no impact of such notices issued by banks, in the financial statements.

Note: 2.24

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020. which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact once the subject rules under the Code are notified and will give appropriate impact in the financial statements when the code becomes effective.

Note: 2.25

License Fees and Spectrum Fee demands on account of Special Audit and Comptroller and Audit General (CAG)

The Hon'ble Supreme Court of India, vide its order dated October 24, 2019 had dismissed the petition filed by the telecom operators and agreed with the interpretation of the Department of Telecommunications (DoT) to the definition of Adjusted Gross Revenue (AGR) under the license.

On September 01, 2020, Hon'ble Supreme Court pronounced the judgement in the AGR matter ("SC Judgement"). It has framed various questions in respect of companies under insolvency and in respect of such questions, the Court has held that the same should be decided first by the Hon'ble NCLT by a reasoned order within 2 months, and that it has not gone into the merits in this decision.

The RP of the Company has filed intervention applications before the NCLAT in the appeal filed by the Department of Telecommunications against the resolution plan approval orders of the Aircel companies (wherein the NCLAT was adjudicating on the questions framed by the Hon'ble Supreme Court in SC judgement). The RP had also filed written legal submissions in this regards with the NCLAT. The Hon'ble NCLAT has pronounced its judgement dated April 13, 2021 setting out its findings on the questions framed in the SC Judgement. The RP has filed appeals in respect of the Company and RCOM against the judgement of the NCLAT before the Supreme Court, which are currently sub judice.

Further, in the SC judgement, reiterating that AGR dues as per original decision should be paid, the Hon'ble Supreme Court had directed that DoT should complete the assessment in cases where demand had not been raised and raise demand if it has not been raised, to examine the correctness of self-assessment and raise demand, if necessary, after due verification. In case demand notice has not been issued, DoT should raise the demand within six weeks from date of judgement. The Company has not received any such demand in this regard till date.

The DoT had during the pendency of the various proceedings simultaneously directed Special Audit in relation to the computation of License fee, Spectrum fee, applicable interest and penalties thereon, which is under progress for the financial year 2015-16 onwards. In this regard, the Company has provided for estimated liability aggregating to ₹ 3,015.98 crore upto the previous year ended March 31, 2020 and has provided additional charge of ₹ 472.13 crore during the year ended March 31, 2021 and represented as exceptional items which may undergo revision based on demands from DoT and / or any developments in this matter.

Considering various factors including admission of the Company to resolution process under the Code and the moratorium applicable under the Code, discharge of the aforesaid liability will be dealt with in accordance with the Code (subject to orders in the relevant judicial proceedings).

Note: 2.26
Lease

The Assets of the Company are held for sale as per Ind AS 105 and being short term in nature and accordingly lease agreements are considered to be short term in nature hence Ind AS 116 has not been applied.

Note: 2.27
2.27.1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rate and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There is no fair valuation of financial instruments. The carrying value of financial instruments by categories are as follows:

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.04)	36.32	40.51
Trade receivables (Refer Note 2.03)	44.70	44.70
Total	**81.02**	85.21
Financial assets at fair value through Profit and Loss:	**Nil**	Nil
Financial assets at fair value through other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:		
Trade payables (Refer note 2.11)	566.44	566.13
Other financial liabilities (Refer Note 2.12)	3,800.92	3,324.54
Borrowings (Refer Note 2.10 and 2.12) and Deferred payment liabilities (Refer Note 2.06)	10,269.33	9,995.84
Total	**14,636.69**	13,886.51
Financial liabilities at fair value through Profit and Loss:	**Nil**	Nil
Financial Liabilities at fair value through other Comprehensive Income:	**Nil**	Nil

2.27.2 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operations and the financial assets include trade receivables, deposits, cash and bank balances, other receivables etc. arising from its operation.

Corporate Insolvency Resolution Process ("CIRP") has been initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stands vested with the Resolution Professional ("RP") appointed by the Hon'ble NCLT. The framework and the strategies for effective management will be established post implementation of Resolution Plan. Presently, the financial management activities are restricted to management of current assets and liabilities of the company and the day to day cash flow .

Market risk

The Company also deals internationally and hence, a portion of the business is transacted in several currencies. Consequently, the Company is exposed to foreign exchange risk to the extent that there is mismatch between the currencies in which its sales and services, purchases from overseas suppliers and borrowings in various foreign currencies. Market Risk is the risk that changes in market prices such as foreign exchange rates, interest rates will affect income or value of its holding financial assets/ instruments. The exchange rate between rupee and foreign currencies has changed substantially in recent years and may fluctuate significantly in the future. As a result operations of the Company are affected as rupee appreciates/ depreciates against US Dollar. Since the Company is under CIRP, it is not required to meet any loan or interest obligation till the resolution plan is implemented. As the overall obligation and liabilities shall be determined during CIRP, foreign currency loans are stated at exchange rate as at March 31, 2018.

Foreign Currency Risk from financial instruments as of : (₹ in crore)

Particulars	March 31,2021			March 31,2020		
	U.S. dollars	**Other Currency**	**Total**	U.S. dollars	Other Currency	Total
Trade Receivables	-	-	-	-	-	-
Borrowings	(1,341.06)	-	(1,341.06)	(1,341.06)	-	(1,341.06)
Trade payables and Other Liabilities	(189.74)	(5.61)	(195.35)	(195.05)	(5.42)	(200.47)
Net assets/ (liabilities)	**(1,530.80)**	**(5.61)**	**(1,536.41)**	(1,536.11)	(5.42)	(1,541.53)

Sensitivity Analysis

Not relevant till the time resolution plan is finalised.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. Since the Company is under CIRP, it could not meet interest obligation during the year and shall be finalised when resolution plan is implemented.

Exposure to interest rate risk/ Sensitivity Analysis

Not relevant till the time resolution plan is finalised.

Derivative financial instruments

The Company does not hold derivative financial instruments.

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is carrying value of respective financial assets.

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from the customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss (ECL) model to assess the impairment loss or gain. ECL methodology depends on whether there is any significant increase in credit risk. In case of significant increase in credit risk, life time ECL is used; otherwise twelve month ECL is used. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit default swap quotes, credit ratings from international credit rating agencies and historical experience for the customers.

Credit risk on cash and cash equivalents is limited.

Ageing of Trade Receivable

(₹ in crore)

Particulars	As at March 31, 2021			As at March 31, 2020		
	Gross Amount	**Weighted Average Loss Rate- Range**	**Provision for Doubtful debts**	Gross Amount	Weighted Average Loss Rate- Range	Provision for Doubtful debts
Not Due	-	-	-	-	-	-
0-90	-	-	-	-	-	-
91-180	-	-	-	-	-	-
181-365	-	-	-	-	-	-
Above 365	244.35	82%	199.65	244.35	82%	199.65
Total	**244.35**	**82%**	**199.65**	244.35	82%	199.65

Liquidity risk

The Company is under CIRP. The Company depends upon receipt from Trade receivables and delay in realisation as well as vendor payments can severely impact the current level of operation. Liquidity crises had led to default in repayment of principal and interest to lenders. Since the Company is under CIRP, it is not required to meet any loan or interest obligation till the resolution plan is implemented.

Liquidity risk is the financial risk that is encountered due to uncertainty resulting in difficulty in meeting its obligations. An entity is exposed to liquidity risk if markets on which it depends are subject to loss of liquidity for any reason; extraneous or intrinsic to its business operations, affecting its credit rating or unexpected cash outflows. A position can be hedged against market risk but still entail liquidity risk. Prudence requires liquidity risk to be managed in addition to market, credit and other risks as it has tendency to compound other risks. It entails management of asset, liabilities focused on a medium to long-term perspective and future net cash flows on a day-by-day basis in order to assess liquidity risk.

Liquidity Periodic budget and rolling forecasts shall be determined during CIRP.

Note: 2.28

Earnings per Share (EPS)

	Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Basic and Diluted EPS (before Exceptional Items)			
(a)	Profit/ (Loss) attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating Basic and Diluted EPS)	**(287.65)**	(288.08)
(b)	Weighted average number of Equity Shares (used as denominator for calculating Basic and Diluted EPS)	**85,000,000**	85,000,000
(c)	Basic and Diluted Earnings per Share of ₹ 10 each (₹)	**(33.84)**	(33.89)
Basic and Diluted EPS (after Exceptional Items)			
(a)	Profit attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating Basic and Diluted EPS)	**(759.78)**	(3,304.06)
(b)	Weighted average number of Equity Shares (used as denominator for calculating basic and Diluted EPS)	**85,000,000**	85,000,000
(c)	Basic and Diluted Earnings per Share of ₹ 10 each (₹)	**(89.39)**	(388.71)

Note: 2.29

Disclosure under Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro, Small and Medium Enterprises.

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(i)	Principal amount due to any supplier as at the year end	**14.61**	14.61
(ii)	Interest due to suppliers and remaining unpaid as at year end	**9.46**	8.51
(iii)	Amount of Interest paid by the Company in terms of Section 16 of the MSMED, alongwith the amount of the payment made to the supplier beyond the appointed day during the accounting year	**-**	-
(iv)	Payment made to the enterprises beyond appointed date under Section 16 of MSMED	**0.01**	0.07
(v)	Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year but without adding the interest specified under MSMED	**-**	-
(vi)	Amount of interest accrued and remaining unpaid at the end of each accounting year	**9.46**	8.51
(vii)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	**6.57**	5.42

Note: 2.30

Related Parties

As per the Indian Accounting Standard ("Ind AS") 24 of "Related Party Disclosures", the disclosure of transactions with the related parties as defined therein are given below. All transactions entered into by the Company with related parties, were in ordinary course of business and on arm`s length basis.

A List of related party

1	Reliance Innoventures Private Limited	Ultimate Holding Company (upto February 6, 2019)
2	Reliance Communications Limited (RCOM)	Holding Company
3	Reliance Communications Infrastructure Limited (RCIL)	Fellow subsidiary
4	Reliance Infratel Limited (RITL)	Fellow subsidiary
5	Reliance Tech Services Limited (RTSL)	Fellow subsidiary
6	Reliance Webstore Limited (RWSL)	Fellow subsidiary
7	Globalcom IDC Limited (GIDC)	Fellow subsidiary
8	Reliance Realty Limited (RRL)	Fellow subsidiary
9	Reliance Communications Tamilnadu Limited (RCTL)	Fellow subsidiary

10	Reliance Capital Limited	Enterprises over which Promoter of Holding Company having control
11	Reliance General Insurance Company Limited	
12	Reliance Telecom Limited Employees Provident Fund	Employee Benefits Trust
13	Reliance Telecom Ltd. Employees Group Gratuity Assurance Scheme	
14	Reliance Telecom Ltd. Employees Superannuation Scheme	
15	Shri Vinay Soni - Company Secretary (w.e.f. September 16, 2019) and Manager (w.e.f. November 15, 2019)	Key Managerial Person (KMP)

B Transactions during the year with related parties

(Figures relating to current year are reflected in Bold, relating to previous year are reflected in brackets and italic .)

(₹ in crore)

	Particulars	Holding Company	Fellow Subsidiaries	Enterprises over which Promoter of Holding Company having control	Employee Benefits Trust	KMP	Total
(i)	**Advances/ Other Receivables**						
		-	**8.39**	**-**	**0.30**	**-**	**8.69**
		-	*(8.30)*	-	*(0.29)*	-	*(8.59)*
(ii)	**Trade Payable**			-			
		-	**173.27**	**-**	**-**	**-**	**173.27**
		-	*(173.27)*	-	-	-	*(173.27)*
(iii)	**Other Financial Liabilities**						
		-	**67.85**	**-**	**-**	**-**	**67.85**
		-	*(67.85)*	-	-	-	*(67.85)*
(iv)	**Loans Taken**						
	Opening Balance as on April 1, 2020						
		2,355.88	**1,200.00**	**-**	**-**	**-**	**3,555.88**
		(2,355.88)	*(1,200.00)*	-	-	-	*(3,555.88)*
	Add: Taken/Adjusted during the year						
		-	**-**	**-**	**-**	**-**	**-**
		-	-	**-**	**-**	**-**	-
	Less: Repayment/ Adjusted during the year						
		-	**-**	**-**	**-**	**-**	**-**
		-	-	**-**	**-**	**-**	-
	Balance as on March 31, 2021						
		2,355.88	**1,200.00**	**-**	**-**	**-**	**3,555.88**
		(2,355.88)	*(1,200.00)*	**-**	**-**	**-**	*(3,555.88)*

(₹ in crore)

	Particulars	Holding Company	Fellow Subsidiaries	Enterprises over which Promoter of Holding Company having control	Employee Benefits Trust	KMP	Total
(v)	**Preference Shares including Share Premium**						
		45.00	**1,347.70**	-	-	-	**1,392.70**
		(45.00)	*(1,347.70)*	-	-	-	*(1,392.70)*
(vi)	**Expenditure**						
	Employee Benefit Expenses	-	-	-	-	-	-
		-	-	-	*(0.01)*	-	*(0.01)*
	Sharing of Expenses	-	-	-	-	-	-
		(0.03)	-	-	-	-	*(0.03)*
(vii)	**Corporate Guarantee on behalf of the Company**	**1,887.05**	-	-	-	-	**1,887.05**
		(1,939.61)	-	-	-	-	*(1,939.61)*
(viii)	**Managerial Remuneration**						
	Shri Vijay Soni	-	-	-	-	**0.04**	**0.04**
		-	-	-	-	*(0.02)*	*(0.02)*

The following table describes the components of compensation paid or payable to key management personnel for the services rendered during the year ended:

(₹ in crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and other benefits	0.04	0.02
Contributions to defined benefit plans ₹ 17,562 (Previous year ₹ 3,979)	-	-
Contributions to defined contribution plans ₹ 7,346 (Previous year ₹ 9,297)	-	-
Total	**0.04**	0.02

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.31
Employee Benefits
2.31.01 Gratuity:

In accordance with the applicable Indian laws, the Company provides for the gratuity, a defined benefit retirement plan (Gratuity Plan) for all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employee's last drawn salary and for the years of employment with the Company.

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act). The Company is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan vis-à-vis settlements. The management is responsible for the overall governance of the plan. The management have outsourced the investment management of the fund to insurance company which in turn manage these funds as per the mandate provided to them by the trustees and applicable insurance and other regulations.

The Company operates its gratuity and superannuation plans through separate trusts which is administered and managed by the Trustees. As on March 31, 2021 and March 31, 2020, the contributions towards the plans have been invested in Insurer Managed Funds.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any significant change in salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future.

The define benefit plan exposed the Company at actuarial risk such as logentivity risk, interest risk and market (Investment) risk.

The following table set out the status of the Gratuity Plan as required under Indian Accounting Standard ("Ind AS")-19 "Employee Benefits".

(₹ in crore)

	Particulars	**As at March 31,2021**	As at March 31, 2020
(i)	**Reconciliation of opening and closing balances of the present value of the defined benefit obligation**		
	Obligation at beginning of the year	**0.13**	0.13
	Service cost	**0.01**	0.01
	Interest cost	**-**	0.01
	Actuarial (Gain)/ Loss	**(0.01)**	(0.02)
	Benefits paid	**-**	-
	Obligation at year end	**0.13**	0.13
	*Defined benefit obligation liability as at the balance sheet is wholly funded by the Company		
(ii)	**Change in plan assets**		
	Plan assets at beginning of the year, at fair value	**0.42**	0.37
	Expected return on plan assets	**0.01**	0.03
	Actuarial Gain/ (Loss)	**0.01**	0.02
	Contributions	**-**	-
	Benefits	**-**	-
	Plan assets at year end, at fair value	**0.44**	0.42
(iii)	**Reconciliation of present value of the obligation and the fair value of the plan assets**		
	Fair value of plan assets at the end of the year	**0.44**	0.42
	Present value of the defined benefit obligations at the end of the year	**0.13**	0.13
	Liability/ (Advance) recognised in the Balance Sheet	**(0.31)**	(0.29)

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

(₹ in crore)

	Particulars	As at March 31,2021	As at March 31, 2020
(iv)	**Expense Recognised in Profit or Loss**		
	Service Cost	**0.01**	0.01
	Interest Cost	**(0.01)**	(0.02)
	Total	**-**	(0.01)
(V)	**Amount Recognised in Other Comprehensive Income**		
	Actuarial (Gain)/Loss on Obligation	**(0.01)**	(0.02)
	Actuarial (Gain)/ Loss on Plan Assets	**(0.01)**	(0.02)
	Total	**(0.02)**	(0.04)
(vi)	**Investment details of plan assets -** 100% of the plan assets are invested in balanced Fund Instruments		
(vii)	**Actual return on plan assets**	**0.02**	0.05
(viii)	**Assumptions**		
	Interest rate	**4.54%**	5.04%
	Estimated return on plan assets	**4.54%**	5.04%
	Salary Growth rate	**0.00%**	0.00%

*The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(ix) **Particulars of the amounts for the year and previous years**

Particulars	As at March 31,				
	2021	2020	2019	2018	2017
Present Value of benefit obligation	**0.13**	0.13	0.13	0.29	0.37
Fair value of plan assets	**0.44**	0.42	0.37	0.51	0.59
Excess of (obligation over plan assets) / plan assets over obligation	**0.31**	0.29	0.24	0.22	0.22

The expected contribution is based on the same assumptions used to measure the company's gratuity obligations as of March 31, 2021.

(x) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in crore)

Particulars	As at March 31,2021	As at March 31, 2020
Discount rate (+1% movement) { ₹ **(21,012)** (Previous year ₹ (20,603))}	**-**	-
Discount rate (-1% movement) { ₹ **21,396** (Previous year ₹ 21,012)}	**-**	-
Future Salary growth (+1% movement)	**-**	-
Future Salary growth (-1% movement)	**-**	-
Employee Turnover (+1% movement) { ₹ **(15)** (Previous year ₹ (14))}	**-**	-
Employee Turnover (-1% movement) { ₹ **20** (Previous year ₹ 19)}	**-**	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(xi) **Maturity analysis of defined benefit plan (fund)**

Project benefit payable in future from the date of reporting		(₹)
1st following year	**555,442**	1,521,301
2nd following year	**445,172**	362,579
3rd following year	**166,565**	202,520
4th following year	**82,013**	76,267
5th following year	**75,317**	37,686
Sum of 6 years and above	**3,819**	37,950

2.31.02 Provident Fund :

During the earlier year, the Company has received a notice from the Regional Provident Fund Commissioner (RPFC) to surrender the Provident fund Trust due to losses in consecutive past four years. Accordingly, the Company has initiated the process to surrender the Trust and started making payment of monthly contribution directly to RPFC. During the year, the Company has contributed towards provident fund ₹ 0.02 crore (Previous year ₹ 0.01 crore) to the RPFC and ₹ Nil (Previous year ₹ 0.01 crore) to the Trust established under the erstwhile Scheme. The Company is in the process to transfer the accumulated funds to RPFC after completion of inspection/ audit by RPFC hence any liability towards the short fall on sale of securities, if any, will be recognised at the time of transfer of funds.

Note: 2.32

Segment Information

The Company is having one reportable segment accordingly Indian Accounting Standard ("Ind AS")108 - 'Operating Segment' does not apply to the Company .

Note: 2.33

Capital Management

Capital of the Company, for the purpose of capital management , include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company's objective when managing the capital is to safeguard the Company's ability to continue as a going concern and the Company under going CIRP and thereby operating as a going concern.

The Company monitors capital using gearing ratio, which is debt divided by total capital plus debt.

Particulars		**As at March 31,2021**	As at March 31,2020
(a)	Equity	**(10,843.51)**	(10,083.74)
(b)	Debt	**7,260.85**	7,260.85
(c)	Equity+ Debt (a+b)	**(3,582.66)**	(2,822.89)
(d)	Capital Gearing Ratio (b/c)	**-203%**	-257%

Capital gearing ratio reflects reduction in equity on account of net losses incurred during the year.

Note: 2.34

Corporate Social Responsibility

The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

Note: 2.35

Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Note: 2.36

Impact of COVID 19

The Company had discontinued its wireless business during earlier year and there are no major operations in the Company hence, there is no impact of the COVID-19 pandemic on the Company's future financial statements.

Note: 2.37

Director's disqualification

During the earlier year, one of the director has resigned from the position of the Director, however his resignation has not been accepted by the Committee of Creditors (CoC) under Code and the Company has not received declaration under section 164 (2) of the Companies Act, 2013.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2021

Note: 2.38

Authorisation of Financial Statements

Upon application by the CoC in terms of Section 22(3) of the Code, the Hon'ble NCLT appointed Mr. Anish Niranjan Nanavaty as the resolution professional for the Corporate Debtor (“RP”) vide its order dated June 21, 2019, which was published on June 28, 2019 on the website of the NCLT. Accordingly, the IRP handed over the matters pertaining to the affairs of the Corporate Debtor to the RP as on June 28, 2019 who assumed the powers of the board of directors of the Corporate Debtor and the responsibility of conducting the CIRP of the Corporate Debtor. With respect to the financial statements for the year ended March 31, 2021, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:

(i) The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code; (ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors; (iii) The RP, in review of the financial statements and while signing this financial statements, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these financial statements. The financial statements of the Corporate Debtor for the year ended March 31, 2021 have been taken on record by the RP solely on the basis of and on relying the aforesaid certifications, representations and statements of the aforesaid directors and the management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial statements. (iv) In terms of the provisions of the Code, the RP is required to undertake a review of certain transactions. Such review has been completed and the RP has filed the necessary applications with the adjudicating authority.

After review, the Directors of the Corporate Debtor have approved the financial statements at their meeting held on June 26, 2021 which was chaired by Mr. Anish Niranjan Nanavaty, Resolution Professional (‘RP’) of the Corporate Debtor and RP took the same on record basis recommendation from the directors.

As per our report of even date.

For Pathak H.D. & Associates LLP
Firm Regn No. 107783W/W100593
Chartered Accountants

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Dated : June 26, 2021

For Reliance Telecom Limited

Anish Niranjan Nanavaty
Resolution Professional

Pallavi S Mane
Director
DIN 08270359

Mahesh Mungekar
Director
DIN 00778339

Sanjay K Agarwal
Chief Financial Officer

Vinay Soni
Company Secretary
A59194

Independent Auditor's Report on financial statements

To the Members of Reliance Communications Infrastructure Limited (A Company under Corporate Insolvency resolution process vide NCLT Order)

Report on the financial statements

Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Reliance Communications Infrastructure Limited ("the Company") and appointed Resolution Professional (RP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

Qualified Opinion

We have audited the financial statements of **Reliance Communications Infrastructure Limited** ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, andnotes to the financial statements, including 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, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the 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 state of affairs of the Company as at March 31, 2021 and its changes in equity and its loss (including total comprehensive loss) and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. We draw attention to Note no.2.13 of the financial statements regarding "Assets Held for Sale (AHS)" continues to be classified as held for sale at the value ascertained at the end of March 31, 2018, for the reasons referred to in the aforesaid note. Non determination of fair value as on the reporting date is not in compliance with Ind AS 105 "Non Current Assets Held for Sale and Discontinued Operations". Accordingly, we are unable to comment on the consequential impact, if any, on the carrying amount of Assets Held for Sale and on the reported losses for the year ended March 31, 2021.

2. We draw attention to Note no.2.31of the financial statements regarding admission of the Company into Corporate Insolvency Resolution Process ("CIRP"), and pending determination of obligations and liabilities with regard to various claims submitted by the Operational/financial/other creditors and employees including interest payable on loans during CIRP. We are unable to comment the accounting impact/ disclosure thereof pending reconciliation and determination of final obligation.

The Company accordingly has not provided interest on borrowings amounting to Rs. 13crore for year ended March 31, 2021 and Rs.104crore up to the previous financial year calculated based on basic rate of interest as per terms of loan. Had such interest as mentioned above been provided, the reported loss for the year ended March 31, 2021 would have been higher by Rs.13crore and the Networth of the Company would have been lower by Rs. 117 crore and Rs. 104 crore for the year ended March 31, 2021 and March 31, 2020 respectively. Non provision of interest is not in compliance with Ind AS 23 “Borrowing Costs”.

3. We draw attention to Note no. 2.29 of the financial statements, regarding pending comprehensive review of carrying amount of all other assets (including investments and balances lying under Goods & Service Tax and Tax Deducted at Source) & liabilities and non-provision for impairment of carrying value of the assets and write back of liabilities if any, pending completion of the CIRP. In the absence of comprehensive review as mentioned above for the carrying value of all the assets and liabilities, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the year ended March 2021. Non determination of fair value of financial assets & liabilities and impairment in carrying amount for other assets and liabilities are not in compliance with Ind AS 109 “Financial Instruments”, Ind AS 36 “Impairment of Assets” and Ind AS 37 “Provisions, Contingent Liabilities & Contingent Assets”.

4. We draw attention to Note no 2.37 of the financial statements, regarding non adoption of Ind AS 116 “Leases" effective from April 01, 2019 and the consequent impact thereof. The aforesaid accounting treatment is not in accordance with the relevant Ind AS 116.

5. We draw attention to Note no 2.29 of the financial statements, regarding continuous losses incurred by the Company, current liabilities exceeding its current assets, default in repayment of borrowings and default in payment of regulatory and statutory dues. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The accounts, however has been prepared by the management on a going concern basis for the reason stated in the aforesaid note. We however are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the financial statements, in view of ongoing CIRP, the outcome of which cannot be presently ascertained.

6. We draw attention to Note No 2.30of the financial statements regarding non receipt of balance confirmation from balance with Industrial and Commercial bank of China in Fixed Deposit account amounting to Rs.31.62 crore as at March 31, 2021. Pending receipt of balance confirmation as on reporting date, we are unable to comment on the consequential impact if any, on the financial statements of the Company.

The Networth of the Company excludes the effect of qualification under (1), (3), (4),(5) and (6) above which are non-quantifiable as referred therein.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

Emphasis of Matter Paragraph

We draw attention to Note no 2.45 of the financial statements, as regards to the management evaluation of impact of COVID - 19 on the future performance of the Company. The actual outcome of the assumptions and estimates may vary in future due to impact of pandemic.

Our opinion is not modified in respect of the above matter.

Information Other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but 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 during the course of our audit or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the financial statements

The financial Statements, which is the responsibility of the Company's Management is relied upon by the Resolution Professional based on the assistance provided by the Directors and taken on record by the Resolution Professional as fully described in Note 2.50 of financial Statements. The Company's Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors/ Resolution Professional 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 (RP) either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The resolution professional is also responsible for overseeing the Company's financial reporting process read together with Note no.2.50of the financial statements

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 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 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company 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 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 thefinancial 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 achieves fair presentation.

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.

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.

Other Matters

- Pursuant to an application filed by State Bank of India before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 7 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process ("CIRP") of the Company ("Corporate Debtor") vide its order dated September 25, 2019 which has been received by the IRP (as defined hereinafter) on September 28, 2019 ("CIRP Order"). The NCLT has appointed Mr. Anish Niranjan Nanavaty as the interim resolution professional for the Company ("IRP") vide the CIRP Order who has been confirmed as the resolution professional of the Company ("RP") by the committee of creditors. Reliance Communications Limited (being the Holding Company of the Company), Reliance Telecom Limited and Reliance Infratel Limited are also undergoing CIRP under the provisions of the Code and the RP is also the resolution professional of the aforesaid companies.

- The financial statements of the Company should be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it should be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the financial statements. As mentioned in Note No. 2.50 of the financial statements, in view of the on going Corporate Insolvency Resolution Process, the powers of the board of directors stand suspended and are exercised by the Resolution Professional.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

(a) Except for the matters described in the Basis of Qualified Opinion paragraph above, 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) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015, except requirement of Ind AS 105 "Non Current Assets Held for Sale and Discontinued Operations", Ind AS 23 "Borrowing Cost", Ind AS 116 "Leases", Ind AS 109 "Financial Instruments", Ind AS 36 "Impairment of Assets", Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", with regard to matters described in the Basis of Qualified Opinion paragraph above.

(e) The matter described under the basis for qualified opinion paragraph above and Qualified Opinion paragraph of "Annexure B" to this report in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in financial statements of the Company;

(f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, two of the directors of the Company are not disqualified as on March 31, 2021 from being appointed as directors in terms of section 164(2) of the Act.

In respect of one of the director, the Company has not received declaration in terms of section 164(2) of the Act (Refer Note 2.48 of the financial statements), accordingly we are unable to comment whether this director is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(g) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The Company has not appointed Managing Director / Whole Time Director / Manager in accordance with the requirements of section 203 of the Act.The Company has not paid any remuneration to other Key Managerial Personnel during the year.

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.36 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm's Registration No:107783W/W100593

Vishal D. Shah
Partner
Membership No:119303
UDIN: 21119303AAAALP4565

Date: June 26, 2021
Place:Mumbai

Reliance Communications Infrastructure Limited

'Annexure A' to the Independent Auditor's Report for the year ended March 31,2021

With reference to the Annexure A referred to in the Independent Auditor's Report to the Members of Reliance Communications Infrastructure Limited ('the Company') on the financial statements for the year ended March 31, 2021, we report the following:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has transferred its Property, Plant and Equipment (PPE) (Except leasehold land) to Assets Held for Sale (AHS) and has been fully depreciated. The Management has not conducted physical verification of PPE during the year.

(c) According to the information and explanations given to us and based on the examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note 2.01 &2.15 to the financial statements, are held in the name of the Company.

ii. The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

iii. According to the information & explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph (iii) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the applicable provisions of Section 186 of the Act to the extent applicable.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph (v) of the Order is not applicable to the Company.

vi. As informed to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act. Accordingly,paragraph (vi) of the Order is not applicable to the Company.

vii. (a)According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that there are delays in amounts deposited with appropriate authorities for amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and services tax, service tax, , duty of customs, sales tax, value added tax, entry tax, employees' state insurance, cess and other material statutory dues. As explained to us, the Company did not have any dues on account of duty of excise.

According to the information and explanations given to us, undisputed amounts payable in respect of provident Fund, income tax, goods and services tax, sales tax, value added tax, employees' state insurance and other material statutory dues which were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable are as under:

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
The Central Sales Tax Act, 1956	Central Sales Tax	2,67,643	Prior to Mar-17	Various Dates	Unpaid
Delhi Value Added Tax Act, 2004	Value Added Tax Payable	95,691	Prior to Mar-17	Various Dates	Unpaid
Manipur Value Added Tax Act, 2004	Value Added Tax Payable	81,479	Prior to Mar-17	Various Dates	Unpaid
The Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax Payable	1,16,963	Prior to Mar-17	Various Dates	Unpaid
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	3,82,704	Prior to Mar-17	Various Dates	Unpaid
Kerala Value Added Tax Act, 2003	Value Added Tax	17,36,696	Prior to Mar-17	Various Dates	Unpaid
Karnataka Value Added Tax Act, 2003	Value Added Tax	24,96,722	Prior to Mar-17	Various Dates	Unpaid
Chandigarh Value Added Tax Act, 2005	Value Added Tax	16,963	Prior to Mar-17	Various Dates	Unpaid
West Bengal Value Added Tax Act, 2003	Value Added Tax	55,16,229	Prior to Mar-17	Various Dates	Unpaid
Nagaland Value Added Tax Act, 2005	Value Added Tax	138	Prior to Mar-17	Various Dates	Unpaid
Central Excise Act, 1944	Excise	25,02,825	Prior to Mar-17	Various Dates	Unpaid
Maharashtra Sales tax Act	Sales Tax	12,27,724	Prior to Mar-17	Various Dates	Unpaid
Profession Tax Act, 1957	Professional Tax Payable	1,16,70,043	Prior to Mar-18	Various Dates	Unpaid
Chhattisgarh Value Added Tax Act, 2003	Works Contract Tax payable	36	Prior to Mar-17	Various Dates	Unpaid
Kerala Value Added Tax Act, 2003	Works Contract Tax payable	10,069	Prior to Mar-17	Various Dates	Unpaid
Chhattisgarh Value Added Tax Act,2003	Works Contract Tax payable	14,844	Prior to Mar-17	Various Dates	Unpaid
Income Tax Act, 1961	Tax Deducted at source	1,15,24,936	Prior to October - 2020	Various Dates	Unpaid
Labour Welfare Fund – Various States	Labour Welfare Fund	1,22,149	Prior to Mar-19	Various Dates	Unpaid

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Employees Provident Fund Act	Employee Provident and Pension Fund	68,49,821	Prior to Mar-19	Various Dates	Unpaid

(b) According to the information and explanations given to us, there are no dues of Duty of Customs and Cess which have not been deposited on account of any dispute. The dues of Income Tax, Service Tax, Sales Tax, VAT and Entry Tax as disclosed below have not been deposited by the Company on account of dispute:

Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount* (Rs. in Crore)
Entry Tax	Sales Tax Officer	2001-02	0.16
	Assessing Authority	2000-01 (Rs. 21,527/-)	0
	Addl. Commissioner (Appeals)	2006-07	0.01
	Dy. Commissioner (Appeals)	2010-11 (Rs. 1,000/-)	0
	Jt. Commissioner (Appeals)	2005-06, 2006-07, 2007-08,2011-12,2013-14	0.22
	Tribunal	2000-01, 2002-03, 2003-04, 2004-05,2006-07	0.06
	Tax Board	2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10	1.21
	High Court	2002-03, 2003-04, 2004-05, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15	1.01
	Supreme Court of India	2012-13 (Rs. 13,510/-)	0
	Entry Tax Total		**2.67**
Sales Tax	Sales Tax Officer	2001-02	2.15
	Addl. Commissioner (Appeals)	2007-08	0.32
	Jt. Commissioner (Appeals)	2005-06, 2006-07, 2007-08	0.02
	Tribunal	2000-01, 2004-05	0.45
	Sales Tax Total		**2.94**
VAT/CST	Commercial Tax Officer	2014-15	0.56
	Addl. Commissioner (Appeals)	2012-13	0.26
	Commissioner	2009-10, 2010-11, 2011-12	0.16
	Jt. Commissioner (Appeals)	2003-04, 2004-05, 2006-07, 2007-08,2008-09, 2009-10, 2010-11, 2011-12,2012-13,2013-14	41.33
	Tribunal	2005-06, 2007-08,2008-09	0.64
	High Court	2007-08	2.38
	Appellate Authority	2010-11,2011-12,2012-13,2014-15	1.39
	Dy. Commissioner of Sales Tax	2013-14	0.38

Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount* (Rs. in Crore)
	VAT Total		**47.10**
Service Tax/CENVAT	CESTAT	2007-08,2008-09, 2009-10, 2010-11, 2011-12,2014-15,2008-2012, 2008-2018	138.64
	Comm. Appeals	01/09/2006 to 30/10/2010, 01/05/2008 to 31/03/2011	1.46
	Service Tax Total		**140.10**
Income Tax Act, 1961	Income Tax Appellate Tribunal	2008-09, 2009-10, 2010-11, 2011-12	368.99
	Commissioner of Income Tax (Appeals)	2016-17	4.62
	Income Tax Total		**373.61**

viii. The Company has defaulted in repayment of following dues to the banks during the year, which were not paid as at Balance Sheet date.

Sr.No	Name of Lender	Borrowings		Interest	
		Amount (Rs. In Crore)	**Period (No. of days)**	**Amount (Rs. In Crore)**	**Period (No. of days)**
I	**Loan From banks**				
1.	Corporation bank	110.60	1 440	7.97	1 440
2.	IDBI bank	3.74	1 465	0.46	1 465
	Total	**114.34**		8.43	

Apart from above outstanding of interest, the Company has not provided interest expense of Rs.13 crore and Rs.117crore for the year and up to March 31, 2021 respectivelyand therefore it has not been disclosed above.

ix. In our opinion, and according to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of Clause (ix) of the order is not applicable to the Company.

x. According to the information and explanations given to usno fraud on or by the Company by its officer or employees, that causes a material misstatement to the financial statements, has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of records,except for the non-appointment of the whole time Director / Managing Director / Manager, the Company has not paid/provided for any managerial remuneration to other Key Managerial Personnel during the year.

xii. As the Company is not a Nidhi Company, the provision of clause 3(xii) of the order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him as per section 192 of the Act. Accordingly, paragraph (xv) of the Order is not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause (xvi) is not applicable.

For **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm's Registration No: 107783W/W100593

Vishal D. Shah
Partner
Membership No: 119303
UDIN: 21119303AAAALP4565

Date: June 26, 2021
Place: Mumbai

Reliance Communications Infrastructure Limited

'Annexure B' to the Independent Auditor's Report - March 31,2021
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Reliance Communications Infrastructure Limited**('the Company') as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India'. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statementsis a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference tofinancial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at March 31, 2021.

i. The Company's internal process with regard to confirmation and reconciliation of Balances of trade receivable, trade payables & other liabilities and loan & advances which are not operating effectively resulting the Company not providing for adjustments, which are required to be made to the carrying values of such assets and liabilities. (Refer Note No. 2.29).

ii. The Company's internal control process in respect of closure of outstanding entries in Bank Reconciliation Statements which are pending to be reconciled.

iii. In respect of delay in payment of statutory dues including Goods and Service Tax/Service Tax/ Value Added Tax / Tax Deducted at Source accounts and delays in filing of certain statutory returns during the year with the respective authorities.

iv. The Company’s internal financial control with regard to the compliance with the applicable Indian Accounting Standards and evaluation of carrying values of assets and liabilities and other matters as fully explained in basis for qualified opinion paragraph of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the financial statements.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Company’s financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion and to the best of our information and according to the explanation given to us except for the effect / possible effect of the material weaknesses described above under Basis for Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financialstatements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

We have considered material weakness identified and reported above in determining thenature, timing, and extent of audit tests applied in our audit of financial statements of the Company for the year ended March 31, 2021 and these material weaknesses has affected our opinion on financial statements of the Company for the year ended March 31, 2021 (our audit report dated June 26, 2021,which expresseda qualified opinion on those financial statements of the Company.

For **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm’s Registration No: 107783W/W100593

Vishal D. Shah
Partner
Membership No: 119303
UDIN: 21119303AAAALP4565

Date: June 26, 2021
Place: Mumbai

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Balance Sheet as at March 31, 2021

(₹ in crore)

Particulars	Notes		As at March 31, 2021		As at March 31, 2020
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	2.01	-		-	
(b) Intangible Assets	2.02	-		-	
(c) Financial Assets					
(i) Investments	2.03	318.30		318.30	
(d) Income Tax Assets	2.04	71.69		115.05	
(e) Deferred Tax Asset (net)	2.05	4.67		4.67	
			394.66		438.01
Current Assets					
(a) Inventories	2.06	-		-	
(b) Financial Assets					
(i) Trade Receivables	2.07	19.35		20.15	
(ii) Cash and Cash Equivalents	2.08	57.60		23.93	
(iii) Bank Balances other than (ii) above	2.09	71.78		67.92	
(iv) Loan	2.10	994.55		994.55	
(v) Other Financial Assets	2.11	0.66		2.87	
(c) Other Current Assets	2.12	219.31		214.53	
(d) Assets held for sale	2.13	2,190.19	3,553.43	2,190.19	3,514.13
Total Assets			3,948.10		3,952.15
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	2.14	938.00		938.00	
(b) Other Equity	2.15	(3,229.75)	(2,291.75)	(3,215.93)	(2,277.93)
LIABILITIES					
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.16	0.02		0.02	
(b) Provisions	2.17	3.47	3.49	3.47	3.49
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.18	5,783.67		5,783.67	
(ii) Trade Payables	2.19				
Due to Micro and Small Enterprises		3.02		3.14	
Due to Creditors other than Micro and Small Enterprises		226.42		223.36	
(iii) Other Financial Liabilities	2.20	29.09		26.33	
(b) Other Current Liabilities	2.21	181.17		177.09	
(c) Provisions	2.22	12.99	6,236.36	12.99	6,226.59
Total Equity and Liabilities			3,948.10		3,952.15

Significant Accounting Policies	1
Notes on Accounts	2

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For Pathak H.D. & Associates LLP Chartered Accountants Firm Regn No. 107783W/W100593	For Reliance Communications Infrastructure Limited	
Vishal D. Shah Partner Membership No. 119303	Anish Niranjan Nanavaty Resolution Professional	Grace Thomas Director DIN:- 07079566
	Sanjeev Modi Director DIN:- 08109280	Rakesh Gupta Company Secretary F5951
Place : Mumbai Date : June 26, 2021	Place : Mumbai Date : June 26, 2021	

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Statement of Profit and Loss for the year ended March 31,2021

(₹ in crore)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Discontinued Operations			
INCOME			
Revenue from Operations	**2.23**	**4.79**	7.82
Other Income	**2.24**	**3.76**	5.25
Total Revenue		**8.55**	13.07
EXPENDITURE			
Network Operating Expenses	**2.25**	**1.35**	0.55
Finance Costs	**2.26**	**0.39**	0.36
Provision for Impairment		**-**	5.57
Other Expenses	**2.27**	**9.32**	17.39
Total Expenses		**11.06**	23.87
Profit/ (Loss) before Tax		**(2.51)**	(10.80)
Tax Expenses			
Current Tax		**-**	-
Earlier year taxes		**11.32**	-
Profit/ (Loss) after tax		**(13.82)**	(10.80)
Other Comprehensive Income		**-**	-
Total Comprehensive Income / (Loss) for the year		**(13.82)**	(10.80)

Earning per Share of ₹ 1 each	**2.42**		
Basic		**(0.01)**	(0.01)
Diluted		**(0.01)**	(0.01)
Significant Accounting Policies	**1**		
Notes on Accounts	**2**		

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For Pathak H.D. & Associates LLP Chartered Accountants Firm Regn No. 107783W/W100593	For Reliance Communications Infrastructure Limited	
Vishal D. Shah Partner Membership No. 119303	Anish Niranjan Nanavaty Resolution Professional	Grace Thomas Director DIN:- 07079566
	Sanjeev Modi Director DIN:- 08109280	Rakesh Gupta Company Secretary F5951
Place : Mumbai Date : June 26, 2021	Place : Mumbai Date : June 26, 2021	

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Statements of Change in Equity as at March 31, 2021

(a) Equity Share Capital (Refer Note 2.14)

(₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Balance at the beginning of the Year	**938.00**	938.00
Change in Equity Share Capital during the year	-	-
Balance at the end of the year	**938.00**	**938.00**

B. Other Equity (Refer Note 2.15)

(₹ in crore)

Particulars	**Reserves and Surplus**			**Total**
	Securities Premium Reserve	**General Reserve**	**Retained Earnings**	
Balance as at March 31, 2019	529.94	783.57	(4,518.64)	(3,205.13)
Surplus/ Deficit in statement of profit and Loss			(10.80)	(10.80)
Balance as at March 31, 2020	529.94	783.57	(4,529.44)	(3,215.93)
Surplus/ Deficit in statement of profit and Loss	-	-	(13.82)	(13.82)
Balance as at March 31, 2021	**529.94**	**783.57**	**(4,543.26)**	**(3,229.75)**

Significant Accounting Policies	**1**
Notes on Accounts	**2**

As per our report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Regn No. 107783W/W100593

For Reliance Communications Infrastructure Limited

Vishal D. Shah
Partner
Membership No. 119303

Anish Niranjan Nanavaty
Resolution Professional

Grace Thomas
Director
DIN:- 07079566

Sanjeev Modi
Director
DIN:- 08109280

Rakesh Gupta
Company Secretary
F5951

Place : Mumbai
Date : June 26, 2021

Place : Mumbai
Date : June 26, 2021

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Cash Flow Statement for the year ended March 31, 2021

(₹ in crore)

	Particulars		For the year ended March 31, 2021		For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit / (Loss) before tax as per Statement of Profit and Loss from Discontinued Operations:		**(2.51)**		(10.80)
	Adjusted for:				
	Provision for Impairment of Assets / Investments	**-**		5.57	
	Bank Balances written off	**1.29**		6.77	
	Inventory Written off	**-**		0.41	
	Finance Costs	**0.39**		0.36	
	Write back of Provision for Liabilities no longer required	**(0.03)**		(1.06)	
	Expense on Sale of Assets	**-**		4.67	
	Interest Income	**(3.73)**		(4.19)	
			(2.08)		12.53
	Operating Profit / (Loss) before Working Capital Changes		**(4.59)**		1.73
	Adjusted for:				
	Trade Receivables and Other Advances	**(2.22)**		(1.37)	
	Inventories	**-**		0.01	
	Trade Payables and Other Liabilities	**9.79**		5.01	
			7.57		3.65
	Cash Generated from Operations		**2.98**		5.38
	Income Tax Refund	**32.04**		-	
	Income Tax Paid	**-**	**32.04**	(6.85)	(6.85)
	Net Cash from Operating Activities		**35.02**		(1.47)
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Refund of Loans given to Related Parties		**-**		4.73
	Interest received		**4.17**		9.14
	Investment in Bank Deposit		**(3.85)**		(7.69)
	Net Cash from/ (Used in) Investing Activities		**0.32**		**6.19**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Proceeds from / (Repayment of) Short term Borrowings		**-**		2.34
	Finance Costs		**(0.39)**		(0.05)
	Net Cash from/ (used in) Financing Activities		**(0.39)**		**2.29**
	Net Increase/ (Decrease) in Cash and Cash Equivalents		**34.95**		7.01
	Opening Balance of Cash and Cash Equivalents		**23.94**		23.70
	Effect of Exchange Loss (Gain)/ Provision for write off on Cash and Cash Equivalents		**(1.29)**		(6.77)
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.08)		**57.60**		23.94

Note:

(i) Cash and Cash Equivalent includes cash on hand, cheques on hand, remittances-in-transit and bank balance.

(ii) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 " Cash Flow Statements".

(iii) Figures in brackets indicates cash outgo.

Significant Accounting Policies	**1**
Notes on Accounts	**2**

As per our report of even date

For Pathak H.D. & Associates LLP Chartered Accountants Firm Regn No. 107783W/W100593	For Reliance Communications Infrastructure Limited	
Vishal D. Shah Partner Membership No. 119303	Anish Niranjan Nanavaty Resolution Professional	Grace Thomas Director DIN:- 07079566
	Sanjeev Modi Director DIN:- 08109280	Rakesh Gupta Company Secretary F5951
Place : Mumbai Date : June 26, 2021	Place : Mumbai Date : June 26, 2021	

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2021

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

Reliance Communications Infrastructure Limited ("RCIL" or "the Company" or "Corporate Debtor"), is wholly owned subsidiary of Reliance Communications Limited. The Company is registered under the Companies Act, 1956 having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710. The Company is engaged in providing, call center services to telecom operator in India, trading in Handsets and providing infrastructure services. Further, the Company is generating revenue from Internet Data Centre business from Public sector units.

Corporate Insolvency Resolution Process ("CIR Process") was initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of the board of directors of the Company stands vested with the Interim Resolution Professional ("IRP") appointed by the NCLT.

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention , in accordance with the generally accepted accounting principals (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ("the Act"), except note no 2.29 , 2.30 , 2.31 & 2.37, read with Rule 3 of the Companies (Indian Accounting Standards) Rule 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act, to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees ("Rupees" or " ₹") which is functional currency of the Company. All amounts are rounded off to the nearest crore, with two decimals, unless stated otherwise.

1.04 Property, Plant and Equipment

(i) Property, plant and equipment (PPE) are stated at cost net of Modvat and Cenvat / GST, less accumulated depreciation and impairment loss if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(ii) Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

(iii) Expenses directly attributable to project, prior to commencement of commercial operation, are considered as project development expenditure and shown under Capital Work-in-Progress.

(iv) Depreciation is provided on Straight Line Method based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013 except in case of the following assets where useful life is different than those prescribed in Schedule II are used :

(a) Telecom Electronic Equipments - 20 years

(b) Furniture, Fixtures and Office Equipments - 5, 10 years

(c) Vehicles - 5 years

(d) Leasehold improvements - Shorter of the remaining lease term or useful life

(v) Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(vi) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year.

(vii) Depreciation on additions is calculated pro rata from the following month of addition.

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.05 Intangible Assets

(i) Intangible assets, namely entry fees/ fees for Telecom Licenses are amortised over the balance period of Licenses. Software are amortized from the date of acquisition or commencement of commercial services, whichever is later. The life of amortisation of the intangible assets are as follows.

(a) Software - 5 years

1.06 Impairment of Non Financial Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal or external factors. An impairment loss is recognised when the carrying cost of assets exceeds recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss of prior accounting period is increased/reversed where there has been change in the estimate of recoverable value. The recoverable value is higher of the fair value less cost to sell and value in use of the Asset.

1.07 Inventories of Stores, Spares and Communication Devices

Inventories of stores and spares are accounted for at cost and all other cost incurred in bringing the inventory to their present location and condition determined on weighted average basis, or net realisable value, whichever is less. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

1.08 Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period.

Long term employee benefits

(i) **Defined contribution plan**

The Company’s contribution towards Employees’ Superannuation Plan is recognised as an expense during the period in which it accrues.

(ii) **Defined benefit plans**

Provident Fund

Provident Fund contributions are made to a Trust administered by the Trustees. Interest payable to the Provident Fund members, shall not be at a rate lower than the statutory rate. Liability is recognised for any shortfall in the income of the fund vis-à-vis liability of the interest to the members as per statutory rates.

Gratuity Plan

The Company’s gratuity benefit scheme is a defined benefit plan. The Company’s net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Actuarial gains and losses are recognised immediately in Other Comprehensive Income.

(iii) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.09 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.10 Foreign Currency Transactions

(i) The functional currency of the Company is Indian Rupee.

(ii) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the time of the transaction.

(iii) Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(iv) Non monetary foreign currency items are recorded at the rate prevailing on the date of transaction.

(v) Any income or expense on account of exchange difference on settlement / restatement is recognised in the Statement of Profit and Loss.

(a) Exchange difference on foreign currency borrowings relating to depreciable capital asset are included in cost of assets.

(b) Exchange difference on foreign currency transactions, on which receipt and/ or payments are not planned, initially recognised in other comprehensive income and reclassified from equity to profit and loss on repayment of the monetary items.

1.11 Non Current assets held for sale

Non current assets (or disposal group) are classified as the assets held for sale when their carrying amount is to be recovered principally through a sale transaction. Non-current assets (or disposal group) classified as held for sale are measured at the lower of their carrying amount and/ or fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets and sale is expected to be concluded within twelve months from the date of such classification.

Assets and liabilities classified as held for sale are presented separately in the balance sheet. A disposal group qualifies as discontinued operations if it is a component of the company that either has been disposed off or is classified as held for sale, and; represents a separate major line of business or geographical area of operations, or part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or a subsidiary acquired exclusively with a view to resale. Non-current assets are not depreciated or amortised while they are classified as held for sale.

Loss is recognised for any initial or subsequent write down of such non current assets (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell an asset (or disposal group) but not in excess of any cumulative loss previously recognised.

If the criteria for assets held for sale are no longer met, it ceases to be classified as held for sale and are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation or any amortisation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.12 Revenue Recognition and Receivables

(ii) Interest income is recognised on time proportion basis.

(iii) Revenue from Contracts with Customers

The Company has applied the practical expedient in Ind AS 115 "Revenue from Contracts with Customers" w.e.f. April 1, 2018, using the cumulative effect method and therefore comparative information has not been restated and continues to be reported under Ind AS 18. Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

The Company determines whether revenue should be recognised 'over time' or 'at a point in time'. As a result, it is required to determine whether control is transferred over time. If not, only then revenue be recognised at a point in time, or else over time. The Company also determines if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration gets allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense.

1.13 Taxes on Income and Deferred Tax

Income Tax comprises of current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or OCI.

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable / recoverable in respect of the taxable income / loss for the reporting period. Deferred Tax represents the effect of temporary difference between carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in the computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The Deferred Tax Asset is recognised for all deductible temporary difference, carried forward of unused tax credit and unused tax loss, to the extent that it is probable that taxable profit will be available against which such deductible temporary differences can be utilised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

1.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed in the financial statements.

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.15 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. The number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average shares considered for deriving Basic Earning per Share and also weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares unless the results would be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.16 Measurement of fair value of financial instruments

The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified. When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred. (Refer to note 2.40.1) for information on detailed disclosures pertaining to the measurement of fair values.

1.17 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts.

Financial Assets

(i) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) **Subsequent measurement**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Financial Assets measured at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

(a) Asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.”

Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’)

Equity Investment

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instruments as at FVOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amount from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loos.

Also, Company has to elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition"

Derecognition of Financial Assets

A financial asset is primarily derecognised when: a) Rights to receive cash flows from the asset have expired, or b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement and either(a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether theirs has been significant increase in the credit risk. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables, as permitted by Ind AS 109. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimated. At every reporting date, the historical observed default rates and updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

(i) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described herein:

(a) **Financial liabilities at fair value through Profit or Loss**: Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(b) **Financial Liabilities measured at amortised cost**: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(c) **Derecognition of Financial Liabilities:** A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.18 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

Critical estimates and judgements

The Company has based its assumptions and estimates on parameter available when the financial statements where prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of Company. Such changes are reflected in assumptions when they occur. The areas involving critical estimates or judgements pertaining to useful life of property, plant and equipment ,current tax expense and payable, and recognition of Deferred Tax Assets/(Liabilities) (Note 2.06) . Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

i Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

ii Taxes : The Company provides for tax considering the applicable tax regulations and based on probable estimates.

iii Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent it is probable evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer probable that Company will be able to absorb such credit during the specified period.

iv Fair value measurement and valuation process: The Company measures certain financial assets and liabilities at fair value for financial reporting purposes.

v Trade receivables and Other financial assets: The Company follows a simplified approach for recognition of impairment loss allowance on Trade receivables (including lease receivables). The Company estimates irrecoverable amounts based on specific identification method and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

vi Defined benefit plans (gratuity benefits) : The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post employment benefit obligation. The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

vii Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. 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.

viii Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ix Determination of net realisable value for Assets held for sale and related liabilities.

1.19 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

Note 2.01

Property, Plant and Equipment

(₹ in crore)

Particulars	Leasehold Land	Freeehold Land	Buildings	Plant and Machinery	Electrical Installations	Office Equipment	Furniture and Fixtures	Vehicles	Total
Gross carrying value									
As at March 31, 2019	0.38	-	-	-	-	-	-	-	**0.38**
Additions	-	-	-	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	-	-	-	**-**
Transferred to Assets held for Sale	-	-	-	-	-	-	-	-	**-**
As at March 31, 2020	0.38	-	-	-	-	-	-	-	**0.38**
Additions	-	-	-	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	-	-	-	**-**
As at March 31, 2021	**0.38**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.38**
Accumulated Depreciation									
As at March 31, 2019	0.38	-	-	-	-	-	-	-	**0.38**
Depreciation for the year	-	-	-	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	-	-	-	**-**
Transferred to Assets held for Sale	-	-	-	-	-	-	-	-	**-**
As at March 31, 2020	0.38	-	-	-	-	-	-	-	**0.38**
Depreciation for the year	-	-	-	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	-	-	-	**-**
Transferred to Assets held for Sale	-	-	-	-	-	-	-	-	**-**
As at March 31, 2021	**0.38**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.38**
Net Carrying Value									
As at March 31, 2020	-	-	-	-	-	-	-	-	-
As at March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Note:

2.01.01 Freehold land includes ₹ 0.55 crore (previous year ₹ 0.55 crore) towards land acquired, the transfer of ownership is under process.

2.01.02 Reliance Communications Limited (RCOM), the Holding Company had, during the earlier years, allotted, 1,500, 11.25% Secured Redeemable, Non Convertible Debentures (NCDs) of the face value of ₹1,00,00,000 each, aggregating to ₹ 750 crore (original amount ₹1,500 crore), 11.20% Secured Redeemable, Non Convertible Debentures (NCDs) of the face value of ₹10,000,000 each, aggregating to ₹3,000 crore. The said NCD's, 6.5% Senior Secured Notes of ₹1,955 crore, Rupee Term Loans of ₹ 9,139 crore along with Foreign Currency Loans of ₹14,156 crore ("the Secured Loans") availed by Reliance Communications Limited (RCOM), the Holding Company, Reliance Telecom Limited (RTL) a fellow subsidiary and Reliance Infratel Limited (RITL) a subsidiary were secured by a first pari passu charge on the whole of the movable plant and machinery of the Company including (without limitations) tower assets and optic fiber cables, if any (whether attached or otherwise), capital work-in-progress (pertaining to movable fixed assets) both present and future including all the rights, title, interest, benefits, claims and demands in respect of all insurance contracts relating thereto of the Borrower Group; comprising of the Company, RCOM, the Holding Company and fellow subsidiary namely RTL and subsidiary RITL in favor of the Security Trustee for the benefit of the NCD Holders and the Lenders of the said Secured Loans. Further, Rupee Term Loan of ₹ 2,359 crore availed by RCOM and ₹ 485 crore availed by RTIL has been secured by second pari passu charge over movable plant and machinery and capital work in progress of the Borrower Group. Rupee loan of ₹5,463 crore and ₹611 crore availed by RCOM and RTL respectively are also secured by current assets, movable and immovable assets including intangible, both present and future of borrowers group. The said loan is also secured by pledge of equity share of RITL held by the company. Non funded based outstanding of ₹ 1,361 crore availed by Reliance Communications Limited the Holding company , ₹ 246 crore by Reliance Telecom Limited the Fellow subsidiary and ₹ 4 crore by the Company have been secured by second paripasu charges on movable fixed assets

2.01.03 Depreciation has been charged till September 30 2017, i.e. the date of classification of Assets held for sale.

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

Note 2.02

Other Intangible Assets

(₹ in crore)

Particulars	Indefeasible Right of Connectivity	Software Non-embedded	Software	Total
Gross carrying value				
As at March 31, 2019	0.00	0.15	0.58	**0.73**
Additions	-	-	-	**-**
As at March 31, 2020	0.00	0.15	0.58	**0.73**
Additions	-	-	-	**-**
As at March 31, 2021	**0.00**	**0.15**	**0.58**	**0.73**
Accumulated amortisation				
As at March 31, 2019	0.00	0.15	0.58	**0.73**
Amortisation for the year	-	-	-	**-**
As at March 31, 2020	0.00	0.15	0.58	**0.73**
Amortisation for the year	-	-	-	**-**
As at March 31, 2021	**0.00**	**0.15**	**0.58**	**0.73**
Net Carrying Value				
As at March 31, 2020	0.00	0.00	-	0.00
As at March 31, 2021	**0.00**	**0.00**	**-**	**0.00**

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

(₹ in crore)

Particulars		As at March 31, 2021	As at March 31, 2020
Note : 2.03			
INVESTMENTS IN SUBSIDIARIES (valued at cost unless otherwise stated)			
Trade Investment			
In Equity Shares of Subsidiary Companies			
Unquoted, fully Paid-up			
222 64 15 796 (222 64 15 796)	Reliance Infratel Limited of ₹ 10 each	**318.06**	318.06
1 50 700 (150 700)	Internet Exchangenext.com Limited of ₹ 10 each	**0.15**	0.15
10 000 (10 000)	Reliance BPO Private Limited ₹ 10 each	**0.01**	0.01
10 000 (10 000)	Worldtel Tamilnadu Private Limited ₹ 10 each	**0.01**	0.01
10 000 (10 000)	Realsoft Cyber Systems Private Limited ₹ 10 each	**0.01**	0.01
50 000 (50 000)	Globalcom Realty Limited (Formerly Reliance Infra Realty Limited) of ₹ 10 each	**0.05**	0.05
		318.29	**318.29**

Note: Investment in Equity Shares of Reliance Infratel Limited, held by the Company, has been pledged against Loans and/ or Non Convertible Debentures availed by Reliance Communication Limited (Holding Company) and Reliance Telecom Limited (Fellow Subsidiary).

Particulars		As at March 31, 2021	As at March 31, 2020
In Equity Shares of Fellow Subsidiary (valued at cost unless otherwise stated)			
Unquoted, fully Paid-up			
1,750	Reliance Globalcom BV, the Netherlands EURO 100 each (refer note	**0.99**	**0.99**
(1 750)	Less: Provision of Impairment	**(0.99)**	(0.99)
Government Securities (valued at cost unless otherwise stated)			
Unquoted			
6 Year National Savings Certificates (Lodged with Sales Tax Department)		**0.01**	**0.01**
		0.01	**0.01**
	Total	**318.30**	**318.30**
	Aggregate Book Value of Investments		
	Unquoted	**318.30**	318.30
	Quoted	**-**	-

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 2.04		
Income Tax Assets		
Advance Income Tax (net of provision for tax) (Refer note 2.29)	**71.69**	115.05
	71.69	115.05
Note 2.05		
Deferred Tax Assets (Net)		
MAT Credit Entitlement	**4.67**	4.67
	4.67	4.67

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Amount recognised in Financial Statement				
(i) Deferred Tax Assets				
Relating to Carried forward losses and unabsorbed depreciation	**417.32**	382.57	**34.75**	42.60
Disallowances under Income Tax Act, 1961	**51.01**	51.01	**-**	-
MAT Credit Entitlement	**44.05**	44.05	**-**	**-**
Relating to temporary difference on depreciation / amortisation and Impairment of Assets	**194.55**	234.94	**-40.39**	-47.53
	706.93	712.57	**-5.64**	-4.93
(ii) Deferred Tax Liabilities	**-**	-	**-**	-
Net Deferred Tax Assets (i)- (ii)	**706.93**	712.57	**-5.64**	-4.93
Deferred Tax Assets recognised/ restricted	**4.67**	4.67	**Nil**	Nil

Significant management judgement is considered in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimate of the taxable income for the period over which deferred tax assets will be recovered.

The Company has unabsorbed business losses/depreciation and MAT Credit entitlement which according to the management will be used to setoff taxable profit arising in subsequent years from operation and/or sale of assets of the Company. However, Deferred Tax Assets have been restricted to Rs. 4.67 crore (Previous year Rs. 4.67 crore) due to non existence of reasonable certainty. Year wise expiry of total Losses are as under:

(₹ in crore)

Sr.	Year of Expiry	Amount of Loss
i.	Financial Year 2028-29	6.31
ii.	Financial Year 2029-30	1.22
iii.	Unabsorbed Depreciation for unlimited period	1,186.73

(b) Amounts recognised in profit and loss

(₹ in crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax	**-**	-
Deferred income tax liability / (asset), net	**-**	-
Earlier year tax	**11.32**	-
Tax expense for the year	**11.32**	-

(c) Amounts recognised in Other Comprehensive Income	**Nil**	Nil
(d) Reconciliation of Tax Expenses		
Profit/ (Loss) before Tax	**(2.51)**	(10.80)
Applicable Tax Rate	**31.20%**	31.20%
Computed Tax Expenses (I)	**(0.78)**	(3.37)
Add/ (Less):		
DTA not recognised on account of :		
Expenses not allowed under Income Tax Act, 1961	**(0.78)**	(3.37)
Earlier year Tax	**11.32**	-
Subtotal (II)	**10.54**	(3.37)
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I+II)	**(11.32)**	-

Note 2.06		
Inventories		
Stores and Spares	**-**	-
Stock in Trade (Communication Devices and Accessories)	**-**	-
	-	-

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 2.07		
Trade Receivables		
Unsecured		
Considered Good (Refer Note:2.29 & 2.43)	**19.35**	20.15
Credit Impaired	**130.00**	130.00
Less: Provision for Doubtful Debts	**130.00**	130.00
	19.35	20.15
Note 2.08		
Cash and Cash Equivalents		
Balance with Banks *	**57.60**	23.93
	57.60	23.93

* Bank balances amounting to ₹ 0.01 crore with respect to one bank account (Previous year ₹ 0.01 crore in respect to three bank) is subject to confirmation.

Particulars	As at March 31, 2021	As at March 31, 2020
Note 2.09		
Bank Balances other than Cash and Cash Equivalent		
Bank deposits with less than 12 months' maturity (Refer note: 2.30)	**71.78**	67.92
	71.78	67.92
Note 2.10		
Loans		
Unsecured, Considered good		
Loans to Related Party (Refer Note:2.43 & 2.29)	**994.55**	994.55
	994.55	994.55
Note 2.11		
Other Financial Assets		
Interest Accrued	**0.29**	1.92
Unbilled Revenue	**0.37**	0.94
	0.66	2.87
Note 2.12		
Other Current Assets		
Advances and Receivables (Unsecured)		
Other Loans and Advances		
Considered Good Others	**40.51**	40.77
Related Party (refer note 2.43)	**89.05**	89.05
Unsecured, Doubtful		
Considered doubtful	**67.71**	67.71
Less: Provision for doubtful advances	**67.71**	67.71
	129.56	129.82
Deposits	**14.50**	13.99
Balance with GST, Customs, Central Excise Authorities etc. (refer note 2.29)	**75.25**	70.70
Others	**-**	0.02
	219.31	214.53

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

Note 2.13

[A] Assets Held for Sale

Consequent to discontinuance of commercial operations, the following assets have been classified as the assets held for sale at the value ascertained as at the end of year ended March 31,2018 and recorded at lower of carrying amount and fair value less selling cost. Also Refer Note 2.01.02 for Security in favour of Lenders. On finalisation and implementation of debt resolution process through Hon'ble NCLT, the Company will carry out a comprehensive impairment review of its tangible, intangible assets and Assets held for Sale. Details of Assets held for Sale are as under:

(₹ in crore)

Particulars	For the year ended March 31, 2021							
	Net Block Reclassified from PPE		Provision for Impairment		Disposal		Assets Held for Sale (Net)	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Free Hold Land	-	-	-		-	-	**22.65**	22.65
Building*	-	-	-	4.57	-	-	**12.54**	12.54
Plant and Machinery	-	-	-	-	-	-	**2,152.32**	2,152.32
Electric Installation	-	-	-		-	-	**0.27**	0.27
Office Equipment	-	-	-		-	-	**0.76**	0.76
Furniture & Fixture	-	-	-		-	-	**0.68**	0.68
Vehicle	-	-	-		-	-	**0.97**	0.97
Total	**-**	-	**-**	4.57	**-**	**-**	**2,190.19**	2,190.19

* Leasehold land amounting to Rs.4.57 crore is impaired during the previous year.

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 2.14		
Equity Share Capital		
Authorised		
940 00 00 000 Equity Shares of ₹ 1 each (940 00 00 000)	**940.00**	940.00
1 00 00 000 Preference Shares of ₹ 10 each fully paid up (1 00 00 000)	**10.00**	10.00
	950.00	950.00
Issued, Subscribed and Paid up		
938 00 00 000 Equity Shares of ₹ 1 each fully paid up (938 00 00 000)	**938.00**	938.00
	938.00	938.00

2.14.01 Shares held by holding/Ultimate holding company and/or their subsidiaries/associates

Equity Shares	**No of Shares**	No of Shares
Reliance Communications Limited, the Holding Company and its nominees	**938 00 00 000**	938 00 00 000
Preference Shares		
Reliance Communications Limited, the Holding Company (refer note 2.18)	**20 000**	20 000

2.14.02 Details of Shareholders holding more than 5% shares in the Company

Equity Shares	**%**	**No of Shares**	%	No of Shares
Reliance Communications Limited and its nominees	**100%**	**938 00 00 000**	100%	938 00 00 000
Preference Shares				
Reliance Communications Limited	**100%**	**20 000**	100%	20 000

2.14.03 Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company.

2.14.04 Terms/rights attached to Preference Shares

The Company has 20,000, 8% Cumulative Preference Shares of ₹ 10/- each to be redeemed at par at on or before July 29, 2022.

2.14.05 Reconciliation of shares outstanding a the beginning and at the end of the reporting period

	Particulars	As at March 31, 2021 Number	As at March 31, 2021 ₹ in crore	As at March 31, 2020 Number	As at March 31, 2020 ₹ in crore
(i)	**Equity shares**				
	At the beginning of the Year	**938 00 00 000**	**938.00**	938 00 00 000	938.00
	Add : Issued during the year	**-**	-		
	At the end of the Year	**938 00 00 000**	**938.00**	938 00 00 000	938.00
(ii)	**Preference Shares**				
	At the beginning of the Year	**20 000.00**	**0.02**	20 000.00	0.02
	Add/(Less) : Changes during the year	-	-	-	-
	At the end of the Year	**20 000.00**	**0.02**	20 000.00	0.02

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	As at March 31, 2021		As at March 31, 2020	
Note 2.15				
OTHER EQUITY				
Security Premium				
(i) Opening Balance	**529.94**		529.94	
(ii) Additions during the year	**-**	**529.94**	-	529.94
General Reserve				
(i) Opening Balance	**783.57**		783.57	
(ii) Add: Profit /(Loss) for the year	**-**	**783.57**	-	783.57
Surplus/ (Deficit) in Statement of Profit and Loss				
(i) Opening Balance	**(4,529.48)**		(4,518.64)	
(ii) Add: Profit /(Loss) for the year	**(13.82)**	**(4,543.30)**	(10.80)	(4,529.44)
		(3,229.79)		(3,215.93)

Nature and Purpose of Reserve

Securities Premium

Securities Premium represents the premium charged to the shareholders at the time of issuance of shares. It also includes ₹ 65.83 crore created pursuant to the scheme of Amalgamation/Arrangements of the earlier years. It can be utilised based on the relevant requirements of the Act.

General Reserve

General Reserve represents amount transferred from Statement of Profit & loss account in earlier years.

Particulars	As at March 31, 2021	As at March 31, 2020
Note 2.16		
Borrowings		
20 000 8% Cumulative Preference Shares of ₹ 10 each fully paid up (20 000) (20 000) (Refer Note: 2.14)	**0.02**	0.02
	0.02	**0.02**
Note 2.17		
Provisions		
Provision for Retirement Benefit	**3.47**	3.47
	3.47	3.47
Note 2.18		
Borrowings		
Unsecured		
From Banks		
Rupee Loans	**114.33**	114.33
From Related Parties (Refer Note: 2.31 and 2.43)	**5,669.34**	5,669.34
	5,783.67	5,783.67

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

Note 2.18.01

Delay/ Default in repayment of Borrowing and Interest

	Corporation	IDBI Bank	Total
Default as at March 31, 2021			
Borrowings			
Amount (Rs. in crore)	**110.60**	**3.74**	**114.34**
Period (Maximum Days)	**1,440**	**1,465**	
Interest			
Amount (Rs. in crore)	**7.97**	**0.46**	**8.43**
Period (Maximum Days)	**1440**	**1,465**	
Default as at March 31, 2020			
Borrowings			
Amount (Rs. in crore)	110.60	3.74	114.34
Period (Maximum Days)	1075	1,100	
Interest			
Amount (Rs. in crore)	7.97	0.46	8.43
Period (Maximum Days)	1075	1,100	

Note 2.18.02

Apart from above outstanding of Interest, the Company has not provided Interest Expenses of ₹ 13 crore for the year ended March 31, 2021 and during the previous years ₹ 104 crore has not provided . Therefore it has not been disclosed.

Note 2.18.03

Since the Company is under CIR Process and claims have been filed by lenders, the overall obligations and liabilities including obligation for interest on loans shall be determined during the CIR process. Hence due to non availability of revised repayment schedule of borrowings, above delay/ default is disclosed based on original terms of facility and from the date of recall, where loans have been recalled.

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

Note 2.19

Trade Payables (refer note 2.29)

Due to Micro and Small Enterprises	**3.02**	3.14
Others	**226.42**	223.36
	229.44	226.50

Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2nd October 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to Micro, Small and Medium Enterprises.

Sr.	Particulars	As at March 31, 2021	As at March 31, 2020
a.	Principal amount due to any supplier as at the year end	**3.02**	3.14
b.	Interest due on the principal amount unpaid at the year end to any supplier	**2.01**	2.06
c.	Amount of Interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
d.	Payment made to the enterprises beyond appointed date under section 16 of MSMED	**0.05**	0.02
e.	Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED	**0**	0.00
f.	The amount of interest accrued and remaining unpaid at the end of each accounting year	**2.01**	2.06
g.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED.	**1.85**	1.66

Note 2.20

Other Financial Liabilities

Interest Accrued on Borrowings (Refer Note: 2.31 and 2.43)	**22.13**	22.13
Others Financial Liabilities*	**6.96**	4.20
	29.09	**26.33**

* Includes Provision for Expenses and Salary Payable

Note 2.21

Other Current Liabilities

Others

Statutory Dues (Refer note 2.29)	**111.83**	106.92
Other Payables*	**69.34**	70.17
	181.17	177.09

* Includes Advance from Customer, Security deposits, Collection payable and Income received in advance

Note 2.22

Provisions

Provision for Employee Benefits

Employee Benefits	**12.16**	12.16
Others		
Wealth Tax	**0.83**	0.83
	12.99	12.99

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Note 2.23		
Revenue from Operations		
Service Revenue		
Income From Internet and Telecommunication Services	**4.79**	7.82
	4.79	7.82

Revenue for the year from sale of services as disclosed above pertains to revenue from contracts with customers over a period of time. The Company has not given any volume discounts, service level credits, etc. during the year and there is no further disaggregation.

The Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to pending performance obligations which are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). No consideration from contracts with customers is excluded from the amount mentioned above.

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue if revenues is accrued. Receivable and unbilled revenue are a right to consideration that is unconditional upon passage of time. Receivable is presented net of impairment in the Balance Sheet. Unbilled revenue as at April 1, 2020, was ₹ 0.94 crore and it was billed during the year. Unbilled Revenue as at March 31, 2021 is ₹ 0.37 crore.

Note 2.24

Other Income

Interest Income (Refer note: 2.30)	**3.73**	4.19
Miscellaneous Income	**0.03**	1.06
	3.76	5.25

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Note 2.25		
Network Operating Expenses		
Power, Fuel and Utilities	**0.88**	0.04
Repairs and Maintenance - Plant and Machinery	**0.05**	0.00
Rent	**0.37**	0.46
Stores and Spares Consumed	**0.05**	0.04
	1.35	0.55
Note 2.26		
Finance Cost		
Interest and Other charges on Loans (Refer note: 2.31)	**-**	-
Other Financial Cost	**0.39**	0.36
	0.39	0.36

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2021

(₹ in crore)

Particulars		For the year ended March 31, 2021		For the year ended March 31, 2020
Note 2.27				
Other Expenses				
Selling Expenses				
Cost of Handsets and Accessories	**1.09**	**1.09**	(0.03)	(0.03)
General Administration Expenses				
Rent, Rates & Taxes	**0.21**		4.68	
Travelling and Conveyance	**-**		0.01	
Electricity Expenses	**-**		0.01	
Professional Fees	**0.38**		0.14	
CIRP Process Cost	**2.76**		1.57	
Inventory Balances Written off	**-**		0.41	
Insurance	**0.04**		0.82	
Sundry balances written off / written back	**-**		7.24	
Recovery of expenses (Refer note 2.34 & 2.43)	**-**		1.77	
Group Service charges (Refer note 2.33)	**-**		0.19	
Interest on TDS & GST	**2.96**		0.35	
expenses	**1.85**		0.13	
Telephone expenses	**-**	**8.20**	-	17.32
Payment to Auditors		**0.03**		0.10
Total		**9.32**		**17.39**

Note : 2.28

Previous Year

Figures of the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupees in crore, with two decimals, except as otherwise stated.

Note : 2.29

Going Concern

Pursuant to an application filed by State Bank of India before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 7 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of Corporate Insolvency Resolution Process ("CIRP") of the Company ("Corporate Debtor") vide its order dated September 25, 2019 which has been received by the IRP (as defined hereinafter) on September 28, 2019 ("CIRP Order"). The NCLT has appointed Mr. Anish Niranjan Nanavaty as the interim resolution professional for the Company ("IRP") vide the CIRP Order who has been confirmed as the resolution professional of the Company ("RP") by the committee of creditors. Reliance Communications Limited (being the Holding Company of the Company), Reliance Telecom Limited and Reliance Infratel Limited are also undergoing CIRP under the provisions of the Code and the RP is also the resolution professional of the aforesaid companies.

On finalisation and implementation of resolution process through Hon'ble NCLT, the Company will carry out a comprehensive impairment review of its tangible and intangible assets, assets held for sale and other assets including investment in subsidiaries and liabilities and balance lying in GST, which are pending for confirmation and accordingly provide for impairment of assets and write back of liabilities, if any. **Consistent with the practice followed in earlier years, interest has not been charged on loans given/taken to/from Holding company/ subsidiaries / fellow subsidiaries**.

Considering these developments including, in particular, the RP having taken over the management and control of the Company inter alia with the objective of running them as going concerns, the financial statements continue to be prepared on going concern basis. However, since the Company has incurred a net loss during the year and preceding financial year, current liabilities exceed current assets and Company has defaulted in repayment of borrowings, payment of statutory dues, these events indicate that material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern.

Note : 2.30

Fixed Deposit balance confirmation from ICBC and transfer of money to designated account

The Company has written to ICBC requesting for balance confirmation of Rs. 31.62 crore as at March 31, 2021 and transfer the entire amount lying in fixed deposit including all interest monies accruing thereon up to the date of remittance to the designated account of RCIL. The Auditors and RCIL have not received balance confirmation from ICBC for March 31, 2021.

Note : 2.31

Non Provision of Interest on loans

Considering various factors including admission of the Holding Company to CIRP under the Code, there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined during the CIRP and accounting impact / disclosure if any will be given on completion of CIRP. Further, prior to May 15, 2018, the Holding Company were under Strategic Debt Restructuring (SDR) and asset monetization and debt resolution plan was being worked out. The Company has not provided Interest of Rs. 13 crore for the year ended March 31, 2021. Had the Company provided Interest, the Loss would have been higher by Rs 13 crore for the year ended March 31, 2021. The Net worth of the Company would have been lower by Rs. 897.57 crore and Rs. 773.70 crore as on March 31, 2021 and as on March 31, 2020 respectively. During the previous years, Interest of Rs 104 crore were not provided during the financial year ended March 31, 2018, March 31, 2019 and March 31, 2020.

Note : 2.32

Employee Benefits

Since there were no employees at the reporting period, the Company is being managed by Resolution professionals and their team, hence the disclosure as required under Indian Accounting Standard ("Ind AS") 19 "Employee Benefits" is not applicable.

Note : 2.33

Sharing of Expenses

The Company had, during the previous year, reimbursed expenses, which have been incurred on behalf of the Company amounting to ₹ 0.19 crore included in General Administration expenses, charged by Reliance ADA Group Private Limited.

Note : 2.34

Recovery of Expenses

During the year the Company has recovered ₹ Nil (Previous year ₹ 1.77 crore) on account of Network Expenses from Globalcom IDC Limited (formerly Reliance IDC Limited) a Fellow Subsidiary of the Company.

Notes on Accounts to Financial Statements as at March 31, 2021

Note : 2.35

Special Audit

Pursuant to the Telecom License Agreement, The Department of Telecommunications (DoT) directed audits of various telecom companies including of the Company. The Special Auditors appointed by DoT were required to verify records of the Company for the years ended March 31, 2007 and March 31, 2008. The Special Auditors have completed the audit of previous financial years and submitted the report to DoT. As the Company was, then having only Internet Service Provider (ISP) license, revenue of the Company was not subject to License Fee. Hence no liability of License Fee is expected by the Company.

Note 2.36

Contingent Liabilities and Capital Commitment (as represented by the Management)

(₹ in crore)

	Particulars	**As at March 31, 2021**	As at March 31, 2020
(i)	Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	**-**	**-**
(ii)	Disputed Liabilities in Appeal:		
	- Sales Tax and VAT	**53.26**	**53.26**
	- Custom, Excise and Service Tax	**157.84**	**157.84**
	- Entry Tax and Octroi	**6.68**	**6.68**
	- Income Tax	**373.61**	**368.99**
	- Other Litigations	**7.23**	**12.51**
(iii)	Arrears of Dividend on 8% Cumulative Preference Shares of ₹ 10 each	**0.02**	**0.02**
(iv)	Guarantees given including on behalf of other companies for business purpose	**17.50**	**18.11**

Note 2.37

Lease

The Assets of the Company are held for sale as per Ind AS 105 and being short term in nature and accordingly lease agreements are considered to be short term in nature hence Ind AS 116 has not been applied.

Note 2.38

2.38.1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

(₹ in crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.08)	**57.60**	23.93
Trade receivables (Refer Note 2.07)	**19.35**	20.15
Bank Balance (Refer Note 2.09)	**71.78**	67.92
Loans (Refer Note 2.10)	**994.55**	994.55
Other Financial Assets (Refer Note 2.11)	**0.66**	2.87
Total	**1,143.93**	1,109.41
Financial assets at fair value through Profit and Loss:	**Nil**	Nil
Financial assets at fair value through other Comprehensive	**Nil**	Nil
Investments (Refer Note 2.03)	**318.30**	318.30
Total	**318.30**	318.30

(₹ in crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Financial liabilities at amortised cost:		
Trade payables (Refer note 2.19)	**229.44**	226.50
Other financial liabilities (Refer Note 2.20)	**29.09**	26.33
Borrowings (Refer Note 2.16 & 2.18)	**5,783.69**	5,783.69
Total	**6,042.22**	6,036.52

2.38.2 Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and financial assets includes trade receivables, deposits, cash and bank balances, other receivables etc. arises from its operation.

Corporate Insolvency Resolution Process ("CIR Process") has been initiated in case of the Company and its Holding Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stand vested with the Resolution Professional ("RP") appointed by the NCLT. The framework and the strategies for effective management will be established post implementation of Resolution Plan. Presently, the financial management activities are restricted to management of current assets and liabilities of the Company and the day to day cashflow and its associated risks are as under:

Financial risk management

The Company's business activities exposed it to variety of financial risk, namely liquidity risk, market risk and credit risk.

Risk	**Exposure arising from**	**Measurement**	**Management**
Credit Risk	Cash and cash equivalents,	* Specific provision on	Diversification of bank deposits, letter of credit,
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market Risk - foreign exchange	Recognised financial assets and liabilities not (₹) denominated in Indian rupee.	Sensitivity analysis	Un hedged
Market Risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Un hedged

Market risk

The Company operates internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk to the extent that there is mismatch between the currencies in which its sales and services, purchases from overseas suppliers and borrowings in various foreign currencies. Market Risk is the risk that changes in market prices such as foreign exchange rates, interest rates. The Company also holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the financial statements of the Company's operations are adversely affected as the rupee appreciates/ depreciates against US dollar.

Foreign Currency Risk from financial instruments as of : (₹ in crore)

Particulars	**March 31, 2021**			
	U.S. dollars	**GB Pound**	**Other**	**Total**
Trade Receivables	0.18	-	0.05	0.23
Trade Payables	(1.14)	-		(1.14)
Net assets / (liabilities)	**(0.96)**	**-**	**0.05**	**(0.91)**
Particulars	March 31, 2020			
	U.S. dollars	GB Pound	Other	Total
Trade Receivables	0.18	-	0.05	0.23
Trade payables	(1.14)	-	-	(1.14)
Net assets / (liabilities)	**(0.96)**	**-**	**0.05**	**(0.91)**

Sensitivity Analysis

Not relevant till the time operations become normal.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk/ Sensitivity Analysis

Not relevant till the time operations become normal.

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is carrying value of respective financial assets.

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit default swap quotes, credit ratings from international credit rating agencies and historical experience for customers.

Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Corporate Insolvency Resolution (CIR) Process has been initiated against the Holding Company and operations of the Company has also been adversely impacted. Management believes that operations may become normal and thereafter liquidity periodic budget and rolling forecast shall be determined.

Notes on Accounts to Financial Statements as at March 31, 2021

Note 2.39 Segment Performance

The Company has discontinued its wireless business during earlier year and there are no major operations in the Company. Hence segment information as per Ind AS - 108 is not required to be disclosed.

Note 2.40 Post Reporting Event

No adjusting or significant non - adjusting events have occurred between the reporting date and the date of authorisation.

Note 2.41 Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The Company's objective when managing the capital is to safeguard the Company's ability to continue as a going concern. However, in view of certain adverse factors and liquidity problems faced by the Company, the net worth of the Company has been fully eroded and the Company is presently under CIRP process and thereby continue to operate as a going concern.

The Company monitors capital using gearing ratio, which is debt divided by total capital plus debt.

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Equity	**(2,291.75)**	(2,277.93)
(b) Debt	**5,783.69**	5,783.69
(c) Equity and Debt (a+b)	**3,491.94**	3,505.77
(d) Capital Gearing Ratio (b/c)	**166%**	165%

Note 2.42 Earnings per Share (EPS)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Basic and Diluted EPS		
(a) Profit attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating Basic and diluted EPS)	**(13.82)**	(10.80)
(b) Weighted average number of Equity Shares (used as denominator for calculating Basic and diluted EPS)	**9,38,00,00,000**	9,38,00,00,000
(c) Basic and diluted Earnings per Share of ₹ 1 each (₹)	**(0.01)**	(0.01)

Note 2.43

As per the Indian Accounting Standard ("Ind AS") 18 of "Related Party Disclosures" as referred to in Accounting Standard Rules, the disclosure of transactions with the related parties as defined therein are given below.

A List of related party

	Name	Relationship
1	Reliance Communications Limited	Holding Company
2	Reliance Infratel Limited	Subsidiary Company
3	Globalcom Realty Limited (formerly Reliance Infra Realty Limited)	Subsidiary Company
4	Realsoft Cyber Systems Private Limited	Subsidiary Company
5	Internet Exchangenext.Com Limited	Subsidiary Company
6	Worldtel Tamilnadu Private Limited	Subsidiary Company
7	Reliance BPO Private Limited	Subsidiary Company
	(Parties With whom transactions taken place)	
8	Reliance Wimax Limited	Fellow Subsidiaries
9	Reliance Webstore Limited	Fellow Subsidiaries
10	Globalcom IDC Limited (Formerly Reliance IDC Limited)	Fellow Subsidiaries
11	Reliance Communications International Inc.	Fellow Subsidiaries
12	Reliance Communications Inc.	Fellow Subsidiaries
13	Reliance Communications Hongkong Limited	Fellow Subsidiaries
14	Reliance Globalcom Limited, Bermuda and its Subsidiaries	Fellow Subsidiaries
15	Reliance Communications Canada Inc.	Fellow Subsidiaries
16	Reliance Communications U.K. Limited	Fellow Subsidiaries
17	Reliance Communications Australia Pty Limited	Fellow Subsidiaries
18	Reliance Telecom Limited	Fellow Subsidiaries
19	Gateway Net Trading Pte. Limited Singapore	Fellow Subsidiaries
20	Reliance Tech Services Limited	Fellow Subsidiaries
21	Reliance Globalcom Limited	Fellow Subsidiaries
22	Reliance Bhutan Limited	Fellow Subsidiaries
23	Globalcom Mobile Commerce Limited	Fellow Subsidiaries
24	Reliance Realty Limited	Fellow Subsidiaries
25	Campion Properties Limited	Fellow Subsidiaries
26	Reliance Communications New Zealand Pte Limited	Fellow Subsidiaries
27	Reliance Globalcom B.V. The Netherlands	Fellow Subsidiaries
28	Reliance Communications Tamilnadu Limited	Fellow Subsidiaries
29	Reliance Capital Limited	Enterprises over which promoters of Holding Company having control
30	Reliance Capital Asset Management Limited	Enterprises over which promoters of Holding Company having control
31	Reliance Money Express Limited	Enterprises over which promoters of Holding Company having control
32	Reliance General Insurance Company Limited	Enterprises over which promoters of Holding Company having control
33	Reliance Life Insurance Limited	Enterprises over which promoters of Holding Company having control
34	Reliance Spot Exchange Infrastructure Limited	Enterprises over which promoters of Holding Company having control
35	Reliance Power Limited	Enterprises over which promoters of Holding Company having control
36	Reliance Infrastructure Limited	Enterprises over which promoters of Holding Company having control
37	BSES Rajdhani Power Limited	Enterprises over which promoters of Holding Company having control
38	BSES Yamuna Power Limited	Enterprises over which promoters of Holding Company having control

39 RELIANCE INFOCOM LTD EMPLOYEES
40 RELIANCE TELECOM LIMITED EPF — Emplyee Benefit Trust
41 Shri Gaurav Singh Ranawat (upto 19th July,19) — Company Secretary and Manager - Key Management

B Transactions during the year with related parties
(Figures in bracket represent Previous year)

(₹ in crore)

	Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Enterprise over which Promoter of Holding Company having control	Employee Benefit Trust	Key Management Personnel	Total
(A)	**Investment**							
	Balance as at April 1, 2020	**-**	**318.29**	**0.99**	**-**	**-**	**-**	**319.28**
		-	(318.29)	(0.99)	-	-	-	(319.28)
	Purchase/(Sale) Of Investment	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-	-	-
	Balance as at March 31, 2021	**-**	**318.29**	**0.99**	**-**	**-**	**-**	**319.28**
		-	(318.29)	(0.99)	-	-	-	(319.28)
(B)	**Trade Receivables**	**-**	**-**	**3.45**	**0.62**	**-**	**-**	**4.07**
		-	-	(0.35)	(0.62)	-	-	(0.97)
(C)	**Loans**							
	Balance as at April 1, 2020	**-**	**100.00**	**894.53**	**-**	**-**	**-**	**994.53**
		-	(100.00)	(899.27)	**-**	**-**	**-**	(999.27)
	Given/adjusted during the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	(0.26)	**-**	**-**	**-**	(0.26)
	Returned/Adjusted during the year	-	**-**	-	**-**	**-**	**-**	**-**
		-	-	(5.00)	**-**	**-**	**-**	(5.00)
	Balance as at March 31, 2021	**-**	**100.00**	**894.53**	**-**	**-**	**-**	**994.53**
		-	(100.00)	(894.53)	-	-	-	(994.53)
(D)	**Advances and Receivables**	**	**8.41**	**79.97**	**0.59**	**0.08**	**-**	**89.05**
	**** ₹ 26,479 (₹ 26,479)**	**	(8.41)	(79.97)	(0.59)	(0.08)	**-**	(89.05)
(E)	**Borrowings (Refer Note 2.18.03)**							
	Balance as at April 1, 2020	**3,461.08**	**1,099.19**	**1,109.06**	**-**	**-**	**-**	**5,669.33**
		(3,456.47)	(1,099.19)	(1,108.71)	-	-	-	(5,664.37)
	Taken /adjusted during the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		(4.61)	-	(3.21)	-	-	-	(7.82)
	Repaid/Adjusted during the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	(2.86)	-	-	-	(2.86)
	Balance as at March 31, 2021	**3,461.08**	**1,099.19**	**1,109.06**	**-**	**-**	**-**	**5,669.33**
		(3,461.08)	(1,099.19)	(1,109.06)	-	-	-	(5,669.33)
(F)	**Trade Payables**	**0.01**	**-**	**92.28**	**8.71**	**-**	**-**	**101.00**
		(0.01)	-	(92.28)	(8.71)	-	-	(101.00)
(G)	**Other Financial Liabilities**							
	Interest Accrued on Borrowings	**17.69**	**-**	**-**	**-**	**-**	**-**	**17.69**
		(17.69)	-	-	-	-	-	(17.69)
(H)	**Other Liabilities**	**-**	**-**	**1.92**	**0.32**	**-**	**-**	**2.24**
		-	-	(1.83)	(0.32)	-	-	(2.15)
(I)	**Expenses including Sharing and Recovery of Expenses**	0.21	**-**	-	-	-	-	**0.21**
		-	(0.74)	(1.77)	-	-	-	(2.51)
(J)	**Managerial Remuneration**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Shri Gaurav Singh Ranawat (upto 19th July,19)	-	-	-	-	-	(0.02)	(0.02)
(K)	**Corporate guarantee on behalf of the Company**	**262.47**	**-**	**-**	**-**	**-**	**-**	**262.47**
		(233.47)	-	-	-	-	-	(233.47)

The following table describe the components of compensation paid or payable to key management personnel for the services rendered during the year ended.

(₹)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and other benefits	-	1,48,786
Contribution to Provident fund/ Superannuation fund	-	5,397
Provision of Gratuity	-	2,202
Total	-	1,56,385

Note 2.44

Appointment of Key Managerial Person

As per Companies Act 2013, Key Managerial Person is not appointed by the Company as on March 31, 2021 and hence applicable penalty amounting to ₹. 0.11 crore is already provided in the previous year.

Note 2.45

Impact of COVID 19

The Company has discontinued its wireless business during earlier year and there are no major operations in the Company hence, there is no impact of the COVID-19 pandemic on the Company's future financial statements.

Note 2.46

The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) read with Schedule VI of the Act. Accordingly, Section 186 of the Act is not applicable to the Company.

Note 2.47

Notice as Wilful Defaulter

During the quarter ending March 31, 2021, one of the lenders has issued show cause notice to the Corporate Debtor, its Holding Company, subsidiary and fellow subsidiary and certain directors seeking reasons as to why the Corporate Debtor, its Holding Company, subsidiary and fellow subsidiary should not be classified as willful defaulter. The Corporate Debtor & other companies have responded to the show cause notice. The Corporate Debtor & other companies in its response have highlighted that the proceedings and the classification of the Corporate Debtor as a willful defaulter is barred during the prevailing moratorium under section 14 of the Code and requested the bank to withdraw the notice. No further response has been received by the bank since then. Since the matter is pending before the bank, presently there is no impact of such notices issued by bank, in the financial statements.

Note 2.48

Note of Disqualifcation of Directors

One of the Directors has not submitted the declaration required to be filed u/s 164 (2) of the Companies Act 2013.

Note 2.49

Corporate Social Responsibility Note

The company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

Note 2.50

Authorisation of Financial Statements

After review, the Directors of the Company have approved the financial statements at their meeting held on June 26, 2021 which was chaired by Mr. Anish Nanavaty, Resolution Professional ('RP') of the Corporate Debtor and RP took the same on record basis recommendation from the directors.

With respect to the financial statements for the year ended March 31, 2021, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable law, and subject to the following disclaimers:

(i) The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;

(ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;

(iii) The RP, in review of the financial statements and while signing this financial statements, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these financial statements. The financial statements of the Corporate Debtor for the year ended March 31, 2021 have been taken on record by the RP solely on the basis of and on relying on the aforesaid certifications, representations and statements of the aforesaid directors and the management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial statements.

(iv) In terms of the provisions of the Code, the RP is required to undertake a review of certain transactions.Such review has been completed and the Member has filed the necessary applications with the adjudicating authority.

As per our report of even date

For Pathak H.D. & Associates LLP Chartered Accountants Firm Regn No. 107783W/W100593	For Reliance Communications Infrastructure Limited	
Vishal D. Shah Partner Membership No. 119303	Anish Niranjan Nanavaty Resolution Professional	Grace Thomas Director DIN:- 07079566
	Sanjeev Modi Director DIN:- 08109280	Rakesh Gupta Company Secretary F5951
Place : Mumbai Date : June 26, 2021	Place : Mumbai Date : June 26, 2021	

Independent Auditors' Report

To,

The Members of Globalcom IDC Limited (Formerly known as Reliance IDC Limited)

Report on the Financial Statements

Qualified Opinion

We have audited the financial statements of Globalcom IDC Limited ('the Company') (Formerly known as Reliance IDC Limited), which comprise the Balance Sheet as at March 31, 2021,and the Statement of Profit and Loss (including Other Comprehensive Income), theStatement of Cash Flow and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the 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 state of affairs of the Company as at March 31, 2021and its profit (including other comprehensive income) and its changes in equity and itscash flows for the year ended on that date.

Basis for Qualified Opinion

a. We draw attention to Note no. 2.33 of the financial statements, regarding pending comprehensive impairment review of its assets & liabilities including Trade Receivables, balances lying in Goods & Service Tax and Tax Deducted at Source and liabilities which are pending for confirmation. In the absence of comprehensive impairment review as mentioned above for the carrying value of all the assets and liabilities, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported profit for the year ended March 31, 2021. Non determination of fair value of financial assets &financial liabilities and impairment assessment of the carrying amount of assets and liabilities are not in compliance with Ind AS 109 "Financial Instrument",Ind AS 37 "Provisions, Contingent Liabilities & Contingent Assets" and Ind AS 36 "Impairment of Assets".

b. We draw attention to Note no 2.34 of the financial statements, regarding non adoption of Ind AS 116 "Leases" effective from April 01, 2019 and the consequent impact thereof. The aforesaid accounting treatment is not in accordance with the relevant Ind AS 116.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) ofthe Act. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

Emphasis of Matter Paragraph

We draw attention to Note no 2.32 of the financial statements, as regards to the management's evaluation of impact of COVID - 19 on the future performance of the Company. The actual outcome of the assumptions and estimates may vary in future due to impact of pandemic.

Our opinion is not modified in respect of the above matter.

Information Other than the Financial Statements and Auditor's ReportThereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting record, relevant to the preparation and presentation of the financial statement that give a true and fair view and 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.

The Board of Directors are also 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 thatincludes 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company 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 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 achieves fair presentation.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2016 (‘the Order’),by the Central Government of India in terms of sub section (11) of Section 143 of the Act, we enclosein Annexure ‘A’ a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by sub section (3) of Section 143of the Act, we report that:

a. Except for the matters described in the Basis of Qualified Opinion paragraph above,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. Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

d. In our opinion the aforesaid financial statements comply with the Indian Accounting Standards prescribe under Section 133 of the Act read with relevant rules issued there under, except requirement of Ind AS 109 “Financial Instruments”, Ind AS 36 “Impairment of Assets”, Ind AS 37 “Provisions, Contingent Liabilities and Contingent Assets” and Ind AS 116 “Leases”, with regard to matters described in the Basis of Qualified Opinion paragraph above;

e. The matter described under the basis for qualified opinion paragraph above and Qualified Opinion paragraph of 'Annexure B' to this report in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in financial statements of the Company;

f. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of sub section (2) of Section 164 of the Act;

g. The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”;

i. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided for any remuneration to its directors during the year.

j. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.27 ofthe financial statements.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

(iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm'sRegistrationNo:107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303
UDIN:21119303AAAALL6151

Place: Mumbai
Date: 25th June, 2021

Annexure A to the Independent Auditor's Report –March 31, 2021

With reference to the Annexure referred to in the Independent Auditor's Report to the Members of Globalcom IDC Limited ('the Company')(Formerly known as Reliance IDC Limited) on the financial statements for the year ended March 31, 2021, we report the following:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its asset and no material discrepancies were noticed on such verification.

   (c) As represented and as per the records of the Company verified by us, there is no immovable property in books of the Company. Accordingly, clause1(i)(c) of the order is not applicable to the Company.

2. The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stock and book records were not material and have been dealt with in books of account.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly clause 3of the Order is not applicable to the Company.

4. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the applicable provisions of Section 186 of the Act to the extent applicable.

5. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, clause 5 of the Order is not applicable to the Company.

6. As informed to us, the Central Government has not prescribed maintenance of cost records under Sub- Section (1) of section 148 of the Act. Accordingly clause 6 of the Order is not applicable to the Company.

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that there weredelays in amounts deposited with appropriate authorities for amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, goods and Service tax, customs duty, income tax, cess, and other material statutory dues.

   According to the information and explanations given to us, no undisputed amounts payable in respect of sales tax, goods and service tax, customs duty, excise duty, income tax, and cess were in arrears as at March 31, 2021for a period of more than six months from the date they became payable exceptValue Added Tax, Work Contract tax, Professional Tax, Employee State Insurance and Entry Tax for which details are given in below table:

Sr. No.	Name of the Statute *	Nature of the dues	Amount (Rs.)	Period to which amount relates	Due date	Date of Payment
1	The Maharashtra Tax on Entry of Goods into Local Areas Act,2002	Entry Tax	7,600	February – 2017	Various Dates	Yet to be Paid
2	The Maharashtra Value Added Tax Act, 2002	Works Contract Tax (WCT)	17,17,952	FY - 2016 - 17 & 2017-18	21stof following month	Yet to be Paid
3	Tamil Nadu Value Added Tax Act, 2006	Works Contract Tax (WCT)	5,400	FY - 2016-17	20thof following month	Yet to be Paid
4	The Kerala Value Added Tax Act, 2003	Works Contract Tax (WCT)	25,441	Up to June 2017	15thfollowing month	Yet to be Paid
5	Andhra Pradesh Value Added Tax Act, 2005	Works Contract Tax (WCT)	22,052	Up to June 2017	21stof following month	Yet to be Paid
6	Delhi Value Added Tax Act, 2004	Works Contract Tax (WCT)	65,683	FY – 2016-17	21stof following month	Yet to be Paid
7	Professional Tax Act,1957	Professional Tax Payable	5,56,217	Upto F.Y 2018-19	Various dates	Yet to be Paid

(b) According to the information and explanation given to us, there are no dues of sales tax, service tax, goods and Service tax, custom duty, excise duty, value added tax, income tax, and cess which have not been deposited on account of dispute.

8. The Company has not raised loans from Financial Institutions or Banks or Government or debenture holders. Hence clause8of the Order requiring comment on repayment of the dues to them is not applicable.

9. In our opinion, and information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of clause 9 of the Order is not applicable to the Company.

10. According to the information and explanations given to us, no significant fraud on or by the Company by its officer or employees, that causes a material misstatement to the financial statements, has been noticed or reported during the course of our audit.

11. According to the information and explanations given to us and based on our examination of records, the Company is not required to appoint Key Managerial Personnel during the year. Accordingly, the provision of clause 11 of the Order is not applicable to the Company.

12. As the Company is not a Nidhi Company, the provision of clause 12 of the Order is not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of records, the Company has made all the transactions with the related parties in compliance with sections 177 & 188 of the Act and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

14. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 14 of the Order is not applicable to the Company.

15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them as per section 192 of the Act. Accordingly, clause 15 of the Order is not applicable to the Company.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause 16 of the Order is not applicable to the Company.

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm'sRegistrationNo:107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303
UDIN:21119303AAAALL6151

Place: Mumbai
Date: 25^{th} June, 2021

Annexure B' to the Independent Auditor's Report - March 31, 2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of GlobalcomIDC Ltd ('the Company')(Formerly known as Reliance IDC Limited) as of March 31, 2021in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 'the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India'. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our QualifiedOpinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company’s internal financial controls with reference to financial statements as at March 31, 2021:

i. Balances of trade receivable, trade payables, other liabilities, and loan & advances are subject to confirmation. (Read with Note no. 2.33).

ii. Delay in payment of statutory dues (Goods and Service Tax/ Value Added Tax/ Tax Deducted at Source) accounts and there are delays in filing of certain statutory returns with the respective authorities.

iii. The Company’s internal financial control with regard to the compliance with the applicable Indian Accounting Standards and evaluation of carrying values of assets and liabilities and other matters, as fully explained in basis for qualified opinion of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the financial statements.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects / possible effects of the material weaknesses described above under Basis for Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021financial statements of the Company and these material weaknesses affect our opinion on financial statements of the Company for the year ended March 31, 2021 and we have expressed qualified opinion on these financial statements of the Company.

For Pathak H. D. &Associates LLP
Chartered Accountants
Firm'sRegistrationNo:107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303
UDIN:21119303AAAALL6151

Place: Mumbai
Date: 25th June, 2021

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Balance Sheet as at March 31, 2021

(₹ in crore)

	Notes		As at March 31, 2021		As at March 31, 2020
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	**2.01**	43.58		44.96	
(b) Capital Work in Progress		88.39	**131.97**	88.37	133.32
(c) Deferred Tax Asset	**2.02**		**4.93**		2.10
(d) Income Tax Assets	**2.03**		**13.78**		39.81
Current Assets					
(a) Inventories	**2.04**	0.50		0.23	
(b) Financial Assets					
(i) Trade Receivables	**2.05**	59.04		51.64	
(ii) Cash and Cash Equivalents	**2.06**	68.43		15.00	
(iii) Bank Balances other than (ii) Above	**2.07**	5.70		5.36	
(vi) Other Financial Assets	**2.08**	141.30		139.90	
(c) Other Current Assets	**2.09**	49.73	**324.70**	53.03	265.17
Total Assets			**475.39**		**440.40**
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.10**	2.10		2.10	
(b) Other Equity	**2.11**	55.95	**58.05**	28.35	30.45
Liabilities					
Non-Current Liabilities					
(a) Provisions	**2.12**		**0.44**		0.37
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.13**	185.00		185.00	
(i) Trade Payables	**2.14**				
Due to Micro and Small Enterprises		0.29		0.23	
Due to Others		142.01		144.50	
(ii) Other Financial Liabilities	**2.15**	3.62		3.89	
(b) Other Current Liabilities	**2.16**	85.66		75.69	
(c) Provisions	**2.17**	0.31	**416.90**	0.27	409.58
Total Equity and Liabilities			**475.39**		**440.40**
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For and on Behalf of the Board

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No. 107783W/W100593

Rakesh Gupta
Director
DIN : 00130829

Vishal D. Shah
Partner
Membership No. 119303

Grace Thomas
Director
DIN-07079566

Place : Mumbai
Date : 25 June 2021

Globalcom IDC Limited (Formerly Reliance IDC Limited)

Statement of Profit and Loss for the year ended March 31, 2021

(₹ in crore)

		Notes		For the year ended March 31,2021		For the year ended March 31,2020
	INCOME					
I	Revenue from Operations	2.18		223.11		250.66
II	Other Income	2.19		9.87		0.54
III	**Total Income (I + II)**			**232.98**		251.20
IV	**EXPENSES**					
	Operating Expenses	2.20		153.10		158.56
	Employee Benefits Expenses	2.21		5.15		(1.31)
	Finance Costs	2.22		0.03		0.07
	Depreciation	2.01		4.90		6.18
	Sales and General Administration Expenses	2.23		33.99		58.13
	Total Expenses (IV)			**197.17**		221.63
V	**Profit before Tax**			**35.81**		29.57
VI	Tax expense:					
	- Current Tax		11.07		10.53	
	- Deferred Tax Charge/ (Credit) (net)		(2.83)		7.01	
				8.24		17.54
VII	**Profit / (Loss) after Tax**			**27.57**		12.03
VIII	**Other Comprehensive Income**					
	(i) Remeasurement of defined benefit plan (Net of Tax)			0.03		0.23
	Other Comprehensive Income for the year			**0.03**		**0.23**
IX	**Total Comprehensive Income for the year (VII+VIII)**			**27.60**		12.26
XI	**Earnings per Share of ₹ 10 each fully paid up**					
	- Basic (₹)			**131.27**		57.30
	- Diluted (₹)			**131.27**		57.30
	Significant Accounting Policies	1				
	Notes on Accounts	2				

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date	For and on Behalf of the Board
For Pathak H. D. & Associates LLP Chartered Accountants Firm Regn No. 107783W/W100593	**Rakesh Gupta** Director DIN : 00130829
Vishal D. Shah Partner Membership No. 119303	
	Grace Thomas Director DIN-07079566

Place : Mumbai
Date : 25 June 2021

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Statement of Cash Flow for the year ended March 31, 2021

(₹ in crore)

Sl.	Particulars		For the year ended March 31, 2021		For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax as per Statement of Profit and Loss		**35.81**		29.57
	Adjusted for:				
	Write off of inventory	**0.04**		0.00	
	Depreciation/ Impairment and Amortisation	**4.90**		6.18	
	Bad Debts/Advance Written off/ Provision for doubtful debt	**21.34**		39.20	
	Write back of Provision	**(5.44)**		0.00	
	Interest Income	**(4.43)**		(0.34)	
			16.41		45.04
	Operating Profit before Working Capital Changes		**52.22**		74.61
	Adjusted for:				
	Receivables and other Advances	**6.45**		(4.03)	
	Inventories	**(0.30)**		1.21	
	Trade Payables and Other Laibilities	**7.46**		(46.92)	
			13.61		(49.74)
	Cash Generated from Operations		**65.82**		24.88
	Tax Paid		**(8.24)**		(15.65)
	Tax Refund		**-**		0.36
	Net Cash from Operating Activities		**57.58**		9.58
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets and Capital Work in Progress		**(3.83)**		(3.48)
	Interest Received		**0.02**		0.34
	Fixed Deposits made		**(0.34)**		(0.36)
	Net Cash Used in Investing Activities		**(4.15)**		(3.50)
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Proceeds/ (Repayment) from Borrowings- Current		**-**		0.00
	Net Proceeds/ (Repayment) from Borrowings- Non Current		**-**		0.00
	Net Cash from Financing Activities		**0.00**		0.00
	Net Increase in Cash and Cash Equivalents		**53.43**		6.08
	Opening Balance of Cash and Cash Equivalents		**15.00**		8.92
	Closing Balance of Cash and Cash Equivalents		**68.43**		15.00

Notes:

1. Figures in brackets indicates cash outgo.
2. Cash and Cash Equivalent includes bank balance and Fixed Deposits with Banks.
3. Cash Flow statement has been prepared under the Indirect method set out in Indian Accounting Standard 7 " Statement of Cash Flow".

As per our report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No. 107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303

For and on Behalf of the Board

Rakesh Gupta
Director
DIN : 00130829

Grace Thomas
Director
DIN-07079566

Place : Mumbai
Date : 25 June 2021

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Statement of changes in equity for the year ended March 31, 2021

(a) Equity share capital	(₹ in crore)
Balance at April 1, 2019	2.10
Change in equty share capital during the year	-
Balance at March 31, 2020	**2.10**
Change in equty share capital during the year	-
Balance at March 31, 2021	**2.10**

(b) Other Equity

Particulars	Retained Earnings	Other Comprehensive Income	Total
Balance at April 1, 2019	16.09	(0.00)	16.09
Other Comprehensive Income	-	0.23	0.23
Surplus/ (Deficit) of Statement of Profit and Loss	12.03	-	12.03
Balance at March 31, 2020	**28.12**	**0.23**	**28.35**
Other Comprehensive Income	-	0.03	0.03
Surplus/ (Deficit) of Statement of Profit and Loss	27.57	-	27.57
Balance at March 31, 2021	**55.69**	**0.26**	**55.95**

As per our report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No. 107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303

For and on Behalf of the Board

Rakesh Gupta
Director
DIN : 00130829

Grace Thomas
Director
DIN-07079566

Place : Mumbai
Date : 25 June 2021

Globalcom IDC Limited (Formerly Reliance IDC Limited)

Significant Accounting Policies to the Financial Statements

Note: 1

1 General Information and Significant Accounting Policy

1.01 General Information

Globalcom IDC Ltd. ("GIDC" or " the Company) (formerly Reliance IDC Limited) is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. GIDC is a wholly owned susidiary of Reliance Webstore Limited and engaged in the business of providing Internet Data Center Services located at Mumbai, Chennai, Hyderabad and Bangalore.

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles and comply with Indian Accounting Standard specified under Section 133 the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and other relevant provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The Management also needs to exercise judgement in applying the accounting policies

This note provides an overview of the areas that involved a higher degree of judgments or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

1.04 Critical estimates and judgements

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates or judgements pertain to useful life of property, plant and equipment (Note 2.01), current tax expense and payable recognition of deferred tax assets for carried forward tax losses (Note 2.02), impairment of trade receivables and other financial assets (Note 2.05 & 2.08). Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

Useful life of Property, Plant and Equipment: The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Taxes: The Company provides for tax considering the applicable tax regulations and based on reasonable estimates.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is probable that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer probable to the effect that Company will be able to absorb such credit during the specified period.

Trade receivables and Other financial assets: The Company follows a ‘simplified approach’ (i.e. based on lifetime Expected Credit Loss (ECL)) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

Defined benefit plans (gratuity benefits) : The Company’s obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. 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).

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.05 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees which is presentation currency of the company.

1.06 Property, Plant and Equipment

(i) Property, Plant and Equipment are stated at cost net of Modvat/ Cenvat, Value Added Tax less accumulated depreciation, amortisation and impairment loss, if any. Subsequent Expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company

(ii) Depreciation is provided on Straight Line Method (SLM), w.e.f. April1, 2017 (till March 31st 2017 Depreciation was provided on WDV) based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013.

(iii) Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(iv) Depreciation on additions is calculated pro rata from the following month of addition.

(v) Depreciation methods, useful lives and residual values are reviewed periodically at each reporting Date.

(vi) Cost of an item of PPE Comprises its Purchase price ,including Import duties and non refundable purchase taxes after deducting trade discount and rebates ,any directly attributable cost of bringing the items to its working condition for its intended use

1.07 Impairment of Non Financial Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased / reversed if where there is change in the estimate of recoverable value. The recoverable value is higher of Fair value less cost to sale and value in use.

1.08 Inventories of Stores, Spares and Communication Devices

Inventories of stores, spares and communication devices are accounted for at costs, determined on weighted average basis or net realisable value, whichever is less.

1.09 Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period.

Long term employee benefits

(i) **Defined contribution plan**

The Company's contribution towards Employees' Superannuation Plan is recognised as an expense during the period in which it accrues.

(ii) **Defined benefit plans**

Provident Fund

The Company's contribution towards Provident Fund is recognised as an expense during the period in which it accrues.

Provident Fund contributions are made to a Government Fund. Interest payable to the Provident Fund members, shall not be at a rate lower than the statutory rate. Liability is recognised for any shortfall in the income of the fund vis-à-vis liability of the interest to the members as per statutory rates.

Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Remeasurements which comprises actuarial gain and losses , the return of plan assets excluding interestand the effects of assets ceiling (if any, excluding interert),are recongnised in OCI.

(iii) **Other long Term employment benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

1.10 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.11 Foreign Currency Transactions

(i) The functional currency of the Company is Indian Rupee.

(ii) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the time of the transaction.

(iii) Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(iv) Non monetary foreign currency items are carried at cost.

(v) Exchange difference on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

1.12 Revenue Recognition and Receivables

(i) Revenue from Internet Data Centre Services is recognised as and when the services are provided.Upfront and one time setup amount received from customers are recognised over the estimated useful life of customers or specicfied fixed validity period as appropriate.The estimated useful life is consistent with estimated churn of the customers.

(ii) Interest income is recognised on time proportion basis.

(iii) Service revenue are recognised as the services are rendered and are stated net of discount, waiver and taxes.

(iv) Unbilled revenue is measured based on usage from last billing cycle to reporting date

(v) Revenue from Contracts with Customers

The Comapny has applied Ind AS 115 "Revenue from Contracts with Customers" w.e.f. April 1, 2018, using the cumulative effect method and therefore comparative information has not been restated and continues to be reported under Ind AS 18. Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’. As a result, it is required to determine whether control is transferred over time. If not, only then revenue be recognised at a point in time, or else over time. The Comapany also determines if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration gets allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense.

1.13 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.15 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax. The number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average number of shares considered for deriving Basic Earning per Share and also weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares unless the results would be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.16 Measurement of Fair value of financial instruments

The company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.17 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

i Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii Subsequent measurement

Debt instruments: Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Financial Assets measured at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial Assets measured at fair value through other comprehensive income (FVTOCI):

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

Financial Assets measured at fair value through profit or loss (FVTPL):

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments :

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition of Financial Assets

A financial asset is primarily derecognised when:

I) The rights to receive cash flows from the asset have expired, or

II)The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either(a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables, as permitted by Ind AS 109. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and borrowings: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(i) **Classification**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(ii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest.Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through other comprehensive income (FVTOCI):**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

(vi) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(iii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(iii) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on Accounts to the Financial Statements

2.01 Property, Plant and Equipment (₹ in crore)

Particulars	Plant and Machinery	Electrical Installation	Office Equipment	Furniture and Fixtures	Total	Capital Work in Progress
Gross carrying value						
As at April 1, 2019	80.50	6.08	0.02	0.89	87.49	85.19
Additions	-	-	-	-	-	3.18
Deductions	-	-	-	-	-	-
As at March 31, 2020	80.50	6.08	0.02	0.89	87.49	88.37
Additions	3.52	-	-	-	3.52	3.54
Deductions/ Adjustments	-	-	-	-	-	(3.52)
As at March 31, 2021	84.02	6.08	0.02	0.89	91.01	**88.39**
Accumulated Depreciation						
As at April 1, 2019	33.74	2.08	(0.00)	0.52	36.34	
Depreciation for the year	5.57	0.61	(0.00)	0.01	6.18	
Disposals						
As at March 31, 2020	39.30	2.69	(0.00)	0.53	42.52	
Depreciation for the year	4.36	0.53	-	-	4.90	
Disposals	-	-	-	-	-	
As at March 31, 2021	43.67	3.23	(0.00)	0.53	47.42	
	(41.86)	(2.54)	(0.01)	(0.71)		
Net Carrying Value						
As at March 31, 2020	41.20	3.39	0.02	0.36	44.96	
As at March 31, 2021	40.35	2.85	0.02	0.36	43.58	

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on Accounts to the Financial Statements

2.02 Deferred Tax Assets

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
The Deferred Tax Assets of the Company comprise of the following.				
(i) Deferred Tax Assets				
Related to carried forward loss	-	-	-	8.09
GST	3.48	0.00	(3.48)	-
Related to timing difference on depreciation on fixed assets	1.23	2.28	1.05	(5.64)
(ii) MAT Credit Entitlement	-	11.96	-	2.32
(iii)Remeasurement of defined benefit plan	0.22	2.10	1.88	-0.04
Net Deferred Tax Assets	**4.93**	**16.34**	**-0.55**	**4.73**
Restricted to		**2.10**	**-2.83**	**0.00**
Deferred Tax Charge/ (Credit)			(2.83)	4.73

(a) Amounts recognised in profit and loss

	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred income tax liability / (asset), net	(2.83)	4.73
Tax expense for the year	**(2.83)**	**4.73**

(b) Reconciliation of Tax Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/ (Loss) before Tax	35.81	29.57
Applicable Tax Rate	30.924%	34.944%
Computed Tax Expenses (I)	**11.07**	10.33
Add: Items not considered for Tax Computation		
On account of Depreciation difference	-	(3.36)
Carried forward Loss	-	8.09
Others	(2.83)	2.47
Subtotal (II)	**(2.83)**	**7.20**
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I + II)	**8.24**	**17.54**

The Company’s weighted average tax rates for the years ended March 31, 2021 and 2020 were 27.5% and 59.3% respectively.

2.02 Deferred Tax Assets

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets	**4.93**	-
MAT Credit Entitlement	**-**	2.10
	4.93	2.10

2.03 Income Tax Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Income Tax (net of provision for tax) (Refer note 2.33)	**13.78**	39.81
	13.78	39.81

2.04 Inventories

(Valued at lower of cost or Net realisable value)

Particulars	As at March 31, 2021	As at March 31, 2020
Stores and Spares	**0.50**	0.23
	0.50	0.23

2.05 Trade Receivables (unsecured)

Particulars	As at March 31, 2021	As at March 31, 2020
Considered Good (Refer note 2.33 & 2.37(b))	**59.04**	51.64
Receivables-Credit impaired	**26.55**	5.21
	85.59	56.85
Impairment loss allowance	**(26.55)**	(5.21)
	59.04	**51.64**

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on Accounts to the Financial Statements

2.06 Cash and Cash Equivalents (₹ in crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Balance with Banks	**68.43**	15.00
	68.43	15.00

2.07 Bank Balances other than Cash and Cash Equivalants

Particulars	**As at March 31, 2021**	As at March 31, 2020
Bank deposits with less than 12 months' maturity	**5.70**	5.36
	5.70	5.36

2.08 Other Financial Assets

Particulars	**As at March 31, 2021**	As at March 31, 2020
Interest accrued on Investments	**0.04**	0.37
Unbilled Revenue (refer note 2.37(b))	**9.34**	7.61
Loan to related party (refer note 2.33 & 2.37(b))	**131.92**	131.92
	141.30	**139.90**

2.09 Other Current Assets (Unsecured)

Particulars	**As at March 31, 2021**	As at March 31, 2020
a) Advances and Receivables (Unsecured)		
Advance to Others (Refer note 2.33)	**45.61**	42.20
Less:- Provision for doubtful advances	**(27.02)**	(27.02)
Advance to Related party (refer note 2.37(b))	**17.81**	17.48
Less:- Provision for doubtful advances	**(1.36)**	(1.36)
Total A	**35.05**	**31.30**
b) Others		
Deposits	**1.70**	1.69
Balance with Customs, Central Excise Authorities etc. (Refer note 2.33)	**12.94**	19.86
Prepaid Expenses	**0.04**	0.18
Total B	**14.68**	21.73
Total (A+B)	**49.73**	53.03

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
2.10 Equity Share Capital		
Authorised		
21 00 000 Equity Shares of ₹10 each (March 31, 2020: 21 00 000)	**2.10**	2.10
	2.10	2.10
Issued, Subscribed and Paid up		
21 00 000 Equity Shares of ₹10 each (March 31, 2020: 21 00 000)	**2.10**	2.10
	2.10	2.10

2.10.01 Shares held by holding company	**% of Holding**	**No of Shares**	**% of Holding**	**No of Shares**
Reliance Webstore Limited & its Nominee	100%	21 00 000	100%	21 00 000

2.10.02 Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.In the event of liquidation the equity shareholders are eligible to receive remaining assets of the Company after the distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

2.10.03 Reconciliation of shares outstanding a the beginning and at the end of the reporting period

	As at March 31, 2021		**As at March 31, 2020**	
	Number	**(₹ in crore)**	**Number**	**(₹ in crore)**
Equity shares				
At the beginning of the Year	21 00 000	2.10	21 00 000	2.10
Add/(Less):Changes during the year	-	-	-	-
At the end of the Year	**21 00 000**	**2.10**	21 00 000	2.10

2.11 Other Equity

Particulars	**As at March 31, 2021**	As at March 31, 2020
(i) Surplus/(Deficit) of Statement of Profit and Loss		
Opening Balance	28.12	16.09
Add: Profit/(Loss) for the year	27.57	12.03
Closing Balance (A)	**55.69**	**28.12**
(ii) Other Comprehensive Income		
Opening Balance	0.23	(0.00)
Add: Profit/(Loss) for the year	0.03	0.23
Closing Balance (B)	**0.26**	**0.23**
Total (A + B)	**55.95**	**28.35**

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
2.12 Provisions		
Provision for Retirement Benefit	**0.44**	0.37
	0.44	0.37
2.13 Borrowings (Unsecured) - Current		
Loan from Others	**-**	-
Loan from Related Parties(Refer note 2.37(b))*	**185.00**	185.00
	185.00	185.00

* Consistent with the practice followed in earlier year, interest has not been charged on loans availed from the Ultimate Holding Company.

Particulars	As at March 31, 2021	As at March 31, 2020
2.14 Trade Payables		
Due to Micro, Small and Medium Enterprises	**0.29**	0.23
Others (Refer note 2.33 & 2.37(b))	**142.01**	144.50
	142.30	144.73

Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2nd October, 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small Enterprises.

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due to any supplier as at the year end	0.29	0.23
Interest due on the principal amount unpaid at the year end to any supplier	0.09	0.08
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, alongwith the amount of the payment made to the supplier beyond the appointed day during the accounting year	0.00	
Payment made to the enterprises beyond appointed date under Section 16 of MSMED	0.72	1.24
Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year but without adding the interest specified under MSMED	0.01	0.03
Amount of interest accrued and remaining unpaid at the end of each accounting year	0.10	0.11
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	0.06	0.06

(` in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
2.15 Other Financial Liabilities		
Capital Creditors (Refer note 2.33)	**3.60**	3.89
Other Payables	**0.02**	-
	3.62	3.89
2.16 Other Current Liabilities		
Security Deposits from Customers	**0.00**	(0.03)
Income Received in advance (refer note 2.37(b))	**27.21**	31.02
Advance from Customers(refer note 2.37(b))	**12.61**	9.76
Payable to Tax Authorities (refer note 2.33)	**4.55**	10.41
Book overdraft	**12.34**	0.89
Other Liabilities	**28.95**	23.64
	85.66	75.69
2.17 Provisions		
Provision for Employee Benefits		
Employee Benefits	**0.31**	0.27
	0.31	0.27

(₹ in crore)

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
2.18 Revenue from Operations		
Income from Data Centre Services(refer note 2.37(b))	**223.11**	250.66
	223.11	250.66

Revenue for the year from sale of services as disclosed above pertains to revenue from contracts with customers over a period of time. The Company has not given any volume discounts, service level credits, etc during the year. There is no disaggregation of Revenue as it pertains to service revenue of India Operations

The Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to pending performance obligations which are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). No consideration from contracts with customers is excluded from the amount mentioned above.

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
2.19 Other Income		
Interest on IT refund	**3.02**	-
Interest on FD	**0.06**	0.54
Reversal of provision no longer required	**5.44**	-
Reversal of Interest on delayed GST payments	**1.35**	
	9.87	0.54
2.2 Operating Expenses		
Power, Fuel and Utilities (refer note 2.37(b))	**108.85**	123.79
Repairs and Maintenance - Plant and Machinery	**11.07**	9.29
Leased Capacity Charges & Other Rent (refer note 2.37(b))	**30.21**	23.48
Stores and Spares	**2.04**	0.66
Rates & Taxes - Others	**-**	0.15
Inventory written off	**0.04**	1.06
Network Expenses others	**0.89**	0.14
	153.10	**158.56**
2.21 Employee Benefits Expenses		
Salaries	**4.68**	5.89
Contribution to Provident, Gratuity and Superannuation Fund*	**0.28**	0.44
Employee Welfare and Other Amenities	**0.19**	0.30
Provision for Gratuity and leave encashment*	**-**	(7.95)
	5.15	(1.31)

* Based on Acturial Valuation report

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
2.22 Finance Cost		
Interest on Financial Liability measured at amortised cost	**0.03**	0.07
	0.03	0.07

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on Accounts to the Financial Statements

(` in crore)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
2.23 Sales and General Administration Expenses				
Sales and Marketing Expenses				
Bad Debts written off		**-**		5.61
General Administration Expenses				
IT Services Expenses(refer note 2.37(b))	**1.02**		1.24	
Professional Fees	**0.06**		0.32	
Provision for Doubtful Debts/advances	**21.34**		33.59	
Hire Charges	**7.28**		9.65	
Interest paid Others	**0.03**		3.91	
Service Tax written off	**-**		-	
Security Expenses	**3.06**		3.04	
Other General and Administrative Expenses	**1.15**	**33.94**	0.73	52.46
Audit Fees (Payment to auditors)		**0.05**		0.05
		33.99		58.13

Note : 2.24

Previous year figures have been re-grouped, re-arranged and re-classified wherever necessary as required. Amount in financial statements are presented Rupees in crore, except as otherwise stated.

Note : 2.25

(₹ in crore)

Earning Per Share (before and after Exceptional Items)	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Profit (Numerator used for calculation) (₹ in crore)	**27.57**	12.03
Weighted Average number of Equity Shares used as denominator for calculating EPS	**21 00 000**	21 00 000
Basic and Diluted Earning Per Share of ₹ 10 each (₹)	**131.27**	57.30

Note : 2.26

	Corporate Social Responsibility Expenditure (as per section 135 of the Companies Act, 2013 read with Schedule VII)		
(a)	Gross amount required to be spent by the company during the year .	**0.24**	0.33
(b)	Amount Spent During the year on	-	-
(i)	Construction /Acquisition of any Assets	-	-
(ii)	On purposes other than(i) above	-	-

Note : 2.27

	Contingent Liabilities	As at March 31, 2021	As at March 31, 2020
(i)	Estimated amount of contracts remaining to be executed on capital accounts and not provided for.	**1.33**	4.75
(ii)	Disputed legal case filed against the Company by Housekeeping services for unpaid invoices.	**-**	0.24

Note : 2.28

Capital Management

Capital of the company,for the purpose of capital management, includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maximise shareholdres value.

The funding requirement is met through a mixture of equity, internal accruals and borrowings.

The company monitors capital using a gearing ratio which is net divivded by total capital plus net debt.

		As at March 31, 2021	As at March 31, 2020
(a)	Total Debt	**185.00**	185.00
(b)	Equity	**58.05**	30.45
(c)	Total Debt and Equity (a+b)	**243.05**	215.45
(d)	Capital Gearing Ratio (a/c)	**76.12%**	85.87%

Reduction in capital gearing ratio reflects increase in Equity on account of profit during the year.

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on Account to the Financial Statements

Note : 2.29
Employees Benefits

Gratuity: In accordance with the applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) for all its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employees last drawn salary and for the years of employment with the company

The defined benefit plan expose the company at actuarial risk such as logentivity risk, interest risk and market (investment) risk.

The following table sets out the status of the Gratuity Plan as required under Indian Accounting Standard ("Ind AS") 19 "Employee Benefits".

(₹ in crore)

	Particulars	**As at March 31, 2021**	As at March 31 2020
i)	**Reconciliation of opening and closing balances of the present value of the defined benefit obligation**		
	Obligation at the beginning of the year	**0.37**	1.05
	Service cost	**0.06**	0.07
	Interest cost	**0.02**	0.08
	Liability Transferred In		
	Liability Transferred out		
	Actuarial (gain) / loss recognised in other comrehensive income		
	Change in financial assumptions	**-**	-
	Experience adjustments	**(0.03)**	(0.23)
	Benefits paid	**-**	(0.60)
	Obligation at the end of the year	**0.42**	0.37
ii)	**Change in plan assets**		
	Plan assets at Year beginning, at fair value	**-**	-
	Expected return on plan assets	**-**	-
	Actuarial gain / (loss) recognised in other comrehensive income	**-**	-
	Contributions	**-**	-
	Liability Transferred In	**-**	-
	Liability Transferred out	**-**	-
	Benefits paid	**-**	-
	Plan assets at the end of the year, at fair value	**-**	-
iii)	**Reconciliation of present value of the obligation and the fair value of the plan assets**		
	Fair value of plan assets at the end of the year	**-**	-
	Present value of the defined benefit obligations at the end of the year	**0.42**	0.37
	Liability recognized in the Balance Sheet	**0.42**	0.37
iv)	**Expense Recognised in Profit or Loss**		
	Service Cost	**0.06**	0.07
	Interest Cost	**0.02**	0.08
	Total	**0.08**	0.15
	Amount Recognised in Other Comprehensive Income		
	Actuarial (gain) / loss recognised in other	**0.03**	0.23
	Expected return on plan assets		
	Total	**0.03**	0.23
v)	**Investment details of plan assets**		
	100% of the plan assets are invested in debt instruments	**-**	-

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on Account to the Financial Statements

(₹ in crore)

		As at March 31 2021	As at March 31 2020
vi)	**Actual return on plan assets**	**-**	-
vii)	**Assumptions**		
	Estimated return on plan assets	N.A	N.A
	Interest rate	4.54%	5.04%
	Salary Growth rate	0.00%	0.00%
	Employee turnover rate	50% for all age group	50% for all age group

The estimates, of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

viii) **Particulars of the amounts for the year and Previous years**

(₹ in crore)

	Gratuity for the year ended	
	March 31,2021	March 31, 2020
Present Value of benefit obligation	**0.42**	0.37
Fair Value of Plan assets	-	-
Excess of obligation over plan assets (plan assets over obligation)		

ix) **Experience Adjustment**	**2021**	2020
On Plan Liabilities	**(0.03)**	(0.23)
On Plan Assets	**-**	**-**

Sensitivity analysis
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at March 31, 2021	As at March 31, 2020
Discount rate (+ 1% movement)	(0.01)	(0.01)
Discount rate (- 1% movement)	0.01	0.01
Future salary growth (+ 1% movement)	-	-
Future salary growth (- 1% movement)	-	-
Employee turnover (+ 1% movement)	-	-
Employee turnover (- 1% movement)	-	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Maturity analysis of defined benefit plan (fund)
Project benefit payable in future from the date of reporting

1st following year	0.18	0.16
2nd following year	0.12	0.11
3rd following year	0.07	0.05
4th following year	0.03	0.03
5th following year	0.02	0.01
Sum of years 6 to 10	0.01	0.01
Sum of years 11 and above	0.01	0.00

Provident Fund : The employee and employer each make monthly contribution to the plan equal to 12% of the covered employee's salary. Contributions are made to Government fund. For the year ended March 31,2021, the Company has contributed ` 0.09 crore (Previous year ` 0.11 crore) towards Provident Fund.

Note : 2.30

2.30.1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade receivables, trade payables, other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There is no fair valuation of Financial instruments.The carrying value of financial instruments as of March 31, 2021 were as follows:

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.06)	**68.43**	15.00
Bank Balances (Refer Note 2.07)	**5.70**	5.36
Trade receivables (Refer Note 2.05)	**59.04**	51.64
Other financial assets (Refer Note 2.08)	**141.30**	139.90
Total	**274.47**	211.91
Financial assets at fair value through Profit and Loss:	**Nil**	Nil
Financial assets at fair value through other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:		
Trade payables (Refer note 2.15)	**142.30**	144.73
Other financial liabilities (Refer Note 2.16)	**3.62**	3.89
Borrowings (Refer Note 2.13 & 2.14)	**185.00**	185.00
Total	**330.93**	333.63
Financial liabilities at fair value through Profit and Loss:	**Nil**	Nil
Financial Liabilitites at fair value through other Comprehensive Income:	**Nil**	Nil

2.30.2 Financial Risk Management Objectives and Policies

The Company Has instituted a framework at enterprise and operating level across the functions to facilitate that financial risks are identified , measured and managed in accordance with the policies and objectives of the company.

Market risk

The company operates predominantly in India only. Market Risk is the risk that changes in market prices such as foreign exchange rates, interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The Company adopts a policy of ensuring that maximum of its interest rate risk exposure is at a fixed rate. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

The Company's interest-bearing financial instruments is reported as below

Fixed Rate Instruments		
Financial Assets	-	-
Financial Liabilities	**185.00**	185.00
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	-	-

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Impact on Profit and loss /equity	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Impact of Profit and loss / equity	-	-

If interest rate is adversely affected with i.e decrese by 100 basis profit shall accordingly be affected vise versa.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is carrying value of respective financial assets.

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit default swap quotes, credit ratings from credit rating agencies and historical experience for customers.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks.

Ageing of Trade Receivable (₹ in crore)

Particulars	**As at March 31, 2021**			As at March 31, 2020		
	Gross Amt	**Weighted**	**Provision**	Gross Amt	Weighted	Provision
Not Due	17.00	5%	0.77	5.57	0%	0.00
0-90	27.14	12%	3.33	26.82	0%	0.00
91-180	11.34	24%	2.69	13.91	0%	0.00
181-365	8.42	43%	3.63	0.00	0%	0.00
Above 365	21.70	74%	16.13	10.54	49%	5.21
Total	**85.59**		**26.55**	56.84		5.21

Movement of Provision for Doubtful Debt	**March 31, 2021**	March 31, 2020
Opening Balance	5.21	-
Add :Provision during the year	21.34	5.21
Less : Write off during the year	-	-
Closing Balance	26.55	5.21

Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has stress on liquidity profile and it closely monitors liquidity position. The company is managing its current requitements thorough working capital. Accordingly, liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding.

(₹ in crore)

Particulars	**For the year ended March 31, 2021**	As at March 31, 2020
Borrowings	**-**	-
Trade payables	**142.30**	144.73
Other financial liabilities	**3.62**	3.89

Note : 2.31

Post reporting Events

No adjusting or significant non-adjusting events have occurred betwwen the reporting date and the date of authorisation

Note : 2.32

Impact of COVID 19

The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread as advised by local authorities.

Note : 2.33

Corporate Insolvency Resolution (CIR) Process has been initiated against the Ultimate Holding Company. Upon finalisation of CIR process of Ultimate Holding Company, The Company will carry out a comprehensive impairment review of its assets and liabilities including Trade receivables and Trade payable which are pending for confirmation. Further, the Company is in the process of reconciling Goods & Service Tax (GST) and Tax Deducted at source. Consistent with the practice followed in earlier years, interest has not been charged on loans given to subsidiaries / fellow subsidiaries.

Note : 2.34

Leases

Since the Ultimate Holding company is under Corporate Insolvency Resolution (CIR) Process, IND AS 116 has not been applied

Note : 2.35

Authorisation of Financial Statements

The Financial Statements for the year ended March 31, 2021 were approved by the Board of Directors on 26th June 2021

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on accounts to the Financial Statements

Note : 2.36

Segment Information

The Company is operating only in India and providing Internet Data Centre Services only. So there is neither more than one business segment and nor more than one geographical segment. Hence segment information as per Ind AS - 108 is not required to be disclosed.

Note : 2.37

As per the Ind AS 24 of "Related Party Disclosures" as referred to in Accounting Standard Rules, the disclosure of transactions with the related parties as defined therein are given below.

a)	**Name of the Related Party**	**Relationship**
1	Reliance Communications Limited	Ultimate Holding Company
2	Reliance Webstore Limited	Holding Company
	List of other Related Parties where there have been transactions	
3	Reliance Telecom Limited	**Fellow Subsidiary Companies**
4	Reliance Infratel Limited	
5	Reliance Tech Services Limited	
6	Reliance Communications Infrastructure Limited	
7	Reliance Reality Limited (Formerly Reliance Infocomm Infrastructure Limited)	
8	Reliance Big Broadcasting Private Limited	**Enterprise over which Promoter of Holding Company having control.**
9	Reliance Big Entertainment Private limited	
10	Zapak Digital Entertainment Limited	
11	Big Animation (India) Private Limited	
12	Reliance Capital Limited	
13	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)	
14	Reliance Securities Limited	
15	Reliance General Insurance Company Limited	
16	Reliance Spot Exchange Infrastucture Limited	
17	Reliance Power Limited	
18	Reliance Infrastructure Limited	
19	Reliance Defence Limited	
20	Reliance Energy Limited	
21	NIS Sparta Education & Learning Technologies Private Limited	
22	Reliance Commercial Finance Limited (formerly Reliance Gilts Limited)	
23	Reliance Home Finance Limited	
24	Reliance Defence and Engineering Limited	
25	Reliance Defence Systems & Tech Limited	
26	BSES RAJADHANI POWER LTD.	
27	BSES Yamuna Power Limited	
28	Reliance Naval And Engineering Limited	
29	Rosa Power Supply Company Ltd	
30	Sasan Power Limited	

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on Account to the Financial Statements

(b) Transactions with related parties :

* (figures Shown in brackets pertains to Previous year) (₹ in crore)

Sr. No.	Nature of Transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Enterprise over which promoter of Holding	Total
1	**Trade Receivable**					
	Gross Trade Receivable	**5.51**	**12.69**	**3.40**	**23.10**	**44.69**
		(5.47)	(3.58)	(3.40)	(10.76)	(23.21)
	Bad debts written off	**-**	**-**	**-**	**-**	**-**
					(3.50)	(3.50)
	Net Trade Receivable	**5.51**	**12.69**	**3.40**	**23.10**	**44.69**
		(5.47)	(3.58)	(3.40)	(7.26)	(19.71)
2	**Other Financial Assets**					
	Unbilled Revenue	**-**	**-**	**-**	**0.34**	**0.34**
		-	-	-	(0.34)	(0.34)
3	**Other Current Assets**					
	Advance to vendor	**4.77**	**3.41**	**13.05**	**0.62**	**21.85**
		(4.89)	-	(11.96)	(0.62)	(17.48)
	Loans to Related party			**131.92**		**131.92**
				(131.92)		(131.92)
4	**Borrowings - Current**					
	Balance as at April 01, 2020	**185.00**	**-**	**-**	**-**	**185.00**
		-	**-**	**-**	**-**	**-**
	Taken During the year	**-**	**-**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**
	Repaid during the year	**-**	**-**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**
	Balance as at March 31, 2021	**185.00**	**-**	**-**	**-**	**185.00**
		(185.00)	-	-	-	-
5	**Trade Payable**	**-**	**-**	**113.50**	**8.52**	**122.03**
		-	-	(116.90)	(13.90)	(130.80)
6	**Other Current Liabilities**					
i)	Advance from customer	**-**	**-**	**-**	**1.08**	**1.08**
		-	-	**-**	(0.87)	(0.87)
ii)	Income Received in Advance	**-**	**-**	**-**	**3.37**	**3.37**
		-	-	-	(3.02)	(3.02)
iii)	Provision for expenses	-	-	9.32	-	**9.32**
		-	-	(9.32)	-	(9.32)
7	**Revenue from Operations**					
	Services Income	**31.50**	**-**	**-**	**19.27**	**50.77**
		(44.00)	-	-	(17.10)	(61.10)
8	**Expenditure**					
i)	Operating Expenditure	**-**	**-**	**66.18**	**-**	**66.18**
		-	-	(20.20)	-	(20.20)
ii)	General Administration Expenditure	**-**	**-**	**20.33**	**-**	**20.33**
		-	-	(1.24)	-	(1.24)
iii)	Sharing of Expenes	**-**	**-**	**-**		-
		-	-	(74.39)	-	(74.39)
9	**Corporate Guarantee on behalf of The Company**	**1.20**	**-**	**-**	**-**	**1.20**
		(1.20)	-	-	-	(1.20)

As per our report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No. 107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303

For and on Behalf of the Board

Rakesh Gupta
Director
DIN : 00130829

Grace Thomas
Director
DIN-07079566

Place : Mumbai
Date : 25 June 2021

Reliance Infratel Limited

Annual Accounts

2020-21

Independent Auditors' Report

To the Members of Reliance Infratel Limited

Report on the Audit of the Standalone Financial Statements

Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by an operational creditor against Reliance Infratel Limited ("the Company") and appointed Resolution Professional (RP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

The resolution plan, submitted by Reliance Digital Platform & Projects Services Limited in respect of the Company as approved by Committee of Creditors in its meeting held on March 2, 2020, has been approved by Hon'ble NCLT, Mumbai Bench, vide order dated December 3, 2020, Upon approval of the resolution plan, Mr. Anish Niranjan Nanavaty has ceased to be the RP of the Company, and the Company is currently under the supervision of a Monitoring Committee (of which the erstwhile RP is a member) constituted under the provisions of the approved resolution plan. The implementation of the approved resolution plan is subject to certain conditions precedent set out therein to the satisfaction of the monitoring committee which is currently pending.

Qualified Opinion

We have audited the standalone financial statements of **Reliance Infratel Limited** ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss, and the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give a true and fair view in conformity with the 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 state of affairs of the Company as at March 31, 2021, its changes in equity, and its loss (including other comprehensive income) and its cash flows for the year ended on that date.

Basis for Qualified Opinion

a) We draw attention to Note no. 2.11&2.28 of the standalone financial statements regarding, "Assets Held for Sale (AHS)" including Towers and Fibre continue to be classified as held for sale at the value ascertained at the end of March 31, 2018, along with liabilities, for the reasons referred to in the aforesaid note. Non determination of fair value as on the reporting date is not in compliance with Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations". Accordingly, we are unable to comment on the consequential impact, if any, on the carrying amount of Assets Held for Sale and on the reported losses for the year ended March 31, 2021.

b) We draw attention to Note no. 2.25.01 of the standalone financial statements regarding admission of the Company into Corporate Insolvency Resolution Process (“CIRP"), and pending determination of obligations and liabilities with regard to various claims submitted by the Operational/financial/other creditors and employees including interest payable on loans during CIRP. We are unable to comment the accounting impact thereof pending reconciliation and determination of final obligation.

The Company accordingly, has not provided interest on borrowings amounting to Rs. 257 crore for the year ended March 31, 2021 and Rs.875 crore up to March 31, 2020 calculated based on the basic rate of interest as per the terms of the loan. Also the Company has not provided net foreign exchange gain amounting to Rs.63 crore for the year ended March 31, 2021 and net foreign exchange loss of Rs.261 crore up to March 31, 2020, resulting in understatement of loss by the said amounts. Had such interest and foreign exchange variation as mentioned above been provided, the reported loss for the year ended March 31, 2021 would have been higher by Rs.194 crore and Net worth of the Company would have been lower by Rs. 1,330 crore and Rs.1,136 crore as on March 31, 2021 and March 31, 2020 respectively. Non provision of interest is not in compliance with Ind AS 23 “Borrowing Costs” and non-recognition of foreign exchange losses / gains is not in compliance with Ind AS 21 “The Effects of Changes in Foreign Exchange Rates”.

c) We draw attention to Note no. 2.28 of the standalone financial statements, regarding pending comprehensive review of carrying amount of all assets (including investments and balances lying under Goods & Service Tax and Tax Deducted at Source) & liabilities and non provision for impairment of carrying value of the assets and write back of liabilities if any, pending implementation of the approved resolution plan. In the absence of comprehensive review as mentioned above for the carrying value of all the assets and liabilities, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the year ended March 31, 2021. Non determination of fair value of financial assets & liabilities and impairment in carrying amount for other assets and liabilities are not in compliance with Ind AS 109 “Financial Instruments”, Ind AS 36 “Impairment of Assets” and Ind AS 37 “Provisions, Contingent Liabilities & Contingent Assets”.

d) We draw attention to Note no. 2.32 of the standalone financial statements regarding non adoption of Ind AS 116 “Leases” effective from April 01, 2019 and the consequent impact thereof. The aforesaid accounting treatment is not in accordance with the relevant Ind AS 116.

e) We draw attention to Note no. 2.19.01 of the standalone financial statements regarding revenue recognized by the Company amounting to Rs.917 crore with respect to services provided till March 31, 2021, which has not been billed by the Company on account of pending reconciliation due to various parameters. We are unable to comment on the ultimate outcome of reconciliation and it’s impact on the revenue recognized during the period and in earlier periods.

f) We draw attention to Note no 2.28 of the standalone financial statements, regarding continuous losses incurred by the Company, current liabilities exceeding its current assets, default in repayment of borrowings and default in payment of statutory dues. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The accounts however have been prepared by the management on a going concern basis for the reason stated in the aforesaid note. We however are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the standalone financial statements, in view of pending implementation of approved resolution plan, the outcome of which cannot be presently ascertained.

The Networth of the Company excludes the effect of qualification under (a), (c), (d), (e) and (f) above which are non-quantifiable as referred therein.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

Emphasis of Matter Paragraph

a) We draw attention to Note no 2.45 of the standalone financial statements, as regards to the management's evaluation of impact of COVID - 19 on the future performance of the Company. The actual outcome of the assumptions and estimates may vary in future due to impact of pandemic.

Our opinion on the standalone financial statements is not modified in respect of above matter.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Reportbut does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The standalone financial statements, which is the responsibility of the Company's Management is relied upon by Monitoring Committee based on the assistance provided by the Directors and taken on record by the Monitoring Committee as fully described in Note no. 2.47 of standalone financial statements. The Company's Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management / Monitoring Committee 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 / Monitoring Committee either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management/Monitoring Committee are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company 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 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 standalone financial statements.

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.

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.

Other Matter

Pursuant to applications filed by Ericsson India Pvt. Ltd. before the National Company Law Tribunal, Mumbai Bench (“NCLT”) in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder (“Code”), the NCLT had admitted the applications and ordered the commencement of corporate insolvency resolution process (“CIRP”) of Reliance Infratel Limited ("the Company") vide its orders dated May 15, 2018. The NCLT had appointed Mr.Manish Kaneria as the interim resolution professional of the Company, (“Interim Resolution Professional”) vide its orders dated May 18, 2018.Thereafter, the committee of creditors (“CoC”) of the Company, at the meetings of the CoC held on May 30, 2019, in terms of Section 22 (2) of the Code, resolved with the requisite voting share, to replace the Interim Resolution Professional with the resolution professional (“RP”) for the Company, which has been confirmed by the NCLT in its orders dated June 21, 2019 (published on the website of the NCLT on June 28, 2019).

Subsequently, the NCLT, Mumbai Bench, vide order dated December 3, 2020, has approved the resolution plan submitted by Reliance Projects and Property Management Services Limited. Upon approval of the resolution plan Mr. Anish Niranjan Nanavaty has ceased to be the resolution professional of the Company, and the Company is currently under the supervision of a Monitoring Committee constituted under the provisions of the approved resolution plan comprising of two nominees/representatives of approving financial creditors, two nominees of the Resolution Applicant (RA) and Mr. Anish Niranjan Nanavaty (as the Insolvency Professional). The implementation of the approved resolution plan is subject to fulfilment of certain conditions precedent which is currently pending

The standalone financial statements of the Company should be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it should be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone financial statements. As mentioned in Note No 2.47 of the standalone financial statements, in view of the on going Corporate Insolvency Resolution Process, the powers of the board of directors stand suspended and are exercised by the Monitoring Committee.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure A”a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

(a) Except for the matters stated in Basis for qualified Opinion paragraph above, 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) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books ofaccount.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015as amended,except requirement of Ind AS 105 “Non Current Assets Held for Sale and Discontinued Operations”, Ind AS 23 “Borrowing Cost”, Ind AS 21 “Effects of Changes in foreign exchanges”,Ind AS 36 “Impairment of Assets”, Ind AS 37 “Provisions, Contingent Liabilities and Contingent Assets”, Ind AS 109 “Financial Instruments” and Ind AS 116 “Leases”with regard to matters described in the Basis of Qualified Opinion paragraph above.

(e) The matters described under the basis for qualified opinion paragraph above and Qualified Opinion paragraph of Annexure B to this report in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in standalone financial statements of the Company;

(f) On the basis of the written representations received from one of the directors of the Company as on March 31, 2021 taken on record by the Board of Directors, this one of the director is not disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act. Further as mentioned in Note 2.43 of the standalone financial statements, two of the directors of the Company have resigned from the position of director, however their resignation has not been accepted by Committee of Creditors (COC) for the reasons stated in the said note, further the Company has not received declaration from these directors in this regard, accordingly we are unable to comment whether these directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

(i) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.31 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There has no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **Pathak H.D. & Associates LLP**
CharteredAccountants
Firm's Registration No:107783W/W100593

Vishal D. Shah
Partner
Membership No:119303
UDIN: 21119303AAAALN4137

Date: June 26, 2021
Place: Mumbai

Reliance Infratel Limited
'Annexure A' to the Independent Auditor's Report –March 31, 2021

With reference to the Annexure A referred to in the Independent Auditors' Report to the Members of Reliance Infratel Limited ('the Company') on the standalone financial statements for the year ended March 31, 2021, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) We are informed that the Company physically verifies its assets over a three year period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this policy and on account of Covid-19 pandemic, the Company has physically verified some of the fixed assets on sample basis which is not under electronic surveillance and certain assets which are under electronic surveillance and no material discrepancies were identified on such physical verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note 2.01 of the standalone financial statements, are held in the name of the Company, except for the following where the Company is in the process of transferring the title deeds in its name as these were acquired through various schemes of arrangement entered in the earlier years

Particulars	**Freehold Land**
No. of Cases	207
Gross Block as at March 31, 2021 (Rs. in Crore)	9
Net Block as at March 31, 2021 (Rs. in Crore)	9

(ii) Since the Company does not have any inventory. Accordingly, paragraph (ii) of the Order is not applicable to the Company.

(iii) As per information and explanation provided to us and on the basis of verification of records of the Company, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph (iii) of the Order is not applicable to the Company.

(iv) As per information and explanation provided to us and on the basis of verification of records of the Company, the Company during the year has not granted any loan, made investment and provided guarantees and securities to the parties covered under section 185 and section 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph (v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under subsection 1 of Section 148 of the Act, in respect of telecommunication activities and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that there are delays in amounts deposited with appropriate authorities for amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and services tax, service tax, duty of customs, sales tax, value added tax, entry tax, employees state insurance, cess and other material statutory dues.

According to the information and explanations given to us, undisputed amounts payable in respect of provident Fund, income tax, goods and services tax, sales tax, value added tax, employees state insurance and other material statutory dues which were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable are as under:

Name of Statute*	**Nature of Dues**	**Amount (in Rs.)**	**Period to which the amount relates**	**Due Date**	**Date of Payment**
Bihar Value Added Tax Act, 2005	VAT Payable	72 944	2017-18	Various dates	Unpaid
Karnataka Value Added Tax Act, 2003	VAT Payable	1 23 328	2017-18	Various dates	Unpaid
Madhya Pradesh Value Added Tax Act, 2003	VAT Payable	12 586	2016-17	Various Dates	Unpaid
Gujarat Value Added Tax Act, 2003	VAT Payable	18 953	2016-17	Various dates	Unpaid
Haryana Value Added Tax Act, 2003	WCT Payable	63 595	2017-18	Various dates	Unpaid
Himachal Pradesh Value Added Tax Act, 2005	WCT Payable	23 273	2017-18	Various dates	Unpaid
Punjab Value Added Tax Act, 2005	WCT Payable	1 26 220	2017-18	Various dates	Unpaid
Uttar Pradesh Value Added Tax Act, 2008	WCT Payable	35 586	2017-18	Various dates	Unpaid
Maharashtra Value Added Tax Act, 2002	WCT Payable	9 20 447	2017-18	Various dates	Unpaid
Chhattisgarh Value Added Tax Act, 2003	WCT Payable	1 31 101	2017-18	Various dates	Unpaid

Name of Statute*	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Due Date	Date of Payment
Orissa Value Added Tax Act, 2004	WCT Payable	3 77 339	2017-18	Various dates	Unpaid
West Bengal Value Added Tax Act, 2003	WCT Payable	5 618	2017-18	Various dates	Unpaid
Rajasthan Value Added Tax Act, 2003	WCT Payable	69 967	2017-18	Various dates	Unpaid
Central Sales Tax Act, 1956- Tamil Nadu	CST Payable	25 569	2017-18	Various dates	Unpaid
Central Sales Tax Act, 1956- Andhra Pradesh	CST Payable	3 19 317	2017-18	Various dates	Unpaid
Professional Tax Act – Various State	Profession Tax Payable	3 47 717	2018-19 onwards	Various dates	Unpaid
Income Tax Act, 1961	Tax Deducted at Source	45 376	2017-18	Various dates	Unpaid

*The above does not include the GST on unbilled revenue of Rs. 917 Crore, pending reconciliation with customers, as management states that GST is payable upon completion of reconciliation and invoicing thereon. (Refer note no. 2.19.01)

(b) According to the information and explanations given to us, there are no dues of Duty of Customs and Cess which have not been deposited on account of any dispute. The dues of Income Tax, Service Tax, Sales Tax, VAT and Entry Tax as disclosed below have not been deposited by the Company on account of dispute.

Name of Statute	Nature of Dues	Amount (Rs. In Crore)*	Period to which the amount relates	Forum where Pending
Central Sales Act, 1956	Central Sales Tax	0.02	2008-09	Jt. Commissioner (Appeals), Bihar
		0.39	2008-09	Sales Tax Appellate Tribunal, Uttar Pradesh
		0.01	2010-11	Jt. Commissioner (Appeals), Uttarakhand
		0.01	2011-12	Dy. Commissioner (Appeals), Chhattisgarh
		0.09	2011-12	Jt. Commissioner (Appeals), Madhya Pradesh
		0.01	2011-12	Dy. Commissioner of State Goods and Service Tax Department, Kerala

Name of Statute	Nature of Dues	Amount (Rs. In Crore)*	Period to which the amount relates	Forum where Pending
		0.18	2012-13	Jt. Commissioner (Appeals), Madhya Pradesh and Uttarakhand
		0.01	2013-14	Dy. Commissioner of Commercial Taxes, Uttar Pradesh
		0.78	2013-14	Special Audit Officer, West Bengal
		0.02	2014-15	Dy. Commissioner, Appeals, Madhya Pradesh
		0.01	2014-15	Special Audit Officer, West Bengal
		0.04	April 2007 to March 2009	Sales Tax Appellate Tribunal, Odisha
		0.65	April 2009 to September 2012	Jt. Commissioner, Odisha
Entry tax of various states	Entry Tax	0.57	2007-08	Commercial Taxes Tribunal, Chhattisgarh
		0.49	2007-08	Madhya Pradesh Tax Board
		0.56	2007-08	Sales Tax Appellate Tribunal, Uttar Pradesh
		4.35	2007-08	Supreme Court
		0.12	2008-09	Commercial Tax Appellate Tribunal, Bihar
		0.01	2008-09	Madhya Pradesh Tax Board
		0.33	2009-10	Supreme Court
		0.50	2010-11 to 2013-14	Himachal Pradesh High Court**
		0.10	2010-11	Supreme Court
		0.08	2011-12	Dy. Commissioner (Appeals), Chhattisgarh
		0.20	2011-12	Supreme Court
		0.04	2011-12	Dy. Commissioner (Appeals), Madhya Pradesh
		0.16	2012-13	High Court of Punjab and Haryana
		0.22	2012-13	Supreme Court
		0.26	2013-14	Appellate Authority, Rajasthan

Name of Statute	Nature of Dues	Amount (Rs. In Crore)*	Period to which the amount relates	Forum where Pending
		0.09	2013-14	Jt. Commissioner (Appeals), West Bengal
		0.14	2014-15	Appellate Authority, Rajasthan
		1.67	April 2007 to March 2009	Orissa High Court
		0.20	April 2009 to September 2012	Orissa High Court
		0.20	July 2010 to December 2012	Orissa High Court
		0.00	2015-16	Supreme Court
Finance Act, 1994	Service Tax	95.08	2009-10 to 2012-13	Customs, Excise and Service Tax Appellate Tribunal
		7.04	2013-14	Customs, Excise and Service Tax Appellate Tribunal
		3.17	2012-13 to 2013-14	Customs, Excise and Service Tax Appellate Tribunal
VAT of various states		0.07	2008-09	Commercial Taxes Tribunal, Uttar Pradesh
		0.01	2009-10	Sales Tax Appellate Tribunal, Uttar Pradesh
		0.12	2010-11	Asst. Commissioner (Sales Tax), Uttarakhand
		0.00	2011-12	Dy. Commissioner of Commercial Taxes, Madhya Pradesh
		0.01	2011-12	Dy. Commissioner (Appeals) of Commercial Taxes, Chhattisgarh
		0.41	2012-13	Jt. Commissioner (Appeals), Uttarakhand
		0.02	2013-14	Dy. Commissioner of Commercial Taxes, Uttar Pradesh
		0.03	2013-14	Jt. Commissioner (Appeals), Uttar Pradesh
		0.15	2013-15	Dy. Commissioner of Commercial Taxes, Kerala
		0.30	April'09 to Sept'12	Asst. Commissioner (Sales Tax), Orissa
		0.00	2014-15	Jt. Commissioner (Appeals), Tamil Nadu

Name of Statute	Nature of Dues	Amount (Rs. In Crore)*	Period to which the amount relates	Forum where Pending
		0.01	2014-15	Special Audit Officer, West Bengal
		0.28	2014-15	Dy. Commissioner of State Tax, Kerala
		0.07	2015-16	Dy. Commissioner of State Tax, Kerala
Income Tax Act, 1961	Income Tax	21.70	2012-13	Commissioner of Income Tax (Appeals)
		125.56	2017-18	Commissioner of Income Tax (Appeals)
		0.79	2017-19	Commissioner of Income Tax (Appeals)

*Net of amounts paid/deposited under protest
** Stay granted by High Court

(viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of loans or borrowings and interest thereon from banks & financial institutions, which were not paid as at Balance Sheet date. The lender wise details of principal and interest are as under.

(Rs. in crore)

Name of Lender	Amount	Amount	Period (No. of Days)	Period (No. of days)
	Borrowings	**Interest**	**Borrowings**	**Interest**
Loan from Banks				
State Bank Of India	485	Nil	1431	Nil
Standard Chartered Bank	192	Nil	1454	Nil
Syndicate Bank	3	Nil	1475	Nil
S C Lowy Primary Investments Limited	407	7	1396	1396
Doha Bank Q.S.C	326	6	1396	1396
Emirate NBD Bank PJSC	261	5	1396	1396
Industrial & Commercial Bank of China	222	4	1396	1396
VTB Capital PLC	407	7	1396	1396
Reliance Capital Limited	Nil	2	Nil	1396
Mahima Mercantile Credits Limited	433	Nil	456	Nil
Total	**2,736**	**31**		

(Refer Note no 2.18.2 of the standalone financial statements)

Apart from above outstanding on interest, the Company has not provided interest of Rs. 257 crore and Rs. 1,132 crore for the year and upto March 31, 2021 respectively and therefore it has not been disclosed above.

(ix) In our opinion, and according to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of Clause (ix) of the order is not applicable to the Company.

(x) According to the information and explanations given to us no significant fraud on or by the Company by its officer or employees, that causes a material misstatement to the standalone financial statements, has been noticed or reported during the course of our audit. Also refer Note no. 2.28 of the standalone financial statements

(xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid /provided for managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.

(xii) As the Company is not a nidhi company. Accordingly, paragraph (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph (xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) of the Order are not applicable to the Company.

For**Pathak H.D. & Associates LLP**
Chartered Accountants
Firm’s Registration No: 107783W/W100593

Vishal D. Shah
Partner
Membership No: 119303
UDIN:21119303AAAALN4137

Date: June 26, 2021
Place: Mumbai

Reliance Infratel Limited

'Annexure B' to the Independent Auditor's Report –March 31, 2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to standalone financial statements of **Reliance Infratel Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company’s internal financial controls with reference to standalone financial statements as at March 31, 2021:

i. The Company’s internal process with regard to confirmation and reconciliation of Balances of trade receivable, trade payables & other liabilities and loan & advances resulting the Company not providing for adjustments, which are required to be made to the carrying values of such assets and liabilities. (Read with Note no.2.28).

ii. The Company’s internal control process in respect of closure of outstanding entries in Bank Reconciliation Statements which are pending to be reconciled.

iii. In respect of delay in payment of statutory dues including Goods and Service Tax/Service Tax/ Value Added Tax / Tax Deducted at Source accounts and delays in filing of certain statutory returns during the year with the respective authorities.

iv. The Company’s internal financial control with regard to the compliance with the applicable Indian Accounting Standards and evaluation of carrying values of assets and liabilities and other matters, as fully explained in basis for qualified opinion paragraph of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the standalone financial statements.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects / possible effects of the material weaknesses described above under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March31, 2021 standalone financial statements of the Company and these material weaknesses affect our opinion on standalone financial statements of the Company for the year ended March 31,2021 [our audit report dated June 26, 2021, which expressed an qualified opinion on those standalone financial statements of the Company].

For**Pathak H.D. & Associates LLP**
Chartered Accountants
Firm’s Registration No: 107783W/W100593

Vishal D. Shah
Partner
Membership No: 119303
UDIN:21119303AAAALN4137

Date: June 26, 2021
Place: Mumbai

Reliance Infratel Limited

Balance Sheet as at March 31, 2021

(₹ in Crore)

Particulars	Note	As at March 31, 2021		As at March 31, 2020	
Assets					
Non Current Assets					
(a) Property, Plant and Equipment	2.01	**9**		9	
(b) Intangible Assets	2.02	**4**		6	
(c) Income Tax Assets (net)	2.04	**271**		205	
(d) Other Non Current Assets	2.05	**73**	**357**	73	293
Current Assets					
(a) Financial Assets					
(i) Investment	2.03	**-**		-	
(ii) Trade Receivables	2.06	**347**		405	
(iii) Cash and Cash Equivalents	2.07	**307**		107	
(iv) Loans	2.08	**1,200**		1,200	
(v) Other Financial Assets	2.09	**1,303**		1,303	
(b) Other Current Assets	2.10	**506**		556	
(c) Assets held for sale	2.11	**9,023**	**12,686**	9,023	12,594
Total Assets			**13,043**		12,887
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	2.12	**2,793**		2,793	
(b) Other Equity	2.13	**(1,827)**	**966**	(1,638)	1,155
Liabilities					
Non-Current Liabilities					
(a) Deferred Tax Liabilities (net)	2.14	**952**		1,014	
(b) Provisions	2.15	**3**	**955**	2	1,016
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.16	**4,195**		4,195	
(ii) Trade Payables	2.17				
Due to Micro and Small Enterprises		**25**		22	
Due to creditors other than Micro and Small Enterprises		**746**		733	
(iii) Other Financial Liabilities	2.18	**3,571**		3,371	
(b) Other Current Liabilities	2.19	**2,350**		2,161	
(c) Provisions	2.20	**235**	**11,122**	234	10,716
Total Equity and Liabilities			**13,043**		12,887

Reliance Infratel Limited

Balance Sheet as at March 31, 2021

		-	-
Significant Accounting Policies	**1**		
Notes on Accounts	**2**		

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Regn No. 107783W/W100593

For Reliance Infratel Limited

Anish Niranjan Nanavaty
Authorised Member of Monitoring Committee

Vishal D. Shah
Partner
Membership No. 119303

Mahesh Mungekar
Director
DIN 00778339

Mangesh Chavan
Chief Financial Officer

Gourav Ranawat
Company Secretary and Manager
A57067

Place : Mumbai
Date : June 26, 2021

RELIANCE INFRATEL LIMITED

Statement of Profit and Loss for the year ended March 31, 2021

(₹ in Crore)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME			
Revenue from Operations	2.21	**1,208**	1,322
Other Income	2.22	**8**	21
Total Income		**1,216**	1,343
EXPENDITURE			
Network Expenses	2.23	**1,412**	1,462
Employee Benefits Expenses	2.24	**21**	25
Finance Costs	2.25	**-**	-
Depreciation and Amortization Expenses	2.01 & 2.02	**2**	1
General and Administration Expenses	2.26	**32**	35
Total Expenses		**1,467**	1,523
Profit/ (Loss) before Tax		**(251)**	(180)
Tax Expenses:			
Current Tax		**-**	-
Deferred Tax Charge/ (Credit)		**(62)**	(114)
Total Tax Expenses		**(62)**	(114)
Profit/ (Loss) after Tax for the year		**(189)**	(66)
Other Comprehensive Income			
Remeasurement Gain/ (Loss) of Defined Benefit plan (net of tax) ₹ 265,478 (₹ 135,415)		**-**	-
Total Comprehensive Income		**(189)**	(66)
Earning per Share	2.35		
- Basic and Diluted (₹)		**(0.68)**	(0.24)

RELIANCE INFRATEL LIMITED

Statement of Profit and Loss for the year ended March 31, 2021

Significant Accounting Policies	**1**
Notes on Accounts	**2**

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Regn No. 107783W/W100593

For Reliance Infratel Limited

Anish Niranjan Nanavaty
Authorised Member of Monitoring Committee

Vishal D. Shah
Partner
Membership No. 119303

Mahesh Mungekar
Director
DIN 00778339

Mangesh Chavan
Chief Financial Officer

Gourav Ranawat
Company Secretary and Manager
A57067

Place : Mumbai
Date : June 26, 2021

Reliance Infratel Limited

Statement of changes in equity for the year ended March 31, 2021

(a) Equity Share Capital (Refer Note 2.12)

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**2,793**	2,793
Change in equity share capital during the year	-	-
Balance at the end of the year	**2,793**	2,793

(b) Other Equity (Refer Note 2.13)

Particulars	Attributable to the Equity Shareholders					Total
	Reserves and Surplus				Other Comprehensive income	
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of defined benefit plans	
Balance as at March 31, 2019	1,793	675	536	(4,578)	2	(1,572)
Surplus / (Deficit) of Statement of Profit and Loss	-	-	-	(66)	-	(66)
Other Comprehensive Income ₹ 135,415	-	-	-	-	-	-
Balance as at March 31, 2020	**1,793**	**675**	**536**	**(4,644)**	**2**	**(1,638)**
Surplus / (Deficit) of Statement of Profit and Loss	-	-	-	(189)	-	**(189)**
Other Comprehensive Income ₹ 265,478	-	-	-	-	-	-
Balance as at March 31, 2021	**1,793**	**675**	**536**	**(4,833)**	**2**	**(1,827)**

Significant Accounting Policies **1**

Notes on Accounts **2**

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Pathak H.D. & Associates LLP

Chartered Accountants

Firm Regn No. 107783W/W100593

For Reliance Infratel Limited

Anish Niranjan Nanavaty

Authorised Member of Monitoring Committee

Vishal D. Shah

Partner

Membership No. 119303

Mahesh Mungekar

Director

DIN 00778339

Mangesh Chavan

Chief Financial Officer

Gourav Ranawat

Company Secretary and Manager

A57067

Place : Mumbai

Date : June 26, 2021

RELIANCE INFRATEL LIMITED

Statement of Cash Flow for the year ended March 31, 2021

(₹ in Crore)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
A: CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit/ (Loss) before tax as per Statement of Profit and Loss		**(251)**		(180)
Adjusted for:				
Depreciation and Amortisation	**2**		1	
Write back of provision for liabilities no longer required	**(8)**		(7)	
Provision for Doubtful Debts	**3**		1	
Finance Costs	**-**	**(3)**	-	(5)
Operating Profit before Working Capital Changes		**(254)**		(185)
Adjusted for:				
Receivables and other Advances	**105**		17	
Inventories	**-**		-	
Trade Payables and Other Liabilities	**415**	**520**	256	273
Cash Generated from Operations		**266**		88
Income tax paid		**(66)**		(124)
Income tax refund		**-**		42
Net Cash Generated from Operating Activities		**200**		6
B: CASH FLOW FROM INVESTING ACTIVITIES:				
Additions to Fixed Assets and CWIP		**-**		1
Interest Income		**-**		-
Net Cash Used in Investing Activities		**-**		1
C: CASH FLOW FROM FINANCING ACTIVITIES:				
Finance Costs		**-**		-
Net Cash Used / (from) in Financing Activities		**-**		-
Net Increase / (Decrease) in Cash and Cash Equivalents		**200**		7
Opening balance of Cash and Cash Equivalents		**107**		100
Closing balance of Cash and Cash Equivalents (net)		**307**		107

Notes

1. Figures in brackets indicate cash outgo.
2. Cash and Cash equivalents includes cash on hand and bank balances including Fixed Deposits.
3. Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 "Statement of Cash Flows".

RELIANCE INFRATEL LIMITED

Statement of Cash Flow for the year ended March 31, 2021

(₹ in Crore)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
4	**Break up of Cash and Cash Equivalents**		
	Cash and Cash Equivalents	**307**	107
	Less : Bank overdraft	**-**	-
	Cash and Cash Equivalents (net) as per Ind AS 7	**307**	107

Significant Accounting Policies **1**

Notes on Accounts **2**

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Pathak H.D. & Associates LLP

Chartered Accountants

Firm Regn No. 107783W/W100593

For Reliance Infratel Limited

Anish Niranjan Nanavaty

Authorised Member of Monitoring Committee

Vishal D. Shah

Partner

Membership No. 119303

Mahesh Mungekar

Director

DIN 00778339

Mangesh Chavan

Chief Financial Officer

Gourav Ranawat

Company Secretary and Manager

A57067

Place : Mumbai

Date : June 26, 2021

Reliance Infratel Limited
Significant Accounting Policies to the Financial Statements

Note 1 General Information and Significant Accounting Policies

1.01 General Information

Reliance Infratel Limited ("the Company") is registered under the Companies Act, 1956 having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710 and is a subsidiary of Reliance Communication Infrastructure Limited. The Company is a leading passive telecommunication infrastructure provider in India, based on the number of telecommunication towers that it owns. The Company builds, owns and operates telecommunication towers, optic fibre cable assets and related assets at designated sites and provide these passive telecommunication infrastructure assets on a shared basis to wireless service providers and other communications service providers under long term contracts.

Corporate Insolvency Resolution Process ("CIRP") was initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code) and the Company is in the process of implementing the approved resolution plan. Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stands vested with the Monitoring Committee . Refer Note 2.28

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention / fair valuation under a Scheme approved by the Hon'ble High Court, in accordance with the generally accepted accounting principals (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ("the Act") except matters specified in Note 2.11, 2.25, 2.28 and Note 2.32, read with relevant rules of the Companies (Indian Accounting Standards) Rule 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act, to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company. All amounts are rounded off to the nearest crore, unless stated otherwise.

1.04 Property, Plant and Equipment and Capital Work in Progress

(i) Property, plant and equipment (PPE) are stated at cost net of Modvat and Cenvat / GST, less accumulated depreciation and impairment loss if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(ii) Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The residual values, useful lives and methods of depreciation of property, plant and equipment (PPE) are reviewed at each financial year end and adjusted prospectively, if appropriate.

(iii) Expenses incurred relating to projects prior to commencement of commercial operation are considered as project development expenditure and shown under Capital Work in Progress.

(iii) Intangible assets are stated at cost or fair value, as applicable, less accumulated amortisation.

(iv) As per Para 46A of Accounting Standard 11, 'The Effects of Changes in Foreign Exchange Rates', related to acquisition of depreciable assets pursuant to the notifications dated December 29, 2011 and August 9, 2012 issued by Ministry of Corporate Affairs (MCA), under the Companies (Accounting Standard) (Second Amendment) Rules 2011, the cost of depreciable capital assets includes foreign exchange differences arising on translation of long term foreign currency monetary items as at the balance sheet date in so far as they relate to the acquisition of such assets is capitalised and subsequently on adoption of Indian Accounting Standard also the same is allowed for the transactions recorded upto March 31, 2016.

(v) Depreciation on Property, Plant and Equipments (PPE) is provided on Straight Line Method w.e.f. April 01, 2017 (till March 31, 2017 depreciation was provided on Written Down Value (WDV) Method), at the rates and in the manner prescribed in Schedule II of the Companies Act 2013, except in respect of the following assets where useful life is different than those prescribed in Schedule II:-

(i) In respect of Telecom Towers and OFC, the Company is providing depreciation over the useful life of 35 years as technically assessed.

(ii) In respect of Batteries, the Company is providing depreciation over the useful life of 9 years as technically assessed.

(vi) OFC assets provided to customers as Indefeasible Right to Use (IRU) are amortised fully in the same year on matching principle basis in line with revenue recognition.

(vii) As per the exemption provided under Indian Accounting Standard, depreciation on foreign exchange differences capitalised pursuant to para 46A of Accounting Standard 11 'The Effects of Changes in Foreign Exchange Rates' vide notifications dated December 29, 2011 and August 9, 2012 by Ministry of Corporate Affairs (MCA), is provided over the remaining useful life of the depreciable capital asset.

1.05 Intangible Assets

(i) Indefeasible Right to Use is stated at cost less accumulated amortisation.

(ii) Indefeasible Right to Use in respect of cables purchased from other operators is amortised over the period of IRU.

(iii) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iv) Amortisation methods, useful lives and residual values are reviewed periodically at each reporting period.

1.06 Impairment of Non Financial Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal or external factors. An impairment loss is recognised when the carrying cost of assets exceeds recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss of prior accounting period is increased/reversed where there has been change in the estimate of recoverable value. The recoverable value is higher of the fair value less cost to sell and value in use of the Asset.

1.07 Inventories of Stores and Spares

Inventories of stores and spares are accounted for at cost and all other cost incurred in bringing the inventory to their present location and condition determined on weighted average basis, or net realisable value, whichever is less. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

1.08 Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

(ii) Monetary items denominated in foreign currencies at the reporting date are restated at year end rates.

(iii) Non monetary foreign currency items are recorded at the rate prevailing on the date of transaction.

(iv) Any income or expense on account of exchange difference on settlement / restatement is recognised in the Statement of Profit and Loss.

(a) Exchange difference on foreign currency borrowings relating to depreciable capital asset are included in cost of assets.

(b) Exchange difference on foreign currency transactions, on which receipt and/ or payments are not planned, initially recognised in other comprehensive income and reclassified from equity to profit and loss on repayment of the monetary items.

(v) Accounting of transactions that include the receipt or payment of advance consideration in a foreign currency the date of transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

(vi) All long term foreign currency monetary items consisting of loans taken before March 31, 2016 and which relate to the acquisition of depreciable capital assets at the end of the period/ year are restated at the rate prevailing at the balance sheet date. Exchange difference including attributable to the interest arising as a result is added to or deducted from the cost of the assets as per notification dated December 29, 2011 and August 9, 2012 issued by the Ministry of Company Affairs (MCA), Government of India and depreciated over the balance life of the capital asset. Exchange difference on other long term foreign currency loans is accumulated in “Foreign Currency Monetary Item Translation Difference Account (FCMITDA)” which will be amortized over the balance period of monetary assets or liabilities.

1.09 Non-Current assets held for sale

Non-current assets (or disposal group) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction. Non - current assets (or disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the assets (or disposal group) is available for immediate sale in its present condition subject to terms that are usual, customery and regulatory for sale of such assets and sale is expected to be concluded within twelve months from the date of classification.

Assets and liabilities classified as held for sale are presented separately in the balance sheet. A disposal group qualifies as discontinued operations if it is a component of the company that either has been disposed off or is classified as held for sale, and; represents a separate major line of business or geographical area of operations, or part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or a subsidiary acquired exclusively with a view to resale. Non-current assets are not depreciated or amortised while they are classified as held for sale.

Loss is recognised for any initial or subsequent write down of such non current assets (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell an asset (or disposal group) but not in excess of any cumulative loss previously recognised.

If the criteria for assets held for sale are no longer met, it ceases to be classified as held for sale and are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation or any amortisation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

1.10 Revenue Recognition

(i) Revenue from Contracts with Customers

The Company has applied the practical expedient in Ind AS 115, Revenue from Contracts with Customer with effect from April 01, 2018. Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’. As a result, it is required to determine whether control is transferred over time. If not, only then revenue be recognised at a point in time, or else over time. The Company also determines if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration gets allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense.

(ii) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

(iii) Service Revenue is recognised net of taxes as and when the Base Transceiver Station (BTS) Tower is Ready for Installation of customer equipment, as per the terms of agreement.

(iv) Income related to Optic Fibre Infrastructure given on operating lease is recognised net of taxes on straight line basis over the lease term.

(v) The Company sells rights of use (ROU) that provide customers with Passive Infrastructure services, typically over a 10 to 20 year without transferring the legal title or giving an option to purchase Passive Infrastructure. Infrastructure/ capacity services revenues are accounted as operating lease and recognised in the Company's income statement over the life of the contract. Bills raised on customers / payments received from customers for long term contracts and for which revenue is not recognised are included in deferred revenue. Revenue on non cancellable contracts for right to use of specified fibre pairs/ ducts for a period of 15 - 20 years are recognized as revenue on delivery of such assets to customers. Advances from customers are presented net of unbilled revenue, if any.

(vi) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset's net carrying amount on initial recognition. Dividend is considered when right to receive is established. The Company recognises income from the units in the Fixed Income Schemes of Mutual Funds where income accrued is held till declaration or payment thereof for the benefit of the unit holders.

1.11 Taxes on Income and Deferred Tax

Income Tax comprises of current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or OCI.

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable / recoverable in respect of the taxable income / loss for the reporting period. Deferred Tax represents the effect of temporary difference between carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in the computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The Deferred Tax Asset is recognised for all deductible temporary difference, carried forward of unused tax credit and unused tax loss, to the extent that it is probable that taxable profit will be available against which such deductible temporary differences can be utilised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

1.12 Provision including Asset Retirement Obligation (ARO), and Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are determined by discounting expected future cashflows at the pre tax rate that reflects current market assumptions of time value of money and risk specific to the liability. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Asset Retirement Obligation (ARO) relates to removal of telecom towers when they will be retired from its active use. Provision is recognised based on the best estimate, of the management, of the eventual costs (net of recovery), using discounted cash flow, that relates to such obligation and is adjusted to the cost of such assets. Estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset. Contingent Assets are neither recognised nor disclosed in the financial statements of the Company.

1.13 Borrowing Cost

Borrowing costs that are attributable for construction of qualifying assets are capitalised, net of income from temporary investment of the borrowings, as part of the cost of such assets up to the commencement of commercial operation. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.14 Earning per Share

In determining Earning per Share, the Company considers the net profit after tax and includes the post tax effect of any exceptional item. Number of shares used in computing basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average shares considered for deriving Basic Earning per Share and also the weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares unless the results would be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.15 Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period.

Long term employee benefits

(i) Defined benefit plan

Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value , mortality rate and the fair value of plan assets is deducted. Mortality rate is based on publically available mortality table in India.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Remeasurements which comprise of actuarial gain and losses, the return of plan assets (excluding interest) and the effect of asset ceiling (if any, excluding interest) are recognised in OCI.

(ii) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and employees' state insurance scheme (ESIC). The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(iii) Other Long term employment benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

1.16 Measurement of fair value of financial instruments

The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified. When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred. (Refer to note 2.36.1) for information on detailed disclosures pertaining to the measurement of fair values."

1.17 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are also include derivative contracts such as foreign exchange forward contracts.

Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) Subsequent measurement

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Financial Assets measured at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) Asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial Assets measured at fair value through other comprehensive income (FVTOCI)

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual cash flows of the assets represent SPPI: Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other Comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other comprehensive Income is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit or loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

Equity Investment

Also, Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition.

Derecognition of Financial Assets

A financial asset is primarily derecognised when: a) Rights to receive cash flows from the asset have expired, or b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement and either(a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

i Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

ii Subsequent measurement

The measurement of financial liabilities depends on their classification, as described herein:

Financial liabilities at fair value through Profit or Loss: Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial Liabilities measured at amortised cost: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.18 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The Company has based its assumptions and estimates on parameter available when the financial statements where prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of Company. Such changes are reflected in assumptions when they occur. The areas involving critical estimates or judgements pertaining to useful life of property, plant and equipment including intangible assets (Note 2.01 and 2.02) , current tax expense and payable, recognition of Deferred Tax Liabilities (Note 2.14) and measurement of defined benefit obligation (Note 2.37). Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

i Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

ii Taxes : The Company provides for tax considering the applicable tax regulations and based on probable estimates.

iii Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent it is probable evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer probable that Company will be able to absorb such credit during the specified period.

iv Fair value measurement and valuation process: The Company measures certain financial assets and liabilities at fair value for financial reporting purposes.

v Trade receivables and Other financial assets: The Company follows a simplified approach for recognition of impairment loss allowance on Trade receivables (including lease receivables). The Company estimates irrecoverable amounts based on specific identification method and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

vi Defined benefit plans (gratuity benefits) : The Company’s obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post employment benefit obligation. The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

vii Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. 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.

viii Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ix Determination of net realisable value for Assets held for Sale and related liabilities.

1.19 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.01

Property, Plant and Equipment

Particulars	Freehold Land	Buildings	Vehicle
	₹ in Crore	₹	₹
Gross carrying value			
As at March 31, 2019	9	374,037	4,133,655
Additions	-	-	-
Deductions/ Adjustment		-	-
As at March 31, 2020	**9**	**374,037**	**4,133,655**
Additions	-	-	-
Deductions/ Adjustment		-	-
As at March 31, 2021	**9**	**374,037**	**4,133,655**
Accumulated Depreciation			
As at March 31, 2019	-	52,995	1,098
Depreciation for the year	-	11,845	-
As at March 31, 2020	**-**	**64,840**	**1,098**
Depreciation for the year	-	5,922	-
As at March 31, 2021	**-**	**70,762**	**1,098**
Net carrying value			
As at March 31, 2020	9	309,197	4,132,557
As at March 31, 2021	**9**	**303,275**	**4,132,557**

2.01.01

Reliance Communications Limited (RCOM), the Ultimate Holding Company had, during the earlier years, allotted, 1,500, 11.25% Secured Redeemable, Non Convertible Debentures (NCDs) of the face value of ₹ 1,00,00,000 each, aggregating to ₹ 1,500 crore (current outstanding ₹ 750 crore), and 3,000, 11.20% Secured Redeemable, Non Convertible Debentures (NCDs) of the face value of ₹ 1,00,00,000 each, aggregating to ₹ 3,000 crore. The NCD's, alongwith 6.5% Senior Secured Notes (SCN's), Foreign Currency Loans and Rupee Term Loans of ₹ 25,424 crore availed by RCOM and Foreign Currency Loans of ₹ 1,341 crore and rupee loan of ₹ 611 crore availed by Reliance Telecom Limited (RTL), a fellow subsidiary were secured by a first pari passu charge on the whole of the movable plant and machinery of the Company including (without limitations) tower assets and optic fibre cables, if any (whether attached or otherwise), capital work-in-progress (pertaining to movable fixed assets) both present and future including all the rights, title, interest, benefits, claims and demands in respect of all insurance contracts relating thereto of the Borrower Group; comprising of the Company, RCOM, RTL and Reliance Communications Infrastructure Limited (RCIL), the Holding Company in favour of the Security Trustee for the benefit of the NCD Holders and the Lenders of the said secured loans. Further, Rupee Term Loan of ₹ 2,359 crore availed by RCOM from Banks has also been secured by second pari passu charge on the said assets. Rupee loans availed by RCOM and RTL also includes ₹ 6,074 crore secured by current assets, movable assets including intangible, both present and future of the Borrower Group. Further non fund based outstanding of ₹ 1,361 crore availed by RCOM, ₹ 246 crore availed by RTL and ₹ 4 crore by RCIL have been secured by second pari passu charge on movable Fixed Assets of the Borrower Group.

2.01.02

Refer Note 2.16.01 and 2.18.01 for security in favour of the Lenders.

2.01.03

Above notes to be read with note 2.11 "Assets held for sale".

2.01.04

Vehicles are amortised upto salvage value hence no depreciation has been charged.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.02

Intangible Assets

(₹ in Crore)

Particulars	**Indefeasible Right of Use (IRU)**
Gross carrying value	
As at March 31, 2019	19
Additions	-
Deduction / Adjustment/ Rectification	6
As at March 31, 2020	13
Additions	**-**
Deduction / Adjustment/ Rectification	-
As at March 31, 2021	**13**
Accumulated amortisation	
As at March 31, 2019	6
Amortisation for the year	1
As at March 31, 2020	7
Amortisation for the year	2
As at March 31, 2021	**9**
Net carrying value	
As at March 31, 2020	6
As at March 31, 2021	**4**
Remaining useful life	4- 6 years

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.03

Income Tax Assets (net)

(₹ in Crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Advance Income Tax and Tax Deducted at Source [net of tax provision] (Refer Note 2.28)	**271**	205
	271	205

Note 2.04

Other Non Current Assets (Unsecured,Considered good)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Deposits	**73**	73
	73	73

Note 2.05

Investments (Valued at cost unless stated otherwise)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Investment in unquoted equity shares of fellow subsidiary		
500 (500) Equity Shares of Towercom Infrastructure Private Limited ₹ 10 each: ₹ 5000 (₹ 5,000)	**-**	-
Investment in unquoted equity shares of wholly owned subsidiary		
50,000 (50,000) Equity Shares of Reliance Bhutan Limited ₹ 10 each: ₹ 5,00,000 (₹ 5,00,000)	**-**	-
	-	-
Aggregate Book Value of Investments		
Unquoted ₹ 5,05,000 (Previous year ₹ 5,05,000)	**-**	-
Aggregate Book Value of Impairment	**Nil**	Nil

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.06

Trade Receivables (Refer Note 2.39)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Considered Good	**347**	405
Credit impaired	**34**	32
Less: Allowance for credit impaired	**34**	32
	-	-
	347	405

Note 2.07

Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with Banks		
In Current Accounts	**307**	107
	307	107

* includes balance of ₹ 34, 956 in respect of 3 Bank accounts (Previous Year ₹ 0.05 crore in respect of 4 Bank accounts), which is subject to confirmation from Bank.

Note 2.08

Loans (Unsecured,Considered good)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans to Related Parties (Refer Note 2.28 & 2.39)	**1,200**	1,200
	1,200	1,200

Note 2.09

Other Financial Assets (Unsecured,Considered good)*

Particulars	As at March 31, 2021	As at March 31, 2020
Advances to Related Parties (Refer Note 2.39)	**1,087**	1,087
Unbilled Revenue ₹ 13,35,428 (Previous year ₹ Nil)	**-**	-
Security Deposits	**216**	216
	1,303	1,303

*(Refer Note 2.28)

Note 2.10

Other Current Assets*

Particulars	As at March 31, 2021	As at March 31, 2020
Advances to Related Parties (Refer Note 2.39)	**2**	1
Other Advances	**299**	299
Prepaid Expenses	**1**	7
Balance with GST Authorities etc.	**204**	249
	506	556

*(Refer Note 2.28)

Note 2.11

Assets Held for Sale

During the year ended March 31,2018, as the Company had intended to sell Tower and Optic Fibre Cables (OFC) assets. Accordingly assets, liabilities, revenue and expenses was classified in line with Ind AS 105 “Non-current Assets Held for Sale and Discontinued Operations”. These assets have been classified as assets held for sale at the value ascertained as at March 31, 2018 and recorded at lower of carrying amount and fair value less selling cost. On finalisation and implementation of debt resolution process through Hon'ble NCLT, the Company will carry out a comprehensive impairment review of its tangible and intangible assets and assets held for sale. Refer note 2.28. Details of Assets held for sale are as under:

(₹ in Crore)

Particulars	Deletion during the year		Provision for Impairment		Asset Held for Sale	
	For the year ended March 31, 2021	For the year ended March 31, 2020	**For the year ended March 31, 2021**	For the year ended March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
Property, Plant and Equipment *	**-**	-	-	-	**8,935**	8,935
Capital Work in Progress	**-**	-	-	-	**88**	88
Total	**-**	-	**-**	-	**9,023**	9,023

2.11.01

Refer Note 2.01.01, 2.16.01 and 2.18.01 for security in favour of the Lenders.

2.11.02

*Property, Plant and Equipment includes Optic Fibre Cables (OFC) given on Operating Lease.

Gross Block	₹ 10,108 crore (Previous year ₹ 10,108 crore)
Accumulated Depreciation including Impairment	₹ 7,267 crore (Previous year ₹ 7,267 crore)
Net Block	₹ 2,841 crore (Previous year ₹ 2,841 crore)
Depreciation Charged during the year	₹ Nil (Previous year ₹ Nil)

2.11.03

Deletion represents Insurance claims made, during the year and received subsequently.

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 2.12		
Equity Share Capital		
Authorised		
7 50 00 00 000 Equity Shares of ₹ 10 each (7 50 00 00 000)	**7,500**	7,500
50 00 00 000 Preference Shares of ₹ 10 each (50 00 00 000)	**500**	500
	8,000	8,000
Issued, Subscribed and fully Paid up		
2 79 31 41 868 Equity Shares of ₹ 10 each fully paid up (2 79 31 41 868)	**2,793**	2,793
	2,793	2,793

2.12.01 Equity Shares

a. Shares held by holding/ Ultimate holding Company and/ or their subsidiaries:

Particulars	No of Shares	No of Shares
Reliance Communications Infrastructure Limited and its nominees.	**222 64 15 796**	222 64 15 796
Reliance Telecom Infrastructure (Cyprus) Holdings Limited	**13 37 50 582**	13 37 50 582
Reliance Globalcom BV, the Netherlands	**30 00 04 130**	30 00 04 130

b. Details of Shareholders holding more than 5% shares in the Company:

Particulars	No of Shares	%	No of Shares	%
Reliance Communications Infrastructure Limited and its nominees.	**222 64 15 796**	**80**	222 64 15 796	80
Reliance Globalcom BV, the Netherlands	**30 00 04 130**	**11**	30 00 04 130	11

c. Reconciliation of Shares outstanding at the beginning and at the end of reporting period

Particulars	No of Shares	(₹ in Crore)	No of Shares	(₹ in Crore)
At the beginning of the year	**279 31 41 868**	**2,793**	279 31 41 868	2,793
Add/ (Less) : Changes during the year	**-**	**-**	-	-
Outstanding at the end of the year	**279 31 41 868**	**2,793**	279 31 41 868	2,793

d. Terms/ rights attached to the shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(₹ in Crore)

Particulars		As at March 31, 2021		As at March 31, 2020
Note 2.13				
Other Equity				
Capital Reserve (Refer Note 2.29)		**1,793**		1,793
Securities Premium				
As per last Balance Sheet	**675**		675	
Add: Addition during the year	**-**	**675**	-	675
General Reserve				
As per last Balance Sheet		**536**		536
Surplus in the Statement of Profit and Loss				
As per last Balance Sheet	**(4,644)**		(4,578)	
Add: Profit / (Loss) during the year	**(189)**	**(4,833)**	(66)	(4,644)
Other Comprehensive Income				
As per last Balance Sheet	**2**		2	
Add: Addition during the year (net)	**-**	**2**	-	2
Balance Carried forward		**(1,827)**		(1,638)

Nature and Purpose of Reserve

Capital Reserve

Capital Reserve represents excess of assets over liabilities taken over upon merger of Netizen Rajasthan Limited (NRL), a wholly owned subsidiary of the Company into the Company.

Securities Premium

Securities premium represents the premium charged to the shareholders at the time of issuance of shares. The securities premium is utilised based on the relevant requirements of the Companies' Act, 2013

General Reserve

Balance in the General Reserve created out of the retained earnings as per Board resolution.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.14

Deferred Tax Liabilities

(₹ in Crore)

	Particulars	As at March 31		For the year ended March 31,	
		2021	2020	**2021**	2020
(i)	**Deferred Tax Liabilities**				
	Related to temporary difference on depreciation of fixed assets	**1,748**	1,501	**247**	294
	Related to temporary difference on other items	**814**	839	**(25)**	(87)
(ii)	**Deferred Tax Assets**				
	Related to other disallowances	**213**	153	**60**	44
	Related to Unabsorbed depreciation	**1,397**	1,173	**224**	277
	Net Deferred Tax Liabilities	**952**	1,014	**(62)**	(114)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Amounts recognised in profit and loss		
Current income tax	-	-
Short / (Excess) provision of tax for earlier years	-	-
Deferred income tax liability / (asset), net	(62)	(114)
Tax expense for the year	**(62)**	(114)

(b) Amounts recognised in other comprehensive income - ₹ Nil (Previous year ₹ Nil)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(c) Reconciliation of Tax Expenses		
Profit/ (Loss) before Tax	**(251)**	(180)
Applicable Tax Rate	**34.94%**	34.94%
Computed Tax Expenses	**(88)**	(63)
Add: Items not considered for Tax Computation		
Disallowance of Expenses	**26**	(51)
Write Off/ Expenses not allowed for tax purpose	-	-
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss	**(62)**	(114)

Note 2.15

Provisions

(₹ in Crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Provision for Retirement Benefits (Refer Note 2.30 & 2.37)	**3**	2
	3	2

Note 2.16

Borrowings

Particulars	**As at March 31, 2021**	As at March 31, 2020
Secured		
Rupee Loans from Banks (Refer Note 2.16.01)	**192**	192
Unsecured		
From Banks		
Rupee Loans from Banks	**3**	3
From Others		
Preference Shares (Refer Note 2.16.02)	**4,000**	4,000
	4,195	4,195

2.16.01

Outstanding Rupee Loan of ₹ 192 crore is secured by second pari passu charge over movable Assets of the Borrower Group and guaranteed by Ultimate Holding Company.

Particulars	**As at March 31, 2021**	As at March 31, 2020
2.16.02 Preference Share Capital		
Issued, Subscribed and fully Paid up		
4,00,00,000 (4,00,00,000) 0.1% Redeemable, Non Cumulative, Non Convertible Preference Shares of Face value of ₹ 10 each	**40**	40
	40	40

a. **Shares held by Holding / Ultimate Holding Company and / or their Subsidiaries:**

Particulars	**No. of Shares**	No. of Shares
Reliance Communications Limited	**4,00,00,000**	4,00,00,000

b. **Details of Shareholders holding more than 5% shares in the Company:**

Particulars	**No. of Shares**	**%**	No. of Shares	%
Reliance Communications Limited	**4,00,00,000**	**100**	4,00,00,000	100

c. **Reconciliation of Shares outstanding at the beginning and at the end of reporting period**

Particulars	**No. of Shares**	**₹ in crore**	No. of Shares	₹ in crore
At the beginning of the year	**4,00,00,000**	**40**	4,00,00,000	40
Add / (Less) : Change during the year	**-**	**-**	-	-
Outstanding at the end of the year	**4,00,00,000**	**40**	4,00,00,000	40

d. **Terms /right attached to the shares**

Preference Shares

Yield on Redeemable Preference Shares (RPS) is revised to 0.1% per annum, RPS shall be redeemed at the end of 20 years from the date of allotment thereof at 0.1% yield per annum on face value of ₹ each plus premium of ₹ 990 each paid at the time of application. However, if dividend has been paid in any year same will be reduced while calculating the yield at the time of redemption. At the option of the Preference Shareholders, the Preference Shares can be redeemed at 0.1% yield p.a. on face value plus premium paid at the time of application, any time after the date of allotment by giving not less than 3 months advance request to the Company. Such Preference Share shall carry a preferential right over the equity shares of the Company as regard to payment of dividend and repayment of capital in the event of winding up of the Company.

e. Since the Ultimate Holding Company is undergoing CIRP and the Company is in the process of implementing the approved resolution plan , expenses in respect of Yield on Preference Shares has not been recognised from financial year 2019-20 amounting to ₹ 4 crore per year.

Note 2.17

Trade Payables (Refer Note 2.28) (₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Due to Micro and Small Enterprises (Refer Note 2.17.01)	**25**	22
Due to creditors other than Micro and Small Enterprises	**746**	733
	771	755

2.17.01 Disclosure relating to Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro, Small and Medium Enterprises.

	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Principal amount due to any supplier as at the year end	**26**	27
(ii)	Interest due on the principal amount unpaid at the year end to any supplier	**5**	5
(iii)	Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	**-**	-
(iv)	Payment made to the enterprises beyond appointed date under Section 16 of MSMED	**115**	137
(v)	Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year but without adding the interest specified under MSMED	**1**	1
(vi)	Amount of interest accrued and remaining unpaid at the end of each accounting year	**6**	6
(vii)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	**5**	4

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.18

Other Financial Liabilities

(₹ in Crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Current Maturities of Long Term Debts		
Secured		
Foreign Currency Loans from Banks (Refer Note 2.18.01)	**1,623**	1,623
Rupee Loans from Banks	**485**	485
From Financial Institutions	**433**	433
Others		
Yield payable on Preference Shares	**35**	35
Interest accrued and due on loans	**31**	31
Book Overdraft (₹ 24,395)	**-**	4
Capital Creditors	**7**	7
Other Liabilities		
-From Related Parties*	**253**	253
-Others**	**704**	500
	3,571	3,371

* The amount was received from Reliance Realty Limited during financial year 2018-19. Pending finalisation of terms, interest has not been charged and the same has been shown as "Other Financial Liabilities".

** Includes provision for material and services received, employee's dues and stale cheques.

Note 2.18.1

Foreign Currency Loans ("Secured Loans") are secured, by first pari passu charge on the whole of the movable plant and machinery, including (without limitation) tower assets and optic fibre cables, if any (whether attached or otherwise), capital work in progress(pertaining to movable fixed assets) both present and future including all the rights, titles, interest, benefits, claims and demands in respect of all insurance contracts relating thereto of the Borrower Group; comprising of the Company, Reliance Communications Limited, (RCOM), the Ultimate Holding Company, Reliance Telecom Limited (RTL), a fellow subsidiary and Reliance Communications Infrastructure Limited (RCIL), the Holding Company, in favour of the Security Trustee for the benefit of Lenders and also guaranteed by Ultimate Holding Company. Outstanding Rupee Loan of ₹ 918 crore is secured by second pari passu charge over movable plant and machinery and capital work in progress of the Borrower Group and also guaranteed by Ultimate Holding Company, out of which ₹ 485 crore has also been secured by Towers receivables, pledge of Equity Shares of Globalcom IDC Limited (GIDC) held by Reliance Webstore Limited (RWSL), a subsidiary of RCOM and guaranteed by a Director of Ultimate holding company. Further charge over Tower receivables is pending to be executed.

During the earlier year, lenders have invoked guarantees provided by borrower group for outstanding rupee loan of ₹ 485 crore availed by the Company, ₹ 5,950 crore availed by RCOM and ₹ 611 crore availed by RTL.

During the earlier year, the Company created first ranking exclusive charge (pari passu inter se the Lenders) over Designated Account with future rights, title and interest therein, including all of its rights in respect of any amount standing to the credit of the Designated Account and the debt represented by it, in favour of State Bank of India, the Convener (for the benefit of the Lenders) as continuing security.

Foreign Currency Loans taken by the Company has been stated at exchange rate prevailing as at March 31, 2018

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

2.18.2 Delay/ Default in repayment of Borrowing (Current and Non Current) and Interest

The Company has delayed/ defaulted in the payment of dues to the banks and financial institutions. The lender wise details are as under:

Amount represents ₹ in crore and period represents maximum days

Name of Lender	Borrowings As on March 31, 2021		Interest As on March 31, 2021		Borrowings As on March 31, 2020		Interest As on March 31, 2020	
	Amount	**Period**	**Amount**	**Period**	Amount	Period	Amount	Period
State Bank of India	485	1,431	-	-	485	1,066	-	-
Standard Chartered Bank	192	1,454	-	-	192	1,089	-	-
Syndicate Bank	3	1,475	-	-	3	1,110	-	-
Mahimna Mercantile Credits Ltd.	433	456	-	-	433	91	-	-
S C Lowy Primary Investments Limited**	407	1,396	7	1,396	407	1,031	7	1,031
Doha Bank Q.S.C.	326	1,396	6	1,396	326	1,031	6	1,031
Emirates NBD Bank PJSC	261	1,396	5	1,396	261	1,031	5	1,031
Industrial and Commercial Bank of China	222	1,396	4	1,396	222	1,031	4	1,031
VTB Capital PLC	407	1,396	7	1,396	407	1,031	7	1,031
Reliance Capital Limited *	-	-	2	1,476	-	-	2	1,111
Total	**2,736**		**31**		**2,736**		**31**	

2.18.3

Since the Company is in the process of implementing the approved resolution plan and claims have been filed by lenders under CIRP, the overall obligations and liabilities including obligation for interest on loans shall be determined as per the Code. The total loan amount has been disclosed in delay/ default and the delay/ defaults are based on original terms of facility or from the date of recall, where loans have been recalled.

2.18.4

Apart from above outstanding of Interest, the Company has not provided Interest Expenses of ₹ 1,132 crore upto March 31, 2021 (Previous year upto March 31, 2020 ₹ 875 crore) calculated based on basic rate of interest as per terms of loan as at March 31, 2021 and therefore it has not been disclosed.

2.18.5

* During the earlier year, the Company was in the process of finalising and implementing its asset monetization and debt resolution plan, comprising the Company's restructuring of Debt including allotment of shares against debt from lenders by Ultimate Holding Company. Accordingly, during the year ended March 31, 2019, in order to allot the shares of Ultimate Holding Company, debt aggregating to ₹ 721 crore was transferred by the Company to Ultimate Holding Company.

2.18.6

** During the earlier year,Standard Chartered Bank has assigned the loan to S C Lowy Primary Investments Limited.

Note 2.19

Other Current Liabilities (Refer Note 2.28) (₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Income Received in Advance (Refer Note 2.19.01)	**1,973**	1,836
Advance from Customers	**81**	-
Security Deposit	**268**	262
Other Liabilities*	**28**	63
	2,350	2,161

2.19.01 Income received in Advance is net off unbilled revenue ₹ 917 crore. The Company is in the process of reconciliation of unbilled revenue with customers on account of various business parameters and any GST applicable thereon shall be paid upon completion of pending reconciliation and billing thereof.

* Includes amounts payable to Government Authorities.

Note 2.20

Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
Provision for Asset Retirement Obligations (Refer Note 2.30)	**233**	233
Employee Benefits (Refer Note 2.30 & 2.37)	**2**	1
	235	**234**

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 2.21		
Revenue From Operations		
Service Revenue	**1,208**	1,322
	1,208	1,322

Note 2.21.01

Revenue for the year from sale of services as disclosed above pertains to revenue from contracts with customers over a period of time. The Company has not given any volume discounts, service level credits, etc during the year. Revenue for the year has been disaggregated as under:

(a) Tower	**1,104**	1,156
(b) OFC	**112**	173
(c) Others	**-**	14
(d) Total Revenue including other Income	**1,216**	1,343

The Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to pending performance obligations which are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). No consideration from contracts with customers is excluded from the amount mentioned above.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue if revenue is accrued. Receivable and unbilled revenue are a right to consideration that is unconditional upon passage of time. Receivable is presented net of impairment in the Balance Sheet. Invoicing in excess of earnings are classified as unearned revenue. Unearned revenue at March 31, 2021 was ₹ 1,973 crore (net off unbilled revenue of ₹ 917 crore pending reconciliation with customer on account of various business parameters). Any GST applicable on the said unbilled revenue shall be paid upon completion of reconciliation with customers and billing thereof.

Note 2.22

Other Income

Interest Income*	**-**	14
Miscellaneous Income**	**8**	7
	8	21

* Interest on Income Tax refunds

** includes write back of provision for liabilities no longer requirement ₹ 8 crore (Previous year ₹ 7 crore)

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 2.23		
Network Expenses		
Power and Utilities (Net off recovery from Customers)	**353**	412
Repairs and Maintenance - Plant and Machinery	**331**	344
Stores and Spares consumed	**-**	3
Rent	**705**	690
Rates and Taxes	**15**	8
Insurance	**8**	5
	1,412	1,462
Note 2.24		
Employee Benefits Expenses		
Salaries (Including Managerial Remuneration) (Refer note 2.37 and 2.39)	**17**	22
Contribution to Provident and Gratuity Fund (Refer note 2.37)	**1**	1
Employee welfare and other amenities	**3**	2
	21	25
Note 2.25		
Finance Costs		
Interest Expense		
Interest on Instruments	**-**	-
Other Finance Costs	**-**	-
	-	-

2.25.01 Non Provision of Interest and Foreign Exchange Variation

Considering various factors including admission of the Company to debt resolution process under the IBC with effect from May 15, 2018 and pursuant to the commencement of Corporate Insolvency Resolution Process (CIRP) of the Company under Insolvency and Bankruptcy Code, 2016 (IBC), there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The Overall obligation and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined as per approved resolution plan and accounting impact/ disclosure, if any, will be given on implementation of the approved resolution plan. Further, prior to May 15, 2018, the Company was under Strategic Debt Restructuring (SDR) and asset monetization and debt resolution plan was being worked out. The Company has not provided Interest of ₹ 257 crore calculated based on basic rate of interest as per terms of loan and foreign exchange variation (gain) to ₹ 63 crore for the year ended March 31, 2021. Had the Company provided Interest and foreign exchange variation, the Loss would have been higher by ₹ 194 crore for the year ended March 31, 2021. The Net worth of the Company would have been lower by ₹ 1,330 crore and ₹ 1,136 crore as on March 31, 2021 and March 31, 2020 respectively. During the previous years, Interest of ₹ 875 crore and foreign exchange variation (loss) to ₹ 261 crore was not provided during the financial year ended March 31, 2018 March 31, 2019 and March 31, 2020.

Note 2.26		
General And Administration Expenses		
Professional Fees	**-**	2
Provision for Doubtful Debts	**3**	1
CIRP Expenses	**15**	7
Hire Charges	**11**	11
Other Administration and Miscellaneous Expenses	**3**	14
Payment to Auditors (Refer note 2.36) ₹ 5,00,000 (₹ 25,00,000)	**-**	-
	32	35

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note : 2.27

Previous Year

Previous year figures have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupees in crore, except as otherwise stated.

Note : 2.28

Going Concern

Pursuant to an application filed by Ericsson India Pvt. Ltd before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed there under ("Code"), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process ("CIRP") of Reliance Infratel Limited ("the Company") vide its order dated May 15, 2018. The NCLT had appointed Mr. Manish Kaneria as the interim resolution professional for the Company vide its order dated May 18, 2018. However, the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by an order dated May 30, 2018 had stayed the order passed by the Hon'ble NCLT for initiating the CIRP of the Company and allowed the management of the Company to function. In accordance with the order of the Hon'ble NCLAT, Mr. Manish Kaneria handed over the control and management of the Company back to the erstwhile management of the Company on May 30, 2018. Subsequently, by order dated April 30, 2019, the Hon'ble NCLAT allowed stay on CIRP to be vacated. On the basis of the order of the Hon'ble NCLAT, Mr. Manish Kaneria, wrote to the management of the Company on May 02, 2019 requesting the charge, operations and management of the Company to be handed over back to IRP. Therefore, Mr. Manish Kaneria had in his capacity as IRP taken control and custody of the management and operations of the Company from May 02, 2019. Subsequently, the committee of creditors of the Company pursuant to its meeting held on May 30, 2019 resolved, with requisite voting share, to replace the existing interim resolution professional, i.e. Mr. Manish Kaneria with Mr. Anish Niranjan Nanavaty as the resolution professional for the Company in accordance with Section 22(2) of the Code. Subsequently, upon application by the CoC in terms of Section 22(3) of the Code, the NCLT appointed Mr. Anish Niranjan Nanavaty as the resolution professional for the Company ("RP") vide its order dated June 21, 2019, which was published on June 28, 2019 on the website of the NCLT. Accordingly, the IRP handed over the matters pertaining to the affairs of the Company to the RP as on June 28, 2019 who assumed the powers of the board of directors of the Company and the responsibility of conducting the CIRP of the Company.

On the basis of the Hon'ble NCLAT's order dated April 30, 2019, the CIRP in respect of the Company has been re-commenced and interim resolution professional has been appointed. Subsequently, appointment of Mr. Anish Niranjan Nanavaty as the Resolution Professional (RP) of the Company has been confirmed by the NCLT vides its order dated June 21, 2019, which was published on June 28, 2019 on the NCLT's website.

Further, a resolution plan, submitted by Reliance Projects and Property Management Services Limited in respect of the Company as approved by Committee of Creditors in its meeting held on March 2, 2020, has been approved by Hon'ble NCLT, Mumbai Bench, vide order dated December 3, 2020. Upon approval of the resolution plan, Mr. Anish Niranjan Nanavaty has ceased to be the resolution professional of the Company.

Pursuant to the terms of the approved resolution plan, with effect from the date of the NCLT approval order, the Monitoring Committee is required to oversee the management of the affairs of the Company. The Monitoring Committee has been constituted comprising of Mr. Anish Niranjan Nanavaty (as the insolvency professional), a representative each of State Bank of India and China Development Bank nominees/representatives of approved financial creditors and two nominees of the successful resolution applicant, and has assumed its roles and responsibilities in accordance with the terms of the approved resolution plan. During the period between NCLT approval date and the effective date (as defined under the resolution plan), the powers of the existing board of directors of the Company shall continue to remain suspended and such powers shall be exercised by the Monitoring Committee in accordance with the approved resolution plan. The approved resolution plan is yet to be implemented.

Certain lenders had appointed an auditor for conducting forensic audit on the affairs of the Company, Reliance Communications Limited ("RCOM") and Reliance Telecom Limited ("RTL"), and a forensic audit report has been purportedly issued by the auditor to such lenders (however, a copy of the report has not been provided to the relevant Companies or their RP/erstwhile RP as it was a report prepared only for the benefit of the lenders). An application has been filed by Reliance Projects and Property Management Services Limited, the successful resolution applicant of the Company before the NCLT, Mumbai Bench seeking inter alia copies of the forensic audit report on the basis of which certain banks have declared the accounts of the Company (and that of RCOM and RTL) as “fraud” in terms of the Master Directions on Frauds dated July 01, 2018 issued by the Reserve Bank of India, and other information and documents in respect thereof. The Company has not been arraigned as a party to the said application. The matter is currently sub-judice before the NCLT.”

Certain applications had been filed by Doha Bank and other banks before the NCLT, Mumbai Bench challenging the constitution of the CoC of the Company basis certain corporate guarantees issued by the Company in respect of facilities availed by RCOM, allegedly without consent of the applicant lenders. The NCLT vide order dated March 2, 2021 has partly allowed the appeal and directed “R2 to R7" are not recognised as Financial Creditors of RCOM. R1 (RP) is directed to re-constitute the CoC” An appeal has been filed by certain lenders against the order of the NCLT before NCLAT. On April 12, 2021, the NCLAT has stayed the operation of the impugned order until next date. The matter remains sub judice before the NCLAT.

An application had been filed by Doha Bank before the NCLT, Mumbai Bench challenging the decision of the RP of the Company of admission of claims of certain indirect lenders in the CIRP of the Company, on the basis of deed of hypothecation. The NCLT has, vide order dated March 2, 2021, dismissed the application. An appeal has been filed by Doha Bank against the order of the NCLT before the NCLAT, which is currently sub judice.

On implementation of the approved resolution plan, the Company will carry out a comprehensive review of all the assets and liabilities and accordingly provide for impairment of assets including balances lying with Goods & Service Tax (GST) and write back of liabilities, if any. Consistent with the practice followed in earlier years, interest has not been charged on loans given to subsidiaries / fellow subsidiaries. Receivable and Payable balances are subject to confirmation from the respective parties.

Considering these developments including, in particular, the Monitoring Committee having taken over the management and control of the Company inter alia with the objective of running it as going concern, the financial statements continue to be prepared on going concern basis. However, since the Company continues to incur loss, current liabilities exceed current assets and Company has defaulted in repayment of borrowings, payment of statutory dues, these events indicate that material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern.

Note : 2.29

Schemes of Arrangement and Amalgamation of earlier years

Pertaining to earlier years: The Company, during earlier years undertook various Schemes so as to align the interest of the shareholders. Accordingly, pursuant to Schemes of Amalgamation and Arrangement ('the Schemes") under Sections 391 to 394 of the Companies Act, 1956 approved by the Hon'ble High Court of respective Judicature, the Company, during the respective years, recorded all necessary accounting effects, along with requisite disclosure in the Notes on Account, in accordance with the provisions of the said Schemes. Capital Reserve of ₹ 1,793 crore represents excess of assets over liabilities taken over upon merger of Netizen Rajasthan Limited (NRL), a wholly owned subsidiary of the Company into the Company.

Note 2.30

Movement of Provisions (Current/ Non current) (₹ in Crore)

Particulars	Current		Non Current	
	For the year ended March 31		For the year ended March 31	
	2021	2020	**2021**	2020
Provision for Retirement Benefit				
Balances at the beginning of the year	**1**	1	**2**	3
Additional provision	**2**	-	**1**	(1)
Balances at the close of the year	**3**	1	**3**	2
Asset Retirement Obligations				
Balances at the beginning of the year	**233**	233	**-**	-
Additional provision on account of Asset Retirement Obligation	**-**	-	**-**	-
Balances at the close of the year	**233**	233	**-**	-

The aforesaid provisions shall be utilised on settlement of the claims, if any, there against.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.31

Contingent Liabilities and Capital Commitment (as represented by the Management)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Commitment for Capital		
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	**-**	1
(b) Contingent Liabilities		
Disputed Liabilities in tower construction pending adjudication	**100**	105
Disputed Liability for Entry Tax, VAT / CST and Service Tax *	**140**	140
Disputed Liability for Direct Tax	**289**	289
Employee Related	**1**	1

* The Company has deposited ₹ 15 crore (Previous year ₹ 15 crore) ,₹ 49,20,482 (Previous year ₹49,20,482),₹ 6 crore (Previous year ₹ 6 crore) and ₹ 141 crore (Previous year ₹ 141 crore) under protest with Entry Tax, VAT/CST,Service Tax and Income Tax authorities respectively against the demand, which are included in Other Current Assets (Note 2.10) and Income Tax Assets (Note 2.05).

(c) Considering various factors including admission of the Company to debt resolution process under the Code with effect from May 15, 2018 and pursuant to the commencement of Corporate Insolvency Resolution Process (CIRP) of the Company under the Code, there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The Overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined as per the approved resolution plan and accounting impact/ disclosure, if any, will be given on implementation of the approved resolution plan.

(d) The Company has been served with copies of writ petitions filed by Mr. Punit Garg and certain others, being directors of the Company, its ultimate holding company and its fellow subsidiary before the Hon'ble High Court of Delhi, challenging the provisions of the RBI Master Directions on Frauds- Classification and Reporting by commercial banks and select FIs bearing No. RBI/ DBS/ 2016-17/ 28 DBS. CO. CFMC. BC. No. 1/ 23.04.001/ 2016-17 dated July 1, 2016 ("Circular") and the declaration by certain banks classifying the loan accounts of the Company, Reliance Communications Limited ("RCOM") and Reliance Telecom Limited ("RTL") being fraudulent in terms of the Circular.

The Company, RCOM and RTL have been represented through their advocates and accepted notice in the petitions. The respective respondent-banks have been directed, on various dates of hearing, to maintain status quo until the next date of hearing by the Hon'ble High Court, the said petitions have been listed on various dates and are presently sub judice before the Hon'ble High Court of Delhi. Since the matter is pending before the Hon'ble High Court of Delhi, presently there is no impact of such declaration by the banks, in the financial statements.

During quarter ended March 31, 2021, one of the lender has issued show cause notice to the Company, its holding company, ultimate holding company and a fellow subsidiary and certain directors seeking reasons as to why the Company, its holding company, ultimate holding company and fellow subsidiary should not be classified as willful defaulter. The Company has responded to the show cause notice. The Company in its response has highlighted that the proceedings and the classification of the Company as a willful defaulter is barred during the prevailing moratorium under section 14 of the Code and requested the bank to withdraw the notice. No further response has been received by the bank since then. Since the matter is pending before the banks, presently there is no impact of such notices issued by banks, in the financial statements.

Note 2.32

Lease

The Assets of the Company are held for sale as per Ind AS 105 and being short term in nature and accordingly lease agreements are considered to be short term in nature hence Ind AS 116 has not been applied.

Note 2.33

2.33.1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of financial instruments by were as follows:

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets at amortised cost:		
Investments (Refer Note 2.05)	-	-
Cash and cash equivalents (Refer Note 2.07)	307	107
Loans (Refer Note 2.08)	1,200	1,200
Trade receivables (Refer Note 2.06)	347	405
Other financial assets (Refer Note 2.09)	1,303	1,303
Total	**3,157**	3,015
Financial assets at fair value through Profit and Loss:	Nil	Nil
Financial assets at fair value through other Comprehensive Income:	Nil	Nil
Financial liabilities at amortised cost:		
Trade payables (Refer note 2.17)	771	755
Other financial liabilities (Refer Note 2.18)	1,030	829
Borrowings (Refer Note 2.16 & 2.18)	6,736	6,736
Total	**8,537**	8,320
Financial liabilities at fair value through Profit and Loss:	Nil	Nil
Financial Liabilities at fair value through other Comprehensive Income:	Nil	Nil

2.33.2 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks, market risk, credit risk and liquidity risk.

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and financial assets includes trade receivables, deposits, cash and bank balances, other receivables etc. arises from its operation.

Corporate Insolvency Resolution Process ("CIRP") was initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stands vested with the Monitoring Committee. The framework and the strategies for effective management will be established post implementation of Resolution Plan. Presently, the financial management activities are restricted to management of current assets and liabilities of the company and the day to day cash flow and its associated risks are as under:

Market risk

The Company purchase its assets and spares in several currencies and consequently the Company is exposed to foreign exchange risk to the extent that there is mismatch between the currencies in which its purchases from overseas suppliers and borrowings in various foreign currencies. Market risk is the risk that change in market price such as foreign exchange rates, interest rates will affect income or value of its holding financial assets/instruments. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against US dollar. Since the Company is in the process of implementing the approved resolution plan, it is not required to meet any loan or interest obligation . As the overall obligation and liabilities shall be determined as per approved resolution plan, foreign currency loans are stated at exchange rate as at March 31, 2018.

Foreign Currency Risk from financial instruments as of : (₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	(1,623)	(1,623)
Trade payables	(9)	(9)
Net assets / (liabilities)	**(1,632)**	**(1,632)**

Sensitivity Analysis

Not relevant till the implementation of resolution plan.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. Since the Company is in the process of implementing the approved resolution plan, it is not required to meet interest obligation .

Exposure to interest rate risk / Sensitivity Analysis

Not relevant till the implementation of resolution plan.

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is carrying value of respective financial assets.

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has been continuously monitored and is low based on historical experience of collecting the receivables.

Liquidity risk

The Company is in the process of implementing the approved resolution plan. The Company depends upon timely receipt from sales and delay in sales realisation as well as vendor payments can severely impact the current level of operation. Liquidity crises had led to default in repayment of principal and interest to lenders. Since the Company is in the process of implementing the approved resolution plan, it is not required to meet any loan or interest obligation.

Note 2.34

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing the capital is to safeguard the Company's ability to continue as a going concern and the Company is in the process of implementing the approved resolution plan and operating as a going concern.

The Company monitors capital using gearing ratio, which is debt divided by total capital plus debt.

(₹ in Crore)

Particulars		**As at March 31, 2021**	As at March 31, 2020
(a)	Equity	**966**	1,155
(b)	Debt	**6,736**	6,736
(c)	Equity and Debt (a+b)	**7,702**	7,891
(d)	Capital Gearing Ratio (b/c)	**87%**	85%

Note 2.35

Earnings per Share (EPS)

Particulars		**For the year ended March 31, 2021**	For the year ended March 31, 2020
Basic and Diluted EPS			
(a)	Profit / (Loss) attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating Basic EPS)	**(189)**	(66)
(b)	Weighted average number of Equity Shares (used as denominator for calculating Basic EPS)	**279 31 41 868**	279 31 41 868
(c)	Basic and Diluted Earnings per Share of ₹ 10 each (₹)	**(0.68)**	(0.24)

Note 2.36

Auditors' Remuneration (Excluding GST)

Statutory Audit: ₹ 5,00,000 (Previous year ₹ 25,00,000)

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.37

Employee Benefits

Gratuity : In accordance with the applicable Indian laws, the Company provides for the gratuity, a defined benefit retirement plan (Gratuity Plan) for all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employee's last drawn salary and for the years of employment with the Company.

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act). The Company is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan vis-à-vis settlements. The management is responsible for the overall governance of the plan.

The following table sets out the status of the Gratuity Plan as required under Accounting Standard ("AS") 15 (Revised) "Employee Benefits".

(Amount in ₹)

		Gratuity (Unfunded)	
	Particulars	**As at March 31, 2021**	As at March 31, 2020
(i)	**Reconciliation of opening and closing balances of the present value of the defined benefit obligation**		
	Obligation at the beginning of the year	**2 01 97 571**	1 76 40 495
	Service Cost	**29 63 211**	17 42 905
	Interest Cost	**10 17 958**	13 49 498
	Liability Transferred from other Company	**1 31 97 023**	
	Actuarial (gain) / loss - Due to Experience	**(12 005)**	75 98 899
	Actuarial (gain) / loss - Due to Change in Financial Assumptions	**2 77 483**	(62 26 621)
	Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	**-**	(12 36 863)
	Benefits Paid	**(19 06 766)**	(6 70 742)
	Obligation at the end of the year	**3 57 34 475**	2 01 97 571
(ii)	**Reconciliation of present value of the obligation and the fair value of the plan assets**		
	Fair value of plan assets at the end of the year	**-**	-
	Present value of the defined benefit obligation at the end of the year	**3 57 34 475**	2 01 97 571
	Liability recognized in the Balance Sheet	**3 57 34 475**	2 01 97 571
(iii)	**Expense Recognised in the Statement of Profit and loss**		
	Service Cost	**29 63 211**	17 42 905
	Interest Cost	**10 17 958**	13 49 498
	Total	**39 81 169**	30 92 403

(Amount in ₹)

	Particulars	As at March 31, 2021	As at March 31, 2020
(iv)	**Amount Recognised in Other Comprehensive Income**		
	Actuarial (gain) / loss - Due to Experience	**(12 005)**	75 98 899
	Actuarial (gain) / loss - Due to Change in Financial Assumptions	**2 77 483**	(62 26 621)
	Actuarial (Gains)/Losses on Obligations - Due to Change in	**-**	(12 36 863)
	Total	**2 65 478**	1 35 415
(v)	**Assumptions**		
	Interest rate	**4.54%**	5.04%
	Estimated return on plan assets	**-**	-
	Salary growth rate	**-**	-

The estimates, of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(Amount in ₹)

	Particulars	As at March 31				
		2021	2020	2019	2018	2017
(vi)	**Particulars of the amounts for the year and Previous years**					
	Present Value of benefit obligation	**3 57 34 475**	2 01 97 571	1 76 40 495	2 27 55 479	2 79 88 180
	Fair value of plan assets					
	Excess of obligation over plan assets (plan assets over obligation)	**3 57 34 475**	2 01 97 571	1 76 40 495	2 27 55 479	2 79 88 180
(vii)	**Experience Adjustment**					
	On Plan Liabilities	**(12 005)**	75 98 899	(6 79 733)	(28 18 909)	8 79 199
	On Plan Assets	**-**	-	-	-	-

(viii) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Amount in ₹)

	Particulars	As at March 31, 2021	As at March 31, 2020
	Delta Effect of +1% Change in Rate of Discounting	**(5 54 960)**	(3 23 746)
	Delta Effect of -1% Change in Rate of Discounting	**5 66 048**	3 30 975
	Delta Effect of +1% Change in Rate of Salary Increase	**-**	-
	Delta Effect of -1% Change in Rate of Salary Increase	**-**	-
	Delta Effect of +1% Change in Rate of Employee Turnover	**(86)**	(29)
	Delta Effect of -1% Change in Rate of Employee Turnover	**94**	32
(ix)	**Maturity analysis of defined benefit plan (fund)**		
	1st Following Year	**1 63 82 004**	86 72 458
	2nd Following Year	**1 00 73 446**	59 58 821
	3rd Following Year	**47 20 418**	28 43 258
	4th Following Year	**24 29 373**	13 03 801
	5th Following Year	**11 65 811**	6 88 233
	Sum of Year 6 and above	**9 63 323**	7 31 000

(x) **Defined contribution plan**

Provident Fund contribution of ₹ 1 core (Previous year ₹ 1 crore) is recognised as an expense and included in "Employee Benefit Expenses" (Refer Note 2.24) to Statement of Profit and Loss.

Note 2.38

Corporate Social Responsibility Expenditure (as per section 135 of the Companies Act, 2013 read with Schedule VII)

(a) Gross amount required to be spent by the company during the year ₹ Nil (Previous year ₹ 11 crore)

(₹ in Crore)

	Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
		In Cash	**Yet to be paid in cash**	**In Cash**	**Yet to be paid in cash**
(b)	Amount spent during the year on:				
(i)	Construction / acquisition of any asset	-	-	-	-
(ii)	On purposes other than (i) above	-	**-**	-	11

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.39

Related Party Disclosures

As per the Indian Accounting Standard ("Ind AS") 24 of "Related Party Disclosures", the disclosure of transactions with the related parties as defined therein are given below. All transactions entered into by the Company with related parties, were in ordinary course of business and on arms' length basis.

A. List of Related Party - where control exists

1	Reliance Innoventures Private Limited	Holding Company of Ultimate Holding Company (upto February 6, 2019)
2	Reliance Communications Limited	Ultimate Holding Company
3	Reliance Communications Infrastructure Limited	Holding Company
4	Reliance Bhutan Limited	Wholly owned Subsidiary
5	Rakesh Gupta (till July 18, 2019)	Key Managerial Personnel
6	Shri Gourav Ranawat (w.e.f. July 20, 2019)	Key Managerial Personnel

B. List of other Related Parties where there have been transactions

(i) Fellow Subsidiary Companies

1 Reliance Telecom Limited

2 Reliance Webstore Limited

3 Reliance Globalcom BV, the Netherlands

4 Reliance Telecom Infrastructure (Cyprus) Holdings Limited

5 Globalcom IDC Limited

6 Towercom Infrastructure Private Limited

7 Reliance Realty Limited

(ii) Enterprise over which Promoter of Ultimate Holding Company having control

1 Reliance Capital Limited

2 Reliance Infrastructure Limited

3 Reliance General Insurance Company Limited

4 BSES Rajdhani Power Limited

5 BSES Yamuna Power Limited

6 Reliance Defence Limited

(iii) Employee Benefit Trust- Ultimate Holding Company having control

1 Reliance Infocomm Limited Employee Gratuity Fund

C. Transactions with related parties during the year April 1, 2020 to March 31, 2021

(₹ in Crore)

Sr. No.	Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow Subsidiaries	Enterprise having Common Control	Employee Benefit Trust	Key Managerial Personnel	Total
1	**Allotment of Shares**							
	Equity Shares:							
	Balance as at April 1, 2020 #	**2,226**	**-**	**434**	**-**	**-**	**-**	**2,660**
		(2,226)	(-)	(434)	(-)	(-)	(-)	(2,660)
	Allotted during the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31,2021 #	**2,226**	**-**	**434**	**-**	**-**	**-**	**2,660**
		(2,226)	(-)	(434)	(-)	(-)	(-)	(2,660)

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Sr. No.	Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow Subsidiaries	Enterprise having Common Control	Employee Benefit Trust	Key Managerial Personnel	Total
	Preference Shares:							
	Balance as at April 1, 2020	-	**4,000**	-	-	-	-	**4,000**
	(Including Premium)	(-)	(4,000)	(-)	(-)	(-)	(-)	(4,000)
	Allotted during the Year	-	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31, 2021	-	**4,000**	-	-	-	-	**4,000**
	(Including Premium)	(-)	(4,000)	(-)	(-)	(-)	(-)	(4,000)
2	**Investments**							
	Equity Shares:							
	Balance as at March 31, 2020 ** ₹ 5,05,000 (Previous year ₹ 5,05,000)	-	-	**	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Purchased during the year	-	-			-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Sold During the Year	-	-		-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31, 2021 ** ₹ 5,05,000 (Previous year ₹ 5,05,000)	-	-	**	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
3	**Service Revenue**	-	**136**	-	-	-	-	**136**
		(-)	(250)	(-)	-	(-)	(-)	(250)
4	**Expenses including Sharing of Expenses**	-	**10**	**1**	**19**	-	-	**30**
		(-)	(20)	(1)	(19)	(-)	(-)	(40)
5	**Trade Payable**	-	-	**1**	**7**	-	-	**8**
		(-)	(-)	(1)	(5)	(-)	-	(6)
6	**Other Financial Liabilities**	-	**15**	**253**	-	-	-	**268**
		(-)	(14)	(253)	(-)	(-)	(-)	(267)
7	**Advance from Customers**	-	**81**	-	-	-	-	**81**
		(-)	(-)	(-)	(-)	(-)	(-)	-
8	**Redemption Premium Payable on Preference Share**	-	**35**	-	-	-	-	**35**
		(-)	(35)	(-)	(-)	(-)	(-)	(35)

Sr. No.	Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow Subsidiaries	Enterprise having Common Control	Employee Benefit Trust	Key Managerial Personnel	Total
9	**Loan Given**							
	Balance as at April 1, 2020	**-**	**-**	**1,200**	**-**	**-**	**-**	**1,200**
		(-)	(-)	(1,200)	(-)	(-)	(-)	(1,200)
	Given/adjusted during the year	**-**	**-**	**-**	**-**	**-**	**-**	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Refund/assigned during the year	**-**	**-**	**-**	**-**	**-**	**-**	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31, 2021	**-**	**-**	**1,200**	**-**	**-**	**-**	**1,200**
		(-)	(-)	(1,200)	(-)	(-)	(-)	(1,200)
10	**Advance Given/ Deposits**	**1,087**	**-**	*******	**4**	**1**	**-**	**1,092**
		(1,087)	(-)	*******	(4)	(-)	(-)	(1,091)
	*** ₹ 37,11,636 (Previous Year ₹ 31,86,194)							
11	**Trade Receivables**	**-**	**-**	**167**	**-**	**-**	**-**	**167**
		(-)	(69)	(167)	-	-	-	(236)
12	**Corporate Guarantee on behalf of the Company**	**-**	**2,984**	**-**	**-**	**-**	**-**	**2,984**
		(-)	(3,047)	(-)	(-)	(-)	(-)	(3,047)
13	**Managerial Remuneration**							
	Shri Rakesh Gupta	-	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(0.08)	(0.08)
	Shri Gourav Ranawat	**-**	**-**	**-**	**-**	**-**	**0.05**	**0.05**
		(-)	(-)	(-)	(-)	(-)	(0.03)	(0.03)

The following table describes the components of compensation paid or payable to key management personnel for the services rendered during the year ended:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and other benefits [₹ 4,54,276 (₹ 10,53,272)]	@	@
Contributions to defined contribution plans [₹ 19,047 (₹ 45,451)]	@	@
Contributions to gratuity plans [₹ 7,927 (₹ 20,104)]	@	@
Total	**0.05**	0.11

Some of the key management personnel of the Company are also covered under the Company's Gratuity Plan along with other employees of the Company. Proportionate amounts of gratuity accrued under the Company's Gratuity Plan have not been separately included in the above disclosure.

Note:

a Previous year figures are given in brackets.

b # Includes shares purchased by fellow subsidiary from outside.

Note 2.40

Pursuant to first proviso to sub-section (3) of section 129 of the Act, read with rule 5 of Companies (Accounts) Rules, 2014, the Company has attached salient features of the financial statement of its subsidiary in form AOC-1 with its Consolidated Financial Statements.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note : 2.41

Segment Information:

The Company has identified two reportable segments viz. Tower Division, Optic Fibre Cable (OFC) Division. Segments have been identified and reported taking into account nature of services provided, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for Segment Reporting.

a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment assets and liabilities represent assets and liabilities in respective segments.

Primary Segment Information (₹ in Crore)

Particulars	Tower Division	OFC Division	Unallocable	Total
Segment Revenue				
Revenue	**1,104**	**112**	**-**	**1,216**
	1,156	*173*	*14*	*1,343*
Inter Segment Revenue	**-**	**-**	**-**	**-**
	-	-	-	-
Net Revenue	**1,104**	**112**	**-**	**1,216**
	1,156	*173*	*14*	*1,343*
Segment Result before interest & taxes	**(186)**	**(65)**	**-**	**(251)**
	(172)	*(22)*	*14*	*(180)*
Less: Finance Costs	**-**	**-**	**-**	**-**
	-	-	-	-
Segment Result before taxes	**(186)**	**(65)**	**-**	**(251)**
	(172)	*(22)*	*14*	*(180)*
Less: Deferred Tax	-	-	(62)	**(62)**
	-	-	(114)	*(114)*
Segment Result After Tax	**(186)**	**(65)**	**62**	**(189)**
	(172)	*(22)*	*128*	*(66)*
Other Information				
Segment Assets	**6,968**	**2,996**	**3,079**	**13,043**
	7,035	*2,995*	*2,857*	*12,887*
Segment Liabilities	**4,198**	**97**	**7,782**	**12,077**
	3,495	*100*	*8,137*	*11,732*
Capital Expenditure	**-**	**-**	**-**	**-**
	-	(6)	-	(6)
Depreciation and Amortisation	**-**	**2**	**-**	**2**
	-	*1*	-	*1*

Note:

The figure for the current year are reflected in bold. Previous Year figures are given in italic.

a) As per Indian Accounting Standard (Ind AS) on operating segment (Ind AS - 108), notified by Companies (Accounting Standards) Rules, 2006 (as amended), the Company has reported the above.

b) The reportable Segments are further described below:
- The Tower Division include maintenances, provision of BTS Towers.
- The OFC Division include maintenances, provision of Optical Fibre Cable connectivity.

c) Revenue from Major Customer

i) Revenue under the segment 'Tower Division' includes ₹ 808 crore (Previous year ₹ 859 crore) from two customers having more than 10% of total revenue.

ii) Revenue under the segment 'OFC Division' includes ₹ 106 crore (Previous year ₹ 166 crore) from two customers having more than 10% of total revenue.

Note : 2.42

The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) read with Schedule VI of the Act. Accordingly, Section 186 of the Act is not applicable to the Company.

Note : 2.43

Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Note : 2.44

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020. which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact once the subject rules under the Code are notified and will give appropriate impact in the financial statements when the code becomes effective.

Note : 2.45

Impact of COVID 19

Vide notification dated March 24, 2020 issued by Ministry of Home Affairs, a nation-wide lockdown was announced to contain COVID-19 outbreak. Further, various state governments have issued orders from time to time extending lockdowns and other restrictions.COVID-19 has impacted businesses globally and in India. Telecommunication services, being essential services, had been exempted and permitted to continue operation during the period of lockdown. The Company has continued to provide services to its customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by Government of India, various state governments and local bodies to ensure safety of workforce across all its offices.

Further, the resurgence had led to imposition of various restrictions and lockdowns in various states. Accordingly, there exists uncertainty over the impact of the pandemic on future business performance of the Company, and the extent of effect of the pandemic will depend, among other things, on any action to contain its spread or mitigate its impact, whether government mandated or elected by the Company. However, in view of telecommunication services being considered as essential activity, the Company has continued to provide services to its customers without any interruptions and honour commitments, despite facing all odds during lockdown and the Company has continued its assessment of likely adverse impact on economic environment in general and financial risks on account of COVID19.

As the Company is in the process of implementing the approved resolution plan, it is relevant to note that the period of lockdown has been exempted from the calculation of the timeline of CIRP as per the order of the NCLAT in Suo Moto Company Appeal (AT) (Insolvency) No. 01 of 2020 dated March 30, 2020.

Note : 2.46

Director's disqualification

During the earlier year, two of the directors have resigned from the position of the Director, however their resignations have not been accepted by the Committee of Creditors (CoC) under the Code and the Company has not received declaration under section 164 (2) of the Companies Act, 2013.

Note : 2.47

Authorisation of Financial Statements

Upon application by the CoC in terms of Section 22(3) of the Code, the Hon'ble NCLT appointed Mr. Anish Niranjan Nanavaty as the resolution professional for the Company (“RP”) vide its order dated June 21, 2019, which was published on June 28, 2019 on the website of the NCLT. Accordingly, the IRP handed over the matters pertaining to the affairs of the Company to the RP as on June 28, 2019 who assumed the powers of the board of directors of the Company and the responsibility of conducting the CIRP of the Company. Further, upon approval of resolution plan, submitted by Reliance Projects and Property Management Services Limited in respect of the Company as approved by Hon’ble NCLT, Mumbai Bench, vide order dated December 3, 2020, Mr. Anish Niranjan Nanavaty has ceased to be the resolution professional of the Company and a Monitoring Committee constituted, pursuant to the terms of the approved resolution plan to oversee the management of the affairs of the Company, comprising of Mr. Anish Niranjan Nanavaty ("Member") .With respect to the financial statements for the year ended March 31, 2021, the Member has signed the same solely for the purpose of ensuring compliance by the Company with applicable laws, and subject to the following disclaimers:

(i) The Member has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the Member in terms of Section 233 of the Code; (ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the Member including, his authorized representatives and advisors; (iii) The Member, in review of the financial statements and while signing this financial statements, has relied upon the assistance provided by the directors of the Company, and certifications, representations and statements made by the directors of the Company, in relation to these financial statements. The financial statements of the Company for the year ended March 31, 2021 have been taken on record by the Member solely on the basis of and on relying the aforesaid certifications, representations and statements of the aforesaid directors and the management of the Company. For all such information and data, the Member has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Company as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial statements. (iv) In terms of the provisions of the Code, the Member is required to undertake a review of certain transactions. Such review has been completed and the Member has filed the necessary applications with the adjudicating authority.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

After review, the Director and Chief Financial Officer of the Company have approved the financial statements at their meeting held on June 26, 2021 which was chaired by Mr. Anish Niranjan Nanavaty, the authorised member of Monitoring Committee and the Member took the same on record basis recommendation from the Director and Chief Financial Officer.

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Regn No. 107783W/W100593

For Reliance Infratel Limited

Anish Niranjan Nanavaty
Authorised Member of Monitoring Committee

Vishal D. Shah
Partner
Membership No. 119303

Mahesh Mungekar
Director
DIN 00778339

Mangesh Chavan
Chief Financial Officer

Gourav Ranawat
Company Secretary and Manager
A57067

Place : Mumbai
Date : June 26, 2021

Globalcom Mobile Commerce Limited

(Formerly Reliance Mobile Commerce Limited)

Financial Statements

March 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Globalcom Mobile Commerce Limited

Report on the audit of the Financial Statements

Qualified Opinion

1. We have audited the accompanying financial statements of **GlobalcomMobileCommerceLimited**('theCompany'),whichcomprisetheBalance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'financialstatements').

2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the 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 state of affairs of the Company as at March 31, 2021 and its loss (including other comprehensive income) and its cash flows for the year ended on thatdate.

Basis for Qualified Opinion

3. We draw attentionto- Note 2.11 to the financial statements, which describes that the company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during the current year and it's current liabilities exceeds its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on the going concern basis for the reason stated in the said note, however we are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern assumption in the preparation of the financial statements.

Information Other than the financial statements and Auditor's Report Thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's report and shareholders information, but does not include the financial statements and our auditor's report thereon.

5. 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, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the financial statements

6. The Company's Board of Directors/ Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assetsoftheCompanyandforpreventinganddetectingfraudsandother irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud orerror.

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

   The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 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 financialstatements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 internalcontrol.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of suchcontrols.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made bymanagement.

- 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 tocontinue 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 goingconcern.

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

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order'), by the Central Government of India in terms of sub section (11) of Section143 of the Act, we enclose in Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by sub section (3) of Section 143 of the Act, we reportthat:

    a) Except for the possible effects of the matters described in the Basis of Qualified Opinion paragraph above, 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 ouraudit;

    b) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of thosebooks;

    c) The Balance Sheet, the Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books ofaccount;

    d) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder;

    e) The matter described under the Basis of Qualified Opinion paragraph above in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in financial statements of theCompany;

    f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of sub section (2) of Section 164 of theAct;

g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to any of its directors during the year. Hence, the requirement of the Company for compliance under this section is not applicable.

h) With respect to the adequacy of the internal Financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “AnnexureB”.

i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given tous:

   i. There were no pending litigations which would impact the financial position of the Company.

   ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303
UDIN:21119303AAAALI2299

Place: Mumbai
Date: June25, 2021

Annexure A to Auditors' Report
Referred to in our Auditors' Report of even date to the members of Globalcom Mobile Commerce Limitedon the financial statements for the year ended March 31, 2021

(i) The Company does not have fixed assets as on March 31, 2021.Accordingly paragraph 1 (a) (b) (c) of the order is not applicable to the Company.

(ii) As explained to us, there is no physical inventory in existence and hence, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) The Company has not granted any loan, secured or unsecured, to any company, firm, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of Act. Accordingly, provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the applicable provisions of Section 186 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, Paragraph 5 of the Order is not applicable to theCompany.

(vi) As informed to us, the Central Government has not prescribed the maintenance of cost record under sub-section (1) of section 148 of the Act. Accordingly, the clause 6 of the order is not applicable to theCompany.

(vii) (a) According to the records of the Company, the Company does not have any statutory dues like Goods and Service Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess etc. except for Income Tax where Company is regular in depositing the income tax dues.

(b) According to the records of the Company, there are no undisputed dues in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax and cess as at March 31, 2021 which were outstanding for a period of more than six months from the date they became payable.

(c) According to the records of the Company, there are no dues of income-tax, sales-tax, works contract tax, service-tax, duty of customs, duty of excise and value added tax as at March 31, 2021 which have not been deposited on account of a dispute.

(viii) During the year the Company has not availed loan from any financial institution or bank or debenture holders hence the reporting requirements under paragraph 3(viii) of the order is not applicable.

(ix) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans hence the reporting requirements under paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company has not paid managerial remuneration during the year and hence, the reporting requirement under paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303
UDIN: 21119303AAAALI2299

Place: Mumbai
Date: June25, 2021

Annexure – B to Auditor's report

[Annexure to the Independent Auditor's Report referred to in paragraph "11(h)" under the heading "Report on other legal and regulatory requirements" of our report of even date on the financial statements ofGlobalcom Mobile Commerce Limited for year ended March 31, 2021.]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial statements of **Globalcom Mobile Commerce Limited** ('the Company') as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India'. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all materialrespects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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 orerror.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures maydeteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303
UDIN: 21119303AAAALI2299

Place: Mumbai
Date: June25, 2021

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Balance Sheet as at March 31, 2021

(Amount in ₹)

	Notes		As at March 31, 2021		As at March 31, 2020
ASSETS					
Current Assets					
(a) Financial Assets					
Cash and Cash Equivalents	**2.01**		**5 84 311**		5 84 311
TOTAL			**5 84 311**		5 84 311
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.02**	**2 00 00 000**		2 00 00 000	
(b) Other Equity	**2.03**	**(2 20 36 697)**	**(20 36 697)**	(2 20 02 537)	(20 02 537)
Liabilities					
Current Liabilities					
(a) Financial Liabilities					
Other Financial Liabilities	**2.04**		**26 19 508**		25 86 848
(b) Other Current Liabilities	**2.05**		**1 500**		-
TOTAL			**5 84 311**		5 84 311

Significant Accounting Policies **1**
Notes to the Financial Statements **2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

Place : Mumbai
Date : June 25, 2021

Vishwanath D Rao
Director
DIN No :- 08607657

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : June 25, 2021

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Statement of Profit and Loss for the year ended March 31, 2021

(Amount in ₹)

		Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**INCOME**			
	Other Income		-	-
	Total Income (I)		-	-
II	**EXPENDITURE**			
	General Administration Expenses	2.06	**34 160**	35 24 072
	Total Expenses (II)		**34 160**	35 24 072
III	**Loss before Tax (I- II)**		**(34 160)**	(35 24 072)
IV	Tax expense:			
	Current Tax		-	-
	Short/ (Excess) provision of earlier years		-	-
V	**Loss after Tax**		**(34 160)**	(35 24 072)
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income / (Loss) during the year**		**(34 160)**	(35 24 072)
VIII	**Earning per share of face value of ₹ 10 each for fully Paid**	2.08		
	Basic (₹)		**(0.02)**	(1.76)
	Diluted (₹)		**(0.02)**	(1.76)

Significant Accounting Policies	**1**
Notes to the Financial Statements	**2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

Place : Mumbai
Date : June 25, 2021

Vishwanath D Rao
Director
DIN No :- 08607657

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : June 25, 2021

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Statement of Change in Equity for the year ended March 31, 2021

(Amount in ₹)

A: Equity	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Balance at the beginning of the year	**2 00 00 000**	2 00 00 000
Change in equity share capital during the year	**-**	-
Balance at the end of the year	**2 00 00 000**	2 00 00 000

B: Other Equity

Surplus/ (Deficit) in Statement of Profit and Loss

Particular	**Retained Earnings**
Balance as at April 01, 2019	(1 84 78 465)
Add : Loss during the year	(35 24 072)
Balance as at March 31, 2020	(2 20 02 537)
Add : Loss during the year	(34 160)
Balance as at March 31, 2021	**(2 20 36 697)**

The accompanying statement of changes in equity should be read in conjunction with the accompanying notes (1-2).

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

Vishwanath D Rao
Director
DIN No :- 08607657

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : June 25, 2021

Place : Mumbai
Date : June 25, 2021

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Statement of Cash Flow for the year ended March 31, 2021

(Amount in ₹)

	Particulars		For the year ended March 31, 2021		For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Loss before tax as per Statement of Profit and Loss		**(34 160)**		(35 24 072)
	Operating Profit/(Loss) before Working Capital Changes		**(34 160)**		(35 24 072)
	Adjusted for:				
	Receivables and Other Advances	-		35 00 000	
	Other Current Liabilities	34 160	**34 160**	14 160	35 14 160
	Cash (Used in) Operations		**-**		(9 912)
	Tax Refund		-		-
	Tax Paid		-		-
	Net Cash (used in) / Generated from Operating Activities		**-**		(9 912)
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Net Cash Generated from Investing Activities		**-**		-
C	**CASH FLOW FROM FINANCING ACTIVITIES**		**-**		-
	Net Cash from Financing Activities		**-**		**-**
	Net Increase / (Decrease) in Cash and Cash Equivalents		**-**		(9 912)
	Opening Balance of Cash and Cash Equivalents		**5 84 311**		5 94 223
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)		**5 84 311**		5 84 311

Note:

(1) Figures in brackets indicate cash outgo.
(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits with Bank.
(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 "Statement of Cash Flow".

The accompanying statement of cash flow should be read in conjunction with the accompanying notes (1-2).

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

Vishwanath D Rao
Director
DIN No :- 08607657

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : June 25, 2021

Place : Mumbai
Date : June 25, 2021

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2021

Note:1 General Information and Significant Accounting Policies

1.01 General Information

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited) ("the Company"), is registered under Companies Act 1956, having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710 and wholly owned subsidiary of Reliance Communications Limited.

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act 2013 ("the Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.04 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company.

1.05 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.06 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

1.07 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.08 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.09 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis and available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(vii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1.11 Measurement of Fair value of financial instruments

The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred (Note 2.14) for information on detailed disclosures pertaining to the measurement of fair values.

1.12 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2021

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
2.01 Cash and Cash Equivalents		
Balance with Banks	5 84 311	5 84 311
	5 84 311	5 84 311
2.02 Equity Share Capital		
Authorised		
20 00 000 (20 00 000) Equity Shares of ₹ 10 each	2 00 00 000	2 00 00 000
	2 00 00 000	2 00 00 000
Issued, Subscribed and Paid up		
20 00 000 (20 00 000) Equity Shares of ₹ 10 each fully paid up	2 00 00 000	2 00 00 000
	2 00 00 000	2 00 00 000

Equity Shares

a) All the 20 00 000 shares are held by Reliance Communications Limited, the Holding Company & its nominees.

	As at March 31, 2021		As at March 31, 2020	
b) Equity Shares	**No. of Shares**	**(Amount in ₹)**	**No. of Shares**	(Amount in ₹)
At the beginning of the year	20 00 000	2 00 00 000	20 00 000	2 00 00 000
Add/(Less): Changes during the year	-	-	-	-
	20 00 000	**2 00 00 000**	20 00 000	2 00 00 000

c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after the distribution of all the preferential amounts, in proportion to their shareholdings.

	As at March 31, 2021	As at March 31, 2020
2.03 Other Equity		
Surplus/(Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	**(2 20 02 537)**	(1 84 78 465)
Add: Loss during the year	**(34 160)**	(35 24 072)
Closing Balance	**(2 20 36 697)**	(2 20 02 537)
2.04 Other Financial Liabilities		
Provision for Expenses	**83 900**	69 740
Payable to Related Parties (Refer Note 2.12)	**25 22 623**	25 04 123
Other Payables	**12 985**	12 985
	26 19 508	25 86 848
2.05 Other Current Liabilities		
Payable to Tax Authorities	**1 500**	-
	1 500	**-**

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2021

(Amount in ₹)

		For the year ended March 31, 2021	For the year ended March 31, 2020
2.06	**General administration Expenses**		
	Miscellaneous Expenses	-	35 00 000
	Professional Fees	-	7 080
	Payment to Auditors - Audit Fees	14 160	14 160
	Bank charges	-	2 832
	Director's Sitting Fees	20 000	-
		34 160	35 24 072

2.07 The figures for the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in ₹, except as otherwise stated.

2.08 Earnings per Share (EPS)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Numerator - Profit after tax (₹)	(34 160)	(35 24 072)
Denominator - Weighted number of equity shares	20 00 000	20 00 000
Basic as well as diluted, earning per equity share (₹)	(0.02)	(1.76)

2.09 Deferred Tax Assets (net)

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
(i) Deferred Tax Assets		
Related to Carried forward Loss	-	-
	-	-

Significant management judgement considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. The Company on a conservative basis has restricted deferred tax asset to Nil.

(a) Amounts recognised in profit and loss

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax	-	-
Short Provision pertaining to earlier year	-	-
Tax expense for the year	-	-

(b) Amounts recognised in other comprehensive income - Rs. Nil

(c) Reconciliation of Tax Expenses

Loss before Tax	(34 160)	(35 24 072)
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expenses (I)	(8 882)	(9 16 259)
Add: Tax on Expenses disallowed under Income Tax Act	8 882	9 16 259
	-	-

2.10 Segment Reporting

There are no reportable Segments as per Ind AS-108 "Operating segment" issued by the Institute of Chartered Accountants of India.

2.11 Going Concern

The Accounts have been prepared on a 'Going concern basis' as the Company has been able to meet its obligations in the ordinary course of business and considering the assurance of the financial support extended by the other body corporate.

2.12 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

2.13 Related Parties :

As per Indian Accounting Standard ("Ind AS")-24 of "Related Party Disclosures", the disclosures", the disclosure of transactions with the related parties as defined therein are given below:

a)	**Name of the Related Party**	**Relationship**
i	Reliance Communications Limited	Holding Company
ii	Reliance Communications Infrastructure Limited	Fellow Subsidiary Company
iil	Globalcomm IDC Limited	Fellow Subsidiary Company

b) **Transactions during the year with related parties :**

(Amount in ₹)

Sr. No.	Nature of Transactions	Fellow Subsidiary Company	Total
1	**Other Financial Liabilities**	**25 22 623** (25 04 123)	**25 22 623** (25 04 123)

c) **Details of Material Transaction with Related Party**

(Amount in ₹)

Particulars	March 31, 2021	March 31, 2020
Transaction during the year		
Reimbursement of expenses (net)		
Globalcom IDC Limited	**18 500**	-
Balance Sheet (Closing Balance)		
Other Financial Liabilities		
Reliance Communications Infrastructure Limited	**25 04 123**	25 04 123
Globalcom IDC Limited	**18 500**	-

Note : 2.14

1 **Financial Instruments**

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Particulars	**As at March 31, 2021**	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	**5 84 311**	5 84 311
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Investments	**Nil**	Nil
Financial liabilities at amortised cost:		
Borrowings	**Nil**	Nil
Other Financial Liabilities	**26 19 508**	25 86 848
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

Notes on accounts to the Financial Statements as at March 31, 2021

2 Financial Risk Management Objectives and Policies

The Company does not have any activity during the year and therefore no financial risks like market risk, credit risk and liquidity risk.

Note : 2.15

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholders value. The funding requirement is met through a mixture of equity, internal accruals and financial support extended by the other body corporate.

Note : 2.16

Covid - 19 Impact

There is no significant impact on the Company's financial statement on account of the COVID 19 pandemic.

Note : 2.17

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2021 are approved by the Board of Directors on June 25, 2021.

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

Vishal D Shah
Partner
Membership No. 119303

Place : Mumbai
Date : June 25, 2021

For and on behalf of the Board

Vishwanath D Rao
Director
DIN No :- 08607657

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : June 25, 2021

Reliance BPO Private Limited

Unaudited Financial Statements
as at March 31, 2021

Reliance BPO Private Limited

Unaudited Balance Sheet as at March 31, 2021

₹ in lakh

	Notes		As at March 31, 2021		As at March 31,2020
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	**2.01**		**-**		78.49
(b) Deferred Tax Assets	**2.02**		**-**		26.54
Current Assets					
Financial Assets					
(a) Cash and Cash Equivalents	**2.03**		**0.02**		0.02
(b) Other Financial Assets	**2.04**		**39.35**		-
Total Assets			**39.37**		105.05
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.05**	1.00		1.00	
(b) Other Equity	**2.06**	(915.51)	**(914.51)**	(894.53)	(893.53)
LIABILITIES					
Current Liabilities					
(a) Other Current Liabilities	**2.07**		**953.88**		998.58
Total Equity and Liabilities			**39.37**		105.05

Significant Accounting Policies 1

Notes to Financial Statements 2

Notes referred above form an integral part of the Financial Statements

As per our Report of even date

For and on behalf of the Board

Rakesh Gupta
Director
DIN: 00130829

Place: Mumbai
Dated: June 26, 2021

Reliance BPO Private Limited

Statement of Profit and Loss for the year ended March 31, 2021

₹ in lakh

		Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
	INCOME			
I	Other Income	2.08	33.27	-
	Total Income		**33.27**	-
II	**EXPENSES**			
	Other Expenses	2.09	27.71	85.07
	Total Expenses		**27.71**	85.07
III	**Profit / (Loss) Before Tax (I-II)**		**5.56**	(85.07)
IV	Tax expense:			
	- Current Tax		-	-
	- Deferred Tax Charge/ (Credit) (net)	2.02	26.54	-
V	**Profit / (Loss) After Tax (III - IV)**		**(20.98)**	(85.07)
VI	**Other Comprehensive Income**		**-**	-
VII	**Total Comprehensive Income (V + VI)**		**(20.98)**	(85.07)
VIII	**Earnings per Share of ₹ 10 each fully paid up**	2.13		
	- Basic (₹)		(209.80)	(850.70)
	- Diluted (₹)		(209.80)	(850.70)

Significant Accounting Policies	1
Notes to Financial Statements	2

Notes referred above form an integral part of the Financial Statements.

As per our Report of even date

For and on behalf of the Board

Rakesh Gupta
Director
DIN: 00130829

Place: Mumbai
Dated: June 26, 2021

Reliance BPO Private Limited

Statements of Change in Equity for the year ended March 31, 2021

(a) Equity share capital

₹ in lakh

	For the year ended March 31, 2021	For the year ended March 31,2020
Balance at the beginning of the year	**1.00**	1.00
Change in equity share capital during the period	-	-
Balance at the end of the period	**1.00**	1.00

(b) Other Equity

₹ in lakh

Particulars	**Reserves and Surplus**		**Total**
	Securities Premium	**Retained Earnings**	
Balance as at April 1, 2019	1,00,848.52	(1,01,657.98)	(809.46)
Surplus/ (Deficit) of Statement of Profit and Loss	-	(85.07)	(85.07)
Other Comprehensive Income	-	-	
Balance as at March 31, 2020	**1,00,848.52**	**(1,01,743.05)**	**(894.53)**
Surplus/ (Deficit) of Statement of Profit and Loss	-	(20.98)	**(20.98)**
Other Comprehensive Income	-	-	**-**
Balance as at March 31, 2021	**1,00,848.52**	**(1,01,764.03)**	**(915.51)**

As per our Report of even date

For and on behalf of the Board

Rakesh Gupta
Director
DIN: 00130829

Place: Mumbai
Dated: June 26, 2021

Reliance BPO Private Limited

Statement of Cash Flow for the year ended March 31, 2021

₹ in Lakh

		For the year ended March 31, 2021		For the year ended March 31, 2020
A: CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit / (Loss) before tax as per Statement of Profit and Loss		**5.56**		(85.07)
Adjusted for:				
Loss on Cancellation of Land	26.67		-	
Unrealised Exchange Loss/ (Gain)	(33.27)		84.76	
		(6.60)		84.76
Operating Profit / (Loss) before Working Capital Changes		**(1.04)**		(0.31)
Adjusted for:				
Receivables and other Advances	(39.35)		-	
Trade Payables and Other liabilities	(11.43)		0.05	
		(50.78)		0.05
Net Cash from /(Used in) Operating Activities		**(51.82)**		(0.26)
B: CASH FLOW FROM INVESTING ACTIVITIES:				
Deletion of Fixed Assets		51.82		-
Net Cash from /(Used in) Investing Activities		**51.82**		-
C: CASH FLOW FROM FINANCING ACTIVITIES:				
Net Cash Used in Financing Activities		**-**		-
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**-**		(0.26)
Opening Balance of Cash and Cash Equivalents		**0.02**		0.28
Closing Balance of Cash and Cash Equivalents		**0.02**		0.02

Notes:

(1) Figures in brackets indicate cash outgo.

(2) Statement of Cash Flow has been prepared under the Indirect Method set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flow".

As per our Report of even date

For and on behalf of the Board

Rakesh Gupta
Director
DIN: 00130829

Place: Mumbai
Dated: June 26, 2021

Reliance BPO Private Limited

Notes to the Financial Statements

Note:1
General Information and Significant Accounting Policies

1.01 General Information

Reliance BPO Private Limited (“RBPO” or “the Company”), a subsidiary of Reliance Communications Infrastructure Limited ("RCIL" or " the Holding Company") . The Company is registered under the Companies Act, 1956, having Registered Office at Manek Mahal, Flat No. 19-20, 6th Floor, 90- Veer Nariman Road, Church Gate Mumbai-400020.

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Recent Accounting Developments

Standards issued but not yet effective:

Recent pronouncements relating to Ind AS 116 "Leases", Ind AS 12 " Income Tax"and Ind AS 19 "Employee Benefits" issued by the Ministry of Corporate Affairs (the MCA), Government of India (GoI), applicable with effect from April 1, 2019, does not have any impact on Financial Statements of the Company.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.05 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company.

1.06 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.07 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised 'over time' or 'at a point in time'.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset's net carrying amount on initial recognition.

1.08 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.10 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit and Loss.

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Reliance BPO Private Limited

Notes to the Financial Statements

2.01 Property, Plant and Equipment

₹ in lakh

Particulars	Freehold Land	Capital Work in Progress
Gross carrying value		
As at April 1, 2019	78.49	-
Additions	-	-
Deletion	-	-
As at March 31, 2020	78.49	-
Additions	-	-
Deletion	**(78.49)**	-
As at March 31, 2021	**-**	**-**
Accumulated Depreciation		
As at April 1, 2019	-	-
Depreciation for the period	-	-
Disposals	-	-
As at March 31, 2020	-	-
Depreciation for the period	-	-
Disposals	-	-
As at March 31, 2021	-	-
Net Carrying value		
As at March 31, 2020	78.49	-
As at March 31, 2021	**-**	**-**

Reliance BPO Private Limited

Notes to the Financial Statements

2.02 Deferred Tax Assets

₹ in lakh

Particulars	As at March 31, 2021	As at March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Deferred Tax Assets				
Related to timing difference on Indexed Cost of PPE	-	26.54	(26.54)	-
	-	26.54	**(26.54)**	-
(ii) Deferred Tax Liabilities	**-**	-	-	-
Net Deferred Tax Assets	**-**	26.54	**(26.54)**	-

Significant management judgement is considered in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimate of the taxable income for the period over which deferred tax assets will be recovered.

The Company has unused capital gain tax losses which according to the management will be used to setoff taxable profit arising in subsequent years from sale of asset of the Company. However, Deferred Tax Assets have not been recognised except timing difference on Indexed Cost of PPE. Year wise expiry of total Losses are as under:

Sr.	Year of Expiry	Amount of Loss (₹ in lakh)
i.	Financial Year 2023-24	0.45

(a) Amounts recognised in profit and loss

₹ in lakh

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax	-	-
Deferred income tax liability / (asset), net	26.54	-
Tax expense for the year	**26.54**	-

(b) Amounts recognised in other comprehensive income	**Nil**	Nil

(c) Reconciliation of Tax Expenses

Profit/ (Loss) before Tax	5.56	(85.07)
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expenses (I)	1.45	(22.12)
Expenses not allowed in Taxable Income	(1.45)	22.12
Reversal of relating to Indexed Cost of PPE	26.54	-
Subtotal (II)	**25.09**	22.12
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I+II)	**26.54**	-

2.03 Cash and Cash Equivalents

₹ in lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with Banks		
-In Current accounts	0.02	0.02
	0.02	0.02

2.04 Other Financial Assets

₹ in lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Advances to Related Parties (Refer Note 2.12)	39.35	0.02
	39.35	0.02

Reliance BPO Private Limited

Notes to the Financial Statements

2.05 Share Capital ₹ in lakh

Particulars		**As at March 31, 2021**	As at March 31, 2020
Authorised			
1,00,000 (1,00,000)	Equity Shares of ₹ 10 each	10.00	10.00
1,05,00,000 (1,05,00,000)	Preference Shares of ₹ 10 each	1,050.00	1,050.00
		1,060.00	1,060.00
Issued, Subscribed and Paid up			
10,000 (10,000)	Equity Shares of ₹ 10 each fully paid-Up	1.00	1.00
		1.00	1.00

2.05.01 Share held by Holding Company

Details of Shareholders holding more than 5% shares in the Company

Equity Shares	**As at March 31, 2021**		As at March 31, 2020	
	No of Shares	**%**	No of Shares	%
Reliance Communications Infrastructure Limited, the Holding Company and its nominees	10,000	100%	10,000	100%
	10,000	**100%**	10,000	100%

2.05.02 Reconciliation of shares outstanding at the beginning and at the end of the year:

Equity Shares	**As at March 31, 2021**		As at March 31, 2020	
	Number	**₹ in Lakh**	Number	₹ in Lakh
At the beginning of the Year	10,000	1.00	10,000	1.00
Add/(Less): Changes during the Year	-	-	-	-
At the end of the Year	**10,000**	**1.00**	10,000	1.00

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after the distribution of all the preferential amounts, in proportion to their shareholding.

Reliance BPO Private Limited

Notes to the Financial Statements

2.06 Other Equity

₹ in lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Security Premium		
(i) Opening Balance	1,00,848.52	1,00,848.52
(ii) Additions during the year	-	-
	1,00,848.52	1,00,848.52
Surplus /(Deficit) in retained earnings		
(i) Opening Balance	(1,01,743.05)	(1,01,657.98)
(ii) Add: Profit /(Loss) for the year	(20.98)	(85.07)
(iii) Add: Other Comprehensive Income	-	-
	(1,01,764.03)	(1,01,743.05)
	(915.51)	(894.53)

2.07 Other Current Liabilities

₹ in lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Creditors for Capital goods	951.88	985.15
Advance from Related Party (Ref Note No.2.12)	0.66	12.47
Other Liabilities	1.34	0.96
	953.88	998.58

2.08 Other Income

₹ in lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gain on Foreign currency transactions and translation	33.27	-
	33.27	-

2.09 Other Expenses

₹ in lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Professional Fee	0.14	-
Loss on Foreign currency transactions and translation	-	84.76
Loss on Cancellation of Land	26.67	-
Director Sitting Fee	0.60	-
Payment to Auditors		
-Statutory Audit Fee	0.30	0.31
	27.71	85.07

Notes to the Financial Statements

2.10 Previous Year

The figures of the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupees in Lakh except as otherwise stated.

2.11 (i) Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There is no fair valuation of financial instruments. The carrying value and fair value of financial instruments by categories as of March 31, 2019 were as follows:

₹ in lakh

	As at March 31, 2021	As at March 31 ,2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.03)	**0.02**	0.02
Other Financial Assets (Refer Note 2.04) (Refer Note 2.03)	**39.35**	-
Total	**39.37**	0.02
Financial liabilities at amortised cost:	Nil	Nil

(ii) Financial Risk Management Objectives and Policies

The Company’s business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising	Measurement	Management
Liquidity risk	Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines facilities
Market risk – foreign exchange	Recognised financial liabilities	Sensitivity analysis	Unhedged

Liquidity risk

Liquidity risk is the financial risk that is encountered due to difficulty in meeting its obligations. Based on the

assurance from other body corporates, the Company's management does not seems any Liquidity risk.

Market risk

The Company's liability towards Capex Creditors is payable in US Dollar hence exposed to foreign exchange risk to the extent, changes in market prices such as foreign exchange rates.

Reliance BPO Private Limited

Notes to the Financial Statements

Foreign Currency Risk from financial instruments as of :

₹ in lakh

		As at March 31, 2021	As at March 31 ,2020
Creditors for Capital goods	₹ in lakh	**951.88**	985.15
	USD in Million	**1.30**	1.30

Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as mentioned below:

₹ in lakh

	For the year ended March 31, 2021	For the year ended March 31, 2020
Impact of 2% increase in exchange rate of USD INR	**19.04**	19.70

If exchange rate is affected with decrease by 2%, profit shall also accordingly be affected.

2.12 Related Parties

As per the Indian Accounting Standard ("Ind AS") 24 of "Related Party Disclosures", the disclosure of transactions with the related parties as defined therein are given below:

Name of the Related Party	Relationship
Reliance Communications Infrastructure Limited (RCIL)	Holding Company
Globalcom IDC Ltd	Holding Company

Sr.	Nature of Transactions	Holding Company RCIL ₹ in Lakh	Holding Company GIDCL ₹ in Lakh
a)	Other Current Liabilities	**-**	**0.66**
		(12.47)	**(-)**
b)	Advances	**39.35**	**-**
		(-)	**(-)**

₹ in lakh

2.13	**Earning per Share**	For the year ended March 31, 2021	For the year ended March 31, 2020
(a)	Net Profit/(Loss) attributable to Equity Share Holders (₹ in Lakh)	**(20.98)**	(85.07)
(b)	Weighted Average Number of equity shares used as denominator for Calculating EPS	**10,000**	10,000
(c)	Basic and Diluted Earning per equity shares -(₹) (Face value ₹10 each)	**(209.80)**	(850.65)

2.14 Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 - 'Operating Segment'

Reliance BPO Private Limited

Notes to the Financial Statements

2.15 Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company.
The funding requirement is met through a mixture of equity, internal accruals and financial support extended by the other body corporate.

2.16 Going Concern

The Accounts have been prepared on a 'Going concern basis' as the Company has been able to meet its obligations in the ordinary course of business and considering the assurance of the financial support extended by the other body corporate.

2.17 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

2.18 Impact of Covid 19

There is no significant impact on te Compnay;'s financial results on account of the Covid 19 pandemic

2.19 Authorisation of Financial Statements

The financial statements for the year ended March 31, 2021 are approved by the Board of Director on June 26, 2021.

As per our Report of even date

For and on behalf of the Board

Rakesh Gupta
Director
DIN: 00130829

Place: Mumbai
Dated: June 26, 2021

Reliance Communications Tamil Nadu Limited

Unaudited Financial Statements

March 31, 2021

Reliance Communications Tamil Nadu Limited

Unaudited Balance Sheet as at March 31, 2021

(Amount in ₹)

	Notes		As at March 31, 2021		As at March 31, 2020
ASSETS					
Non Current Assets					
Investments	**2.01**		**260 00 00 000**		260 00 00 000
Current Assets					
Financial Assets					
Cash and Cash Equivalent	**2.02**		**3 89 471**		3 89 471
TOTAL			**260 03 89 471**		260 03 89 471
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.03**	5 00 000		5 00 000	
(b) Other Equity	**2.04**	(1 69 24 545)	**(1 64 24 545)**	(1 68 83 305)	(1 63 83 305)
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.05**	261 67 24 026		261 67 24 026	
(b) Other Current Liabilities	**2.06**	89 990	**261 68 14 016**	48 750	261 67 72 776
TOTAL			**260 03 89 471**		260 03 89 471

Significant Accounting Policies **1**

Notes on Accounts **2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For and on Behalf of the Board

Arvind Purohit
Director
DIN:08349713

Place: Mumbai
Dated : June 26, 2021

Reliance Communications Tamil Nadu Limited
Statement of Profit and Loss for the year ended March 31, 2021

(Amount in ₹)

		Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**INCOME**			
	Other Income		**-**	-
	Total Income		**-**	-
II	**EXPENSES**			
	Other Expenses	**2.07**	**41 240**	27 924
	Total Expenses		**41 240**	27 924
III	**Profit/ (Loss) Before Tax (I - II)**		**(41 240)**	(27 924)
IV	Tax expense:			
	- Current Tax		**-**	-
V	**Profit/ (Loss) After Tax**		**(41 240)**	(27 924)
	Earning Per Share of face value ₹10 each fully paid up			
	Basic & Diluted (₹)	**2.11**	**(0.82)**	(0.56)

Significant Accounting Policies	**1**
Notes on Accounts	**2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For and on Behalf of the Board

Arvind Purohit
Director
DIN:08349713

Place: Mumbai
Dated : June 26, 2021

Reliance Communications Tamil Nadu Limited

Statement of Change in Equity for the year ended March 31, 2021

(Amount in ₹)

(A) Equity (Refer Note - 2.03)

Balance at April 1, 2019	5 00 000
Change in equity share capital during the year	-
Balance at March 31, 2020	5 00 000
Change in equity share capital during the period	-
Balance at March 31, 2021	**5 00 000**

(B) Other Equity (Refer Note - 2.04)

Attributable to Equity holder

Particulars	**Retained Earnings**
Balance at April 1, 2019	(1 68 55 381)
Add : Profit/ (Loss) for the year	(27 924)
Balance at March 31, 2020	(1 68 83 305)
Add : Profit/ (Loss) for the period	(41 240)
Balance at March 31, 2021	**(1 69 24 545)**

As per our Report of even date

For and on Behalf of the Board

Arvind Purohit
Director
DIN:08349713

Place: Mumbai
Dated : June 26, 2021

Reliance Communications Tamil Nadu Limited

Statement of Cash Flow for the year ended March 31, 2021 (Amount in ₹)

			For the year ended March 31, 2021		For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) before tax as per Statement of Profit and Loss		**(41 240)**		(27 924)
	Operating Profit/(Loss) before Working Capital Changes		**(41 240)**		(27 924)
	Working Capital Changes:				
	Current assets	-	**-**	-	
	Current Liabilities	41 240	**41 240**	14 160	14 160
	Cash Generated from Operations				**(13 764)**
	Tax Refund	-		**-**	
	Tax Adjustment	-	**-**	**-**	-
	Net Cash from / (used in) Operating Activities		**-**		(13 764)
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Net Cash from / (used in) Investing Activities		**-**		-
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from / (Repayment of) Short Term Borrowings (net)		**-**		6 330
	Net Cash from / (used in) Financing Activities		**-**		6 330
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)		**-**		(7 434)
	Opening Balance of Cash and Cash Equivalents		**3 89 471**		3 96 905
	Closing Balance of Cash and Cash Equivalents		**3 89 471**		3 89 471

Note:

(1) Figures in brackets indicate cash outgo.

(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits.

(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flow".

As per our Report of even date

For and on Behalf of the Board

Arvind Purohit
Director
DIN:08349713

Place: Mumbai
Dated : June 26, 2021

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

1. General Information and Significant Accounting Policies

1.01 General Information

Reliance Communications Tamil Nadu Limited (“the Company”), is registered under the Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Webstore Limited (RWSL)

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Recent Accounting Developments

Standards issued but not yet effective:

Recent pronouncements relating to Ind AS 116 "Leases", Ind AS 12 " Income Tax"and Ind AS 19 "Employee Benefits" issued by the Ministry of Corporate Affairs (the MCA), Government of India (GoI), applicable with effect from April 1, 2019, does not have any impact on Financial Statements of the Company.

1.04 Note on Covid - 19 Impact

There is no significant impact on the Company's financial results on account of the COVID 19 pandemic.

1.05 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes on Accounts to Financial Statements

1.06 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company.

1.07 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.08 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised 'over time' or 'at a point in time'.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset's net carrying amount on initial recognition.

1.09 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.11 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit and Loss.

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(Amount in ₹)

		As at March 31, 2021	As at March 31, 2020
2.01 Investments			
Trade Investments			
In Preference Shares			
Unquoted, fully Paid up, At Cost			
1 34 77 000 (1 34 77 000)	1% Redeemable Non Cumulative Non Convertible Preference Shares of Reliance Telecom Limited of ₹ 10 each	260 00 00 000	260 00 00 000
		260 00 00 000	260 00 00 000
Aggregate Amount of Investments			
Unquoted		260 00 00 000	260 00 00 000
Quoted		**-**	-
		260 00 00 000	260 00 00 000
2.02 Cash and Cash Equivalent			
Balances with Banks in Current Account		3 89 471	3 89 471
		3 89 471	3 89 471

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
2.03 Share Capital		
Authorised		
50 000 Equity Shares of ₹ 10 each (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000
Issued, Subscribed and Paid up		
50 000 Equity Shares of ₹ 10 each fully paid up (50 000)	**5 00 000**	5 00 000
	5 00 000	5 00 000

a) Shares held by Holding Company

	No. of Shares	%	No. of Shares	%
Reliance Webstore Limited and its nominees	**50 000**	**100%**	50 000	100%

b) Details of Shareholders holding more than 5% shares in the Company

	No. of Shares	%	No. of Shares	%
Reliance Webstore Limited and its nominees	**50 000**	**100%**	50 000	100%

c) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹	No. of Shares	₹
Equity Shares				
At the beginning of the year	**50 000**	**5 00 000**	50 000	5 00 000
Add : Changes during the year	**-**	**-**	-	-
At the end of the year	**50 000**	**5 00 000**	50 000	5 00 000

2.04 Other Equity

		As at March 31, 2021		As at March 31, 2020
Surplus/(Deficit) in the Statement of Profit and Loss				
As per last Balance Sheet	(1 68 83 305)		(1 68 55 381)	
Add: Profit/(Loss) for the year	(41 240)		(27 924)	
Balance Carried Forward		(1 69 24 545)		(1 68 83 305)
		(1 69 24 545)		(1 68 83 305)

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(Amount in ₹)

2.05 Borrowings	**As at March 31, 2021**	As at March 31, 2020
Unsecured		
Loan from Body Corporate (Refer Note 2.17) (Repayable on demand)	261 67 24 026	261 67 24 026
	261 67 24 026	261 67 24 026
2.06 Other Current Liabilities		
Audit Fees Payable	42 480	28 320
Others	9 630	1 800
Other Payable (Related Party Ref Note.2.17)	37 880	18 630
	89 990	48 750

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(Amount in ₹)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 2.07 Other Expenses		
Bank Charges	-	354
Professional Fees	7 080	7 080
Filing Fees	-	6 000
Interest Expenses	-	240
Payment to Auditors		
- Audit Fees	14 160	14 160
Interest paid (Int on ST & TDS)	-	90
Sitting Fees	20 000	-
	41 240	27 924

Note 2.08 Previous Year

The figures for the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupee, except as otherwise stated.

Note 2.09

Reliance Telecom Limited (RTL), a fellow subsidiary, is undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 effective from May 18, 2018. Pending the completion and implementation of the resolution plan of RTL , the Company has not provided for any impairment loss on account of investment amounting to Rs. 260 crore in 1% Redeemable, Non Cumulative, Non Convertible Preference Shares having face value of Rs. 10 each issued and redeemable at a Premium of Rs. 990 each of Reliance Telecom Limited (RTL). The impairment loss towards the said investment shall be recognised on completion and implementation of resolution plan of RTL.

Note 2.10

1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Particulars	**As at March 31, 2021**	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**3 89 471**	3 89 471
Financial assets at Fair value through Statement of Profit and Loss:	**Nil**	Nil
Financial assets at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:		
Borrowings	**261 67 24 026**	261 67 24 026
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

(Amount in ₹)

2 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

(Amount in ₹)

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company’s principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company does not have any contractual maturities of financial liabilities.

Note 2.11 Earnings per Share (EPS)	**As at March 31, 2021**	As at March 31, 2020
Numerator - Profit /(Loss) after tax (₹)	**(41 240)**	(27 924)
Denominator - Weighted number of equity shares	**50 000**	50 000
Basic as well as diluted, earning per equity share (₹)	**(0.82)**	(0.56)

Note 2.12 Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 - 'Operating Segment'

Note 2.13 Deferred Tax

The Company does not have any items on which deferred tax should be recognised.

Note 2.14 Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company.

The funding requirement is met through a mixture of equity, internal accruals and financial support extended by the other body corporate.

Note 2.15 Going Concern

The Accounts have been prepared on a 'Going concern basis' as the Company has been able to meet its obligations in the ordinary course of business and considering the assurance of the financial support extended by the other body corporate.

Note 2.16 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

Note 2.17 Related Parties

As per Indian Accounting Standard ("Ind AS")-24 of "Related Party Disclosures", the disclosure of transactions with the related parties as defined therein are given below:

A. List of related parties and relationships :

a) Ultimate Holding Company

1. Reliance Communications Limited (RCOM)

b) Holding Company

1. Reliance Webstore Limited (RWSL)

c) Fellow Subsidiary Companies

1. Reliance Communications Infrastructure Limited (RCIL)
2. Reliance Infratel Limited (RITL)
3. Reliance Telecom Limited (RTL)
4. Reliance Next Link Pvt Ltd (RNL)
5. Reliance IDC Ltd (RIDC)

B. Transactions during the year with Related Parties and closing balances.

(Figures relating to current year are reflected in Bold, relating to previous year are reflected in brackets)

(Amount in ₹)

Sr.	Nature of Transactions	Ultimate Holding	Holding	Fellow Subsidiary	Total
A	**Equity Shares**				
	Balance as at April 1, 2020	**-**	**5 00 000**	**-**	**5 00 000**
		(-)	(5 00 000)	(-)	(5 00 000)
	Shares issued during the year	-	-	**-**	-
		(-)	(-)	(-)	(-)
	Shares transferred during the year	-	-	**-**	-
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2021	**-**	**5 00 000**	**-**	**5 00 000**
		(-)	(5 00 000)	(-)	(5 00 000)
B	**Borrowings - Current**				
	Balance as at April 1, 2020	**55 757**	**-**	**261 66 68 269**	**261 67 24 026**
		(55 757)	(-)	(261 66 61 939)	(261 67 17 696)
	Unsecured Loan taken during the year	**-**	-	**-**	
		(-)	(-)	(-)	(-)
	Repayment/Adjustment of Loan	**-**	**-**	**-**	**-**
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2021	**55 757**		**261 66 68 269**	**261 67 24 026**
		(55 757)	(-)	(261 66 68 269)	(261 67 24 026)
C	**Non Current Investments**	**-**	**-**	**260 00 00 000**	**260 00 00 000**
		(-)	(-)	(260 00 00 000)	(260 00 00 000)
D	**Other Current Liabilities**	**-**	**18 630**	**19 250**	**37 880**
		(-)	(18 630)	(-)	(18 630)

Note 2.18 Authorisation of Financial Statements

The financial statements for the period ended March 31, 2021 are approved by the Board of Director on June 26, 2021.

As per our Report of even date

For and on Behalf of the Board

Arvind Purohit
Director
DIN:08349713

Place: Mumbai
Dated : June 26, 2021

Globalcom Realty Limited

Financial Statements

March 31, 2021

Independent Auditor's Report

To the Members of Globalcom Realty Limited *(Formerly Reliance Infra Realty Limited)*

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Globalcom Realty Limited** ***(Formerly Reliance Infra Realty Limited)*** ("*the Company*") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Effects of COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. The COVID-19 outbreak was declared a global pandemic by the World Health Organization. The Indian government had announced countrywide lockdown from 24th March, 2020 which is continued at present. In this nation-wide lock-down period, though all the services across the nation were suspended, some essential services establishments could operate and were exempted from the lock-down.
The management has assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material for and up to March 31, 2021 and there has been no material change in the controls or processes followed in the closing of the financial statements and hence the necessary effects have been captured in the financial statements for the year 2020-2021.
Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.
Our opinion is not modified in respect of the matters described under paragraph above.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)[i] and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and 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 Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility 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 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 financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
b. The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations as at March 31, 2021

ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2021 for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For D.J. Diwan & Company
Chartered Accountants
Firm Regn.No. 102658W

Dilip J. Diwan
(Proprietor)
M. No. 016665
UDIN: 21016665AAAABC3183

Place: Mumbai
Date: 24th June, 2021

Globalcom Realty Limited
Annexure A to Independent Auditor's Report – 31st March 2021

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Globalcom Realty Limited** ('the Company') on the financial statements for the year ended March 31, 2021, we report the following:

1. The company does not have fixed assets as on 31st March 2021. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.

2. The Company does not have inventories at the end of financial year. Accordingly paragraphs 2 of the orders are not applicable to the company.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other covered in the register maintained under section 189 of the Act. Accordingly paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the company has not given loans, investments, guarantees, and any security under provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph 3(iv) of the Order is not applicable to the Company.

5. In our opinion, and information and explanations given to us, the Company has not accepted deposits as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, Paragraph 3(v) of the Order is not applicable to the Company.

6. The Central Government has not prescribed maintenance of cost records under Sub-Section (1) of section 148 of the Companies Act, 2013. Accordingly the clause 3(vi) is not applicable.

7. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, goods and services tax, income tax, cess, and other material statutory dues applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, income tax, and cess were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

8. The company has not raised loans from Financial Institutions or Banks or Government or debenture holders. Hence clause 3(viii) of the order requiring comment on repayment of the dues to them is not applicable.

9. In our opinion and according to the information and explanations given to us, the company has not raised money by way of Initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of Clause 3(ix) of the order is not applicable to the company.

10. According to the information and explanations given to us, no significant fraud on or by the company by its officers or employees, that causes a material misstatement to the financial statements, has been noticed or reported during the year.

11. According to the information and explanations given to us, the company has not paid or provided managerial remuneration during the year. Accordingly, the provision of Clause 3(xi) of the order is not applicable to the company.

12. As the company is not the Nidhi company, the provision of Clause 3(xii) of the order is not applicable to the company.

13. According to the information and explanations given to us, the company has made all the transactions with the related parties in compliance with sections 177 & 188 of Companies Act and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

14. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year as per section 42 of the Companies Act.2013. Accordingly, the provision of Clause 3(xiv) of the order is not applicable to the company.

15. According to the information and explanations given to us, the company has not entered into any non cash transactions with the directors or persons connected with them as per section 192 of Companies Act, 2013.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause 3(xvi) is not applicable.

For D.J. Diwan & Company
Chartered Accountants
Firm Regn.No. 102658W

Dilip J. Diwan
(Proprietor)
M. No. 016665
UDIN: 21016665AAAABC3183

Place: Mumbai
Date: 24th June, 2021

Annexure B to Independent Auditor’s Report – 31st March 2021 on the Financial Statements of Globalcom Realty Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Globalcom Realty Limited** (‘the Company’) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on ‘the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India’. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Annexure B to Independent Auditor's Report – 31st March 2021 on the Financial Statements of Globalcom Realty Limited

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For D.J. Diwan & Company
Chartered Accountants
Firm Regn.No. 102658W

Dilip J. Diwan
(Proprietor)
M. No. 016665
UDIN: 21016665AAAABC3183

Place: Mumbai
Date: 24th June,2021

Globalcom Realty Limited

Balance Sheet as at March 31, 2021

(Amount in ₹)

	Note		As at March 31, 2021		As at March 31, 2020
ASSETS					
Current Assets					
(a) Financial Assets					
(i) Cash and Cash Equivalents	**2.01**		**4 09 142**		4 09 142
Total Assets			**4 09 142**		4 09 142
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.02**	**5 00 000**		5 00 000	
(b) Other Equity	**2.03**	**(2 23 573)**	**2 76 427**	(1 52 333)	3 47 667
Liabilities					
Current Liabilities					
(a) Other Current Liabilities	**2.04**		**1 32 715**		61 475
Total Equity and Liabilities			**4 09 142**		4 09 142

Significant Accounting Policies **1**
Notes on Accounts **2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For **D.J. DIWAN & CO.**
Chartered Accountants
(Firm Registration No.102658W)

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

Place : Mumbai
Date : June 24, 2021

For and on behalf of the Board

Rakesh Gupta
DIN: 00130829

Arvind Purohit
DIN:08349713

} **Directors**

Globalcom Realty Limited

Statement of Profit and Loss for the year ended March 31, 2021

		Note	For the year ended March 31, 2021	(Amount in ₹) For the year ended March 31, 2020
	INCOME			
I	Other Income		-	-
II	**Total Income**		-	-
III	**EXPENSES**			
	General and Administration Expenses	2.05	71 240	21 594
IV	**Total Expenses**		71 240	21 594
V	**Profit (Loss) Before Tax (II -IV)**		(71 240)	(21 594)
VI	Tax expense:			
	- Current Tax		-	-
VII	**Profit After Tax**		(71 240)	(21 594)
	Earning per Share of face value of ₹ 10 each fully paid up			
	Basic and Diluted (₹)	2.09	(1.42)	(0.43)
	Significant Accounting Policies	1		
	Notes on Accounts	2		

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For D.J. DIWAN & CO.
Chartered Accountants
(Firm Registration No.102658W)

For and on Behalf of the Board

Rakesh Gupta }
DIN: 00130829 }
}
} **Directors**
}
Arvind Purohit }
DIN:08349713 }

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

Place : Mumbai
Date : June 24, 2021

Globalcom Realty Limited

Statement of Change in Equity for the year ended March 31, 2021

(Amount in ₹)

A Equity (Refer Note.2.02)

Balance at April 1, 2019	5,00,000
Change in equty share capital during the year	-
Balance at March 31, 2020	5,00,000
Change in equty share capital during the period	-
Balance at March 31, 2021	**5,00,000**

B Other Equity (Refer Note.2.03)

Particular	**Retained Earnings**
Balance at April 1, 2019	(1 30 739)
Add : (Loss) for the year	(21 594)
Balance at March 31, 2020	(1 52 333)
Add : (Loss) during the period	(71 240)
Balance at March 31, 2021	**(2 23 573)**

As per our Report of even date
For D.J. DIWAN & CO.
Chartered Accountants
(Firm Registration No.102658W)

For and on Behalf of the Board

Rakesh Gupta }
DIN: 00130829 }
} **Directors**
}
}
Arvind Purohit }
DIN:08349713 }

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

Place : Mumbai
Date : June 24, 2021

Globalcom Realty Limited

Statement of Cash Flow for the year ended March 31, 2021

(Amount in ₹)

			For the year ended March 31, 2021		For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit / (Loss) before tax as per Statement of Profit and Loss		**(71 240)**		(21 594)
	Adjusted for:				
	Write back of Provision for Liabilities no longer required		**-**		-
	Operating Profit/(Loss) before Working Capital Changes		**(71 240)**		(21 594)
	Adjusted for:				
	Receivables and other Advances	-		-	
	Trade Payable and Other Liabilities	71 240	**71 240**	14 160	14 160
	Cash Used in Operations				(7 434)
	Tax Paid		-		-
	Net Cash from/(Used In) Operating Activities				(7 434)
B	**CASH FLOW FROM INVESTING ACTIVITIES**		**-**		-
	Net Cash from / (Used in) Investing Activities		**-**		-
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Cash from Financing Activities		**-**		-
	Net Increase / Decrease in Cash and Cash Equivalents		**-**		(7 434)
	Opening Balance of Cash and Cash Equivalents		**4 09 142**		4 16 576
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)		**4 09 142**		4 09 142

Note:

(1) Figures in brackets indicate cash outgo.

(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits.

(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standards 7 "Statement of Cash flow".

As per our Report of even date

For D.J. DIWAN & CO.
Chartered Accountants
(Firm Registration No.102658W)

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

Place : Mumbai
Date : June 24, 2021

For and on Behalf of the Board

Rakesh Gupta }
DIN: 00130829 }
} **Directors**
Arvind Purohit }
DIN:08349713 }

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2021
Note: 1
General Information and Significant Accounting Policies

1.01 General Information

Globalcom Realty Limited (“the Company”), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Infrastructure Limited ("RCIL" or " the Holding Company").

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Recent Accounting Developments

Standards issued but not yet effective:

Recent pronouncements relating to Ind AS 116 "Leases", Ind AS 12 " Income Tax"and Ind AS 19 "Employee Benefits" issued by the Ministry of Corporate Affairs (the MCA), Government of India (GoI), applicable with effect from April 1, 2019, does not have any impact on Financial Statements of the Company.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.05 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is funcitional currency of the Company.

1.06 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.07 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

1.08 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.10 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest.Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit and Loss.

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2021

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 2.01 Cash And Cash Equivalents		
Balances with Banks- In current account	4 09 142	4 09 142
	4 09 142	4 09 142
Note 2.02 Equity Share Capital		
Authorised		
50 000 Equity Shares of ₹ 10 each (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000
Issued, Subscribed and Paid up		
50 000 Equity Shares of ₹ 10 each fully paid up (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000

a) Shares held by Holding Company

	No. of Shares	**%**	No. of Shares	%
Reliance Communication Infrastructure Ltd and its nominees	**50 000**	**100%**	50 000	100%

b) Details of Shareholders holding more than 5% shares in the Company

	No. of Shares	**%**	No. of Shares	%
Reliance Communication Infrastructure Ltd and its nominees	**50 000**	**100%**	50 000	100%

c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	No of Shares	**₹**	No of Shares	₹
Equity Shares				
At the beginning of the year	50 000	5 00 000	50 000	5 00 000
Add/ (Less) : Changes during the period	**-**	**-**	-	-
At the end of the period	**50 000**	**5 00 000**	50 000	5 00 000

d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the numbers of equity shares held by the shareholder.

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2021

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 2.03 Other Equity		
Balance carried from last balance sheet	(1 52 333)	(1 30 739)
Add : Profit / (Loss) during the year	(71 240)	(21 594)
Balance at the end of the year	**(2 23 573)**	(1 52 333)
Note 2.04 Other Current Liabilities		
Audit Fees Payable	43 963	29 803
Other payable	42 502	31 672
Advance from Others (Ref Note No.2.13)	46 250	-
	1 32 715	61 475

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 2.05 Other Expenses		
Audit Fees	14 160	14 160
Bank charges	-	354
Professional Fees	7 080	7 080
Sitting Fees	50 000	-
	71 240	**21 594**

Note 2.06 Previous Year

The figures for the previous year have been regrouped and reclssified, wherever required. Amount in financial statements are presented in Rupees, except as otherwise stated.

Note : 2.07

1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Particulars	**As at March 31, 2021**	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	**4 09 142**	4 09 142
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:	**Nil**	Nil
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Notes on Accounts to Financial Statements as at March 31, 2021

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability
The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company doesnot have any contractual maturities of financial liabilities.

Note 2.08 Earning per share :

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Numerator - Profit /(Loss) after tax (₹)	**(71 240)**	(21 594)
Denominator - Weighted number of equity shares	**50 000**	50 000
Basic as well as Diluted, earning per equity share (₹)	**(1.42)**	(0.43)
		-

Note 2.09 Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 - 'Operating Segment'

Note 2.10 Deferred Tax

The Company does not have any items on which deferred tax should be recognised.

Note 2.11 Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholers value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Company monitors on regular basis.

Note 2.12 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Note 2.13 Related Parties:

As per Indian Accounting Standard ("Ind AS")-24 of "Related Party Disclosures", the disclosures", the disclosure of transactions with the related parties as defined therein are given below:

A. List of related parties and relationships :

a) Holding Company

1. Reliance Communications Infrastructure Limited
2. Reliance IDC Limited

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2021

B. Transactions during the year with Related Parties and closing balances.

(Figures relating to current year are reflected in Bold, relating to previous year are reflected in brackets)

(Amount in ₹)

Sr.	Nature of Transactions	Holding Company
	Equity Shares	
01.	Reliance Communication Infrastructure Ltd	
	Balance as at April 1, 2020	**5 00 000** (5 00 000)
	Shares issued during the year	**-** -
	Balance as at March 31, 2021	**5 00 000** (5 00 000)
	Other Liability	
02.	Reliance IDC Limited	
	Balance as at April 1, 2020	**-** (-)
	Acquired during the period	**46 250** (-)
	Balance as at March 31, 2021	**46 250** (-)

Note 2.14 Impact of Covid 19

There is no significant impact on the Company's financial results on account of the Covid 19 pandemic

Note 2.15 Authorisation of Financial Statements

The financial statements for the period ended March 31, 2021 are approved by the Board of Directors on June 24, 2021.

As per our Report of even date
For D.J. DIWAN & CO.
Chartered Accountants
(Firm Registration No.102658W)

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

Place : Mumbai
Date : June 24, 2021

For and on Behalf of the Board

Rakesh Gupta
DIN: 00130829

Arvind Purohit
DIN:08349713

} **Directors**

Internet Exchangenext.com Limited

Unaudited Financial Statements

March 31, 2021

Internet Exchangenext.com Limited

Unaudited Balance Sheet as at March 31, 2021

Amount (₹)

	Notes		As at March 31, 2021		As at March 31, 2020
ASSETS					
Non Current Assets					
Property, Plant and Equipment	**2.01**		-		-
Current Assets					
Financial Assets					
(i) Cash and Cash Equivalents	**2.02**	2 76 232		2 76 232	
(ii) Other Financial Assets	**2.03**	62 33 308	**65 09 540**	62 33 308	65 09 540
Total Assets			**65 09 540**		65 09 540
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.04**	15 07 000		15 07 000	
(b) Other Equity	**2.05**	(10 08 670)	**4 98 330**	(9 50 350)	5 56 650
LIABILITIES					
Current Liabilities					
Other Current Liabilities	**2.06**		**60 11 210**		59 52 890
Total Equity and Liabilities			**65 09 540**		65 09 540

Significant Accounting Policies **1**
Notes on Accounts **2**

As per our Report of even date
For and on behalf of the Board

Arvind Purohit
Director
DIN-08349713

Place: Mumbai
Dated: June 26, 2021

Internet Exchangenext.com Limited

Statement of Profit and Loss for the year ended March 31, 2021

Amount (₹)

		Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
	INCOME			
I	Other Income		-	-
	Total Income		**-**	-
II	**EXPENSES**			
	Sales and General Administration Expenses	2.07	58 320	14 160
	Total Expenses		**58 320**	14 160
III	**Profit/ (Loss) before Tax (I-II)**		**(58 320)**	(14 160)
IV	Tax expense:			
	- Current Tax		-	-
V	**Profit/ (Loss) After Tax (III-IV)**		**(58 320)**	(14 160)
	Earnings per Share of ₹ 10 each fully paid up	2.10		
	Basic and Diluted (₹)		**(0.39)**	(0.09)
	Significant Accounting Policies	1		
	Notes on Accounts	2		

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For and on behalf of the Board

Arvind Purohit
Director
DIN-08349713

Place: Mumbai
Dated: June 26, 2021

Internet Exchangenext.com Limited

Statement of Change in Equity for the year ended March 31, 2021

	Amount (₹)
(A) Equity (Refer Note - 2.04)	
Balance at April 1, 2019	15 07 000
Change in equity share capital during the year	-
Balance at March 31, 2020	15 07 000
Change in equity share capital during the period	-
Balance at March 31, 2021	**15 07 000**

(B) Other Equity (Refer Note - 2.05)	
Attributable to Equity holder	
Particular	**Retained Earnings**
Balance at April 1, 2019	(9 36 190)
Add : Profit / (Loss) for the year	(14 160)
Balance at March 31, 2020	(9 50 350)
Add : Profit / (Loss) for the period	(58 320)
Balance at March 31, 2021	**(10 08 670)**

As per our Report of even date
For and on behalf of the Board

Arvind Purohit
Director
DIN-08349713

Place: Mumbai
Dated: June 26, 2021

Internet Exchangenext.com Limited
Statement of Cash Flow for the year ended March 31, 2021

Amount (₹)

		For the year ended March 31, 2021		For the year ended March 31, 2020
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax as per Statement of Profit and Loss		**(58 320)**		(14 160)
Adjusted for:				
Write back of Provision for Liabilities no longer required		**-**		-
		(58 320)		(14 160)
Operating Profit/(Loss) before Working Capital Changes		**(58 320)**		(14 160)
Working Capital Changes:				
Current Assets	-		-	
Current Liabilities	58 320		14 160	
		58 320		14 160
Cash Generated from Operations				
Tax paid		**-**		-
Net Cash from/(Used In) Operating Activities		**-**		
B CASH FLOW FROM INVESTING ACTIVITIES				
Net Cash from/(Used in) Investing Activities		**-**		**-**
C CASH FLOW FROM FINANCING ACTIVITIES				
Net Cash from/(Used in) Financing Activities		**-**		**-**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)		**-**		
Opening Balance of Cash and Cash Equivalents		**2 76 232**		2 76 232
Closing Balance of Cash and Cash Equivalents		**2 76 232**		2 76 232

Note:

(1) Figures in brackets indicate cash outgo.
(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits.
(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standards (Ind AS) 7 "Statement of Cash flow".

As per our Report of even date
For and on behalf of the Board

Arvind Purohit
Director
DIN-08349713

Place: Mumbai
Dated: June 26, 2021

Notes on Accounts to Financial Statements

Note: 1

General Information and Significant Accounting Policies

1.01 General Information

Internet Exchangenext.com Limited (“the Company”), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Infrastructure Limited ("RCIL" or " the Holding Company").

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Recent Accounting Developments

Standards issued but not yet effective:

Recent pronouncements relating to Ind AS 116 "Leases", Ind AS 12 " Income Tax"and Ind AS 19 "Employee Benefits" issued by the Ministry of Corporate Affairs (the MCA), Government of India (GoI), applicable with effect from April 1, 2018, does not have any impact on Financial Statements of the Company.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Notes on Accounts to Financial Statements

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.05 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is funcitional currency of the Company.

1.06 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.07 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

Notes on Accounts to Financial Statements

1.08 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.10 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest.Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit and Loss.

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Notes on Accounts to Financial Statements

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

2.01. Property, Plant and Equipment

Amount (₹)

Particulars	Computer	Office Equipment	Total
Gross carrying value			
As at April 01, 2019	1 94 00 751	3 04 757	1 97 05 508
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2020	1 94 00 751	3 04 757	1 97 05 508
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2021	**1 94 00 751**	**3 04 757**	**1 97 05 508**
Accumulated Depreciation			
As at April 01, 2019	1 94 00 751	3 04 757	1 97 05 508
Depreciation for the year	-	-	-
Disposals	-	-	-
As at March 31, 2020	1 94 00 751	3 04 757	1 97 05 508
Depreciation for the year	-	-	-
Disposals	-	-	-
As at March 31, 2021	**1 94 00 751**	**3 04 757**	**1 97 05 508**
Closing net carrying value as at March 31, 2021	-	-	-
Closing net carrying value as at March 31, 2020	-	-	-

2.02 Cash and Cash Equivalents

Amount (₹)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Balance with Banks in Current Account	2 76 232	2 76 232
	2 76 232	2 76 232

2.03 Other Financial Assets

Amount (₹)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Loans and Advances to body corporate	62 33 308	62 33 308
	62 33 308	62 33 308

Amount (₹)

Particulars	As at March 31, 2021	As at March 31, 2020
2.04 Equity Share Capital		
Authorised		
10 00 000 Equity Shares of ₹ 10 each (10 00 000)	1 00 00 000	1 00 00 000
	1 00 00 000	1 00 00 000
Issued, Subscribed and Paid up		
1 50 700 Equity Shares of ₹10 each fully paid up (1 50 700)	15 07 000	15 07 000
	15 07 000	15 07 000

2.04.1 Equity Share held by Holding Company	No. of shares	No. of shares
Reliance Communication Infrastructure Limited the Holding Company and its nominees	**1 50 700**	1 50 700

2.04.2 Details of Shareholders Holding more than 5% shares in the Company

Particulars	As at March 31, 2021		As at March 31, 2020	
	No of Shares	**%**	No of Shares	%
Reliance Communications Infrastructure Limited	**1 50 700**	**100%**	1 50 700	100%
	1 50 700	**100%**	1 50 700	100%

2.04.3 Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2021	As at March 31, 2020
Equity Shares		
At the beginning of the year	1 50 700	1 50 700
Add / (Less) : Changes during the year	**-**	-
At the end of the year	**1 50 700**	1 50 700

2.04.4 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the numbers of equity shares held by the shareholder.

2.05 Other Equity

Amount (₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
Surplus/(Deficit) in the Statement of Profit and Loss				
As per last Balance Sheet	(9 50 350)		(9 36 190)	
Add:Profit/ (Loss) for the year	(58 320)	**(10 08 670)**	(14 160)	(9 50 350)
		(10 08 670)		(9 50 350)

2.06 Other Current Liabilities

Amount (₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Expenses	1 22 449	98 959
Other Payables to Related Party (Refer Note 2.15)	58 88 761	58 53 931
	60 11 210	59 52 890

Internet Exchangenext.com Limited

Notes on Accounts to the Financial Statements

2.07 General Administration Expenses

Amount (₹)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Professional Fees	14 160	-
Director's Sitting Fees	30 000	-
Payment to Auditors	14 160	14 160
	58 320	14 160

2.08 Previous Year

The figures for the previous year have been regrouped and reclssified, wherever required. Amount in financial statements are presented in Rupees, except as otherwise stated.

2.09.01 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Particulars	**As at March 31, 2021**	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**2 76 232**	2 76 232
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:	**Nil**	Nil
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2.09.02 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company’s primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company’s financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability.
The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company’s principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company doesnot have any contractual maturities of financial liabilities.

2.10 Earnings per Share (EPS)	**As at March 31, 2021**	As at March 31, 2020
Numerator - Profit /(Loss) after tax (₹)	**(58 320)**	(14 160)
Denominator - Weighted number of equity shares	**1 50 700**	1 50 700
Basic and Diluted, earning per equity share (₹)	**(0.39)**	(0.09)

2.11 Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 - 'Operating Segment' .

2.12 Deferred Tax

The Company does not have any items on which deferred tax should be recognised.

2.13 Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company’s capital management is to maximise shareholers value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Compant monitors on regular basis.

2.14 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

2.15 Related Parties

As per Indian Accounting Standard ("Ind AS")-24 of "Related Party Disclosures", the disclosures", the disclosure of transactions with the related parties as defined therein are given below:

Internet Exchangenext.com Limited

Notes on Accounts to the Financial Statements

A. List of related parties and relationships :

a) Ultimate Holding Company

1. Reliance Communications Limited

b) Holding Company

1. Reliance Communications Infrastructure Limited
2. Reliance IDC Ltd

B. Transactions during the year with Related Parties and closing balances.

(Figures relating to current year are reflected in Bold, relating to previous year are reflected in brackets)

Amount (₹)

Nature of Transaction	Holding Company
a) Equity Shares	
Balance as at April 1, 2020	**15 07 000**
	(15 07 000)
Taken during the year	**-**
	(-)
Repayment/Adjustment during the year	
	-
	(-)
Balance as at March 31, 2021	**15 07 000**
	(15 07 000)
b) Other Payables	
Balance as at April 1, 2020	**58 53 931**
	(58 53 931)
Taken during the year	**34 830**
	(-)
Repayment/Adjustment	**-**
	(-)
Balance as at March 31, 2021	**58 89 511**
	(58 53 931)

2.16 Authorisation of Financial Statements

The financial statements for the year ended March 31, 2021 are approved by the Board of Director on June 26, 2021

2.17 Impact of Covid -19

There is no significant impact on the Company's financial results on account of the Covid 19 pandemic.

As per our Report of even date

For and on behalf of the Board

Arvind Purohit
Director
DIN-08349713

Place: Mumbai
Dated: June 26, 2021

Realsoft Cyber Systems Private Limited

Financial Statements

March 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Realsoft Cyber Systems Private Limited

Report on audit of the Financial Statements

Qualified Opinion

1. We have audited the accompanying financial statements of **Realsoft CyberSystemsPrivateLimited**('theCompany'),whichcomprisethe Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'financialstatements').

2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the 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 state of affairs of the Company as at March 31, 2021 and its loss (including other comprehensive income) and its cash flows for the year ended on that date.

Basis for Qualified Opinion

3. We draw attention to Note 2.15 to the financial statements, which describes that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during the current year and the Company's current liabilities exceeds its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on the going concern basis for the reason stated in the said note, however we are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern assumption in the preparation of the financial statements.

Information Other than the financial statements and Auditor's Report Thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's report and shareholders information, but does not include the financial statements and our auditor's report thereon.

5. 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, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the financial statements

6. The Company's Board of Directors/ Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assetsoftheCompanyandforpreventinganddetectingfraudsandotherirregularities; 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud orerror.

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

   The Board of Directors arealso responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a wholeare 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 financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 internalcontrol.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of suchcontrols.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made bymanagement.

- 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 tocontinue 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 goingconcern.

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

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order'), by the Central Government of India in terms of sub section (11) of Section143 of the Act, we enclose in Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by sub section (3) of Section 143 of the Act, we reportthat:

    a) Except for the possible effects of the matters described in the Basis of Qualified Opinion paragraph above, 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 ouraudit;

    b) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of thosebooks;

    c) The Balance Sheet, the Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books ofaccount;

    d) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder;

    e) The matter described under the Basis of Qualified Opinion paragraph above in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in financial statements of theCompany;

    f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of sub section (2) of Section 164 of theAct;

    g) The requirements on Internal Financial Controls with respect to financial statement under Clause (i) of sub-section 3 of Section 143 of the Act is not applicable to the Company in terms of the criteria referred to in the Notification issued by the Ministry of Corporate Affairs, Government of India vide no. G.S.R. 583(E) dated June 13, 2017;

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, there has been no remuneration paid by the Company to its directors during the year. Hence provisions of section 197 of the Act are not applicable.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given tous:

i. There were no pending litigations which would impact the financial position of the Company.

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303
UDIN:21119303AAAALJ7368

Place: Mumbai
Date:June25,2021

Annexure A to Auditors' Report
Referred to in our Auditors' Report of even date to the members of Realsoft Cyber Systems Private Limitedon the financial statements for the year ended March 31, 2021

(i) As the Company does not have any Fixed Assets as on March 31, 2021. Accordingly,paragraph 1 (a) (b) (c) of the order is not applicable to the Company.

(ii) The Company does not have inventories at the end of the financial year. Accordingly, paragraph 2 of the order is not applicable to theCompany.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (a) (b) (c) of the Order is not applicable to theCompany.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the applicableprovisions of Section 186 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

(vi) As informed to us, the Central Government has not prescribed the maintenance of cost record under sub-section (1) of section 148 of the Act. Accordingly, the clause 6 of the order is not applicable to theCompany.

(vii) (a) According to the records of the Company, the Company does not have any statutory dues like Goods and Service Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cessetc. except for Income Tax where Company is regular in depositing the income tax dues.

(b) According to the records of the Company, there are no undisputed dues in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax and cess as at March 31, 2021 which were outstanding for a period of more than six months from the date they became payable.

(c) According to the records of the Company, there are no dues of income-tax, sales-tax, works contract tax, service-tax, duty of customs, duty of excise and value added tax as at March 31, 2021 which have not been deposited on account of a dispute.

(viii) During the year the Company has not availed loan from any financial institution or bank or debenture holders hence the reporting requirements under paragraph 3(viii) of the order is not applicable.

(ix) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans hence the reporting requirements under paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company has not paid managerial remuneration during the year and hence, the reporting requirement under paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303
UDIN:21119303AAAALJ7368

Place: Mumbai
Date: June25,2021

Realsoft Cyber Systems Private Limited

Balance Sheet as at March 31, 2021

(Amount in ₹)

Particulars	Notes		As at March 31, 2021		As at March 31, 2020
ASSETS					
Current Assets					
(a) Financial Assets					
Cash and Cash Equivalents	**2.01**		**4 30 293**		4 30 293
Total Assets			**4 30 293**		4 30 293
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.02**	**1 00 000**		1 00 000	
(b) Other Equity	**2.03**	**(94 41 847)**	**(93 41 847)**	(93 51 167)	(92 51 167)
LIABILITIES					
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.04**	**92 06 153**		92 06 153	
(ii) Other Financial Liabilities	**2.05**	**5 64 487**	**97 70 640**	4 75 307	96 81 460
(b) Other Current Liabilities	**2.06**		**1,500**		-
Total Equity and Liabilities			**4 30 293**		4 30 293
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

For and on behalf of the Board

Vishal D. Shah
Partner
Membership No. 119303

Rakesh Gupta
Director
DIN:00130829

Arvind Purohit
Director
DIN:08349713

Place : Mumbai
Dated : June 25, 2021

Place : Mumbai
Dated : June 25, 2021

Realsoft Cyber Systems Private Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Amount in ₹)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31,2020
I	**INCOME**		**-**	-
	Total Income		**-**	-
II	**EXPENSES**			
	General and Administration Expenses	**2.07**	**90 680**	2 27 518
	Total Expenses		**90 680**	2 27 518
III	**Loss before Tax (I-II)**		**(90 680)**	(2 27 518)
IV	Tax expense:			
	- Current Tax		-	-
V	**Loss after Tax (III - IV)**		**(90 680)**	(2 27 518)
VI	**Other Comprehensive Income**		**-**	**-**
VII	**Total Comprehensive Income / (Loss) during the year**		**(90 680)**	(2 27 518)
VIII	**Earnings per Share of ₹ 10 each fully paid up**	**2.14**		
	- Basic (₹)		**(9.07)**	(22.75)
	- Diluted (₹)		**(9.07)**	(22.75)
	Significant Accounting Policies	**1**		
	Notes to the Financial Statements	**2**		

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

For and on behalf of the Board

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Dated : June 25, 2021

Rakesh Gupta
Director
DIN:00130829

Arvind Purohit
Director
DIN:08349713

Place : Mumbai
Dated : June 25, 2021

Realsoft Cyber Systems Private Limited

Statement of Change in Equity for the year ended March 31, 2021

(Amount in ₹)

(a) Equity share capital	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**1 00 000**	1 00 000
Change in equity share capital during the year	**-**	-
Balance at the end of the year	**1 00 000**	1 00 000

(b) Other Equity

Surplus/ (Deficit) in statement of Profit and Loss

Particular	**Retained Earnings**
Balance as at April 1,2019	(91 23 649)
Add : Loss for the year	(2 27 518)
Balance as at March 31, 2020	**(93 51 167)**
Add : Loss for the year	**(90 680)**
Balance as at March 31, 2021	**(94 41 847)**

The accompanying statement of changes in equity should be read in conjunction with the accompanying notes (1-2).

As per our Report of even date
For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

Rakesh Gupta
Director
DIN:00130829

Arvind Purohit
Director
DIN:08349713

Place : Mumbai
Dated : June 25, 2021

Place : Mumbai
Dated : June 25, 2021

Realsoft Cyber Systems Private Limited

Statement of Cash Flow for the year ended March 31, 2021

(Amount in ₹)

		For the year ended March 31, 2021	For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Loss before tax as per Statement of Profit and Loss	**(90 680)**	(2 27 518)
	Operating Profit/(Loss) before Working Capital Changes	**(90 680)**	(2 27 518)
	Adjusted for :		
	Other Receivables	**-**	39,813.00
	Trade Payables and other Liabilities	**89 180**	(35 209)
	Cash (used in) / Generated from Operations	**(1 500)**	(2 22 914)
	Tax Refund	**-**	-
	Tax paid	**-**	-
	Net Cash Used in Operating Activities	**(1 500)**	(2 22 914)
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Net Cash Flow from Investing Activities	**-**	-
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds Current Borrowings (net)		2 22 914
	Net Cash used in Financing Activities		2 22 914
	Net Increase/ (Decrease) in Cash and Cash Equivalents	**(1 500)**	-
	Opening Balance of Cash and Cash Equivalents	**4 30 293**	4 30 293
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)	**4 28 793**	4 30 293

Note:

i Cash and Cash Equivalent includes cash on hand, cheques on hand, bank balance including Fixed Deposits with Banks.

ii Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 "Statement of Cash Flow".

The accompanying statement of cash flow should be read in conjunction with the accompanying notes (1-2).

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

Rakesh Gupta
Director
DIN:00130829

Arvind Purohit
Director
DIN:08349713

Place : Mumbai
Dated : June 25, 2021

Place : Mumbai
Dated : June 25, 2021

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2021

1. General Information and Significant Accounting Policies

1.01 General Information

Realsoft Cyber System Private Limited ("the Company"), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Infrastructure Limited.

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.04 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company.

1.05 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.06 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

1.07 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.08 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.09 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis and available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**
Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**
Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Derecognition of Financial Assets**
A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(vii) **Impairment of Financial Assets**
In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**
The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**
All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**
Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1.11 Measurement of Fair value of financial instruments

The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred (Note 2.14) for information on detailed disclosures pertaining to the measurement of fair values.

1.12 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2021

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
2.01 Cash and Cash Equivalents		
Balances with Banks in Current Account	**4 30 293**	4 30 293
	4 30 293	4 30 293
2.02 Share Capital		
Authorised		
50 00 000 (50 00 000) Equity Shares of ₹ 10 each	**5 00 00 000**	5 00 00 000
	5 00 00 000	5 00 00 000
Issued, Subscribed and Paid up		
10 000 (10 000) Equity Shares of ₹ 10 each fully paid up	**1 00 000**	1 00 000
	1 00 000	1 00 000

	As at March 31, 2021		As at March 31, 2020	
a) Shares held by Holding Company	**No. of Shares**	**%**	No. of Shares	%
Reliance Communication Infrastructure Limited	**10 000**	**100**	10 000	100
	10 000	**100**	10 000	100

b) Details of Share holders Holding more than 5% shares in the company

	No. of Shares	**%**	No. of Shares	%
Reliance Communication Infrastructure Limited	**10 000**	**100**	10 000	100
	10 000	**100**	10 000	100

c) Equity Shares	**No. of Shares**	**(Amount in ₹)**	No. of Shares	(Amount in ₹)
At the beginning of the year	**10 000**	**1 00 000**	10 000	1 00 000
Add/(Less): Changes during the year	-	-	-	-
	10 000	**1 00 000**	10 000	1 00 000

d) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 Per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after the distribution of all the preferential amounts, in proportion to their shareholdings.

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2021

2.03 Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at April 1, 2019	(91 23 649)	(91 23 649)
Add : Loss for the year	(2 27 518)	(2 27 518)
Balance as at March 31, 2020	(93 51 167)	(93 51 167)
Add : Loss for the year	**(90 680)**	**(90 680)**
Balance as at March 31, 2021	**(94 41 847)**	**(94 41 847)**

2.04 Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Loan repayable on demand		
Loan from Related Parties (Refer Note 2.09)	**89 76 604**	89 76 604
Others	**2 29 549**	2 29 549
	92 06 153	92 06 153

2.05 Other Financial Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Expenses	**3 37 602**	3 14 002
Payable to Related Party (Refer Note 2.09)	**65 580**	
Other Payables	**1 61 305**	1 61 305
	5 64 487	4 75 307

2.06 Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Payable to Tax Authorities	**1 500**	-
	1 500	-

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2021

2.07 General Administration Expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
General and Administrative Expenses		
Director's Sitting Fees	**60 000**	-
Miscellaneous Expenses	**-**	1 00 318
Professional Charges	**7 080**	-
Payment to Auditors	**23 600**	23 600
Filing Fees	**-**	1 03 600
	90 680	2 27 518

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2021

Notes : 2.08

The figures for the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in ₹, except as otherwise stated.

Notes : 2.09

Related Parties :

As per Ind AS 24, issued by the Institute of Chartered Accountants of India, the disclosures of transaction with the related parties as defined in the Accounting Standard are given below

a)	**Name of the Related Party**	**Relationship**
i	Reliance Communications Limited	Ultimate Holding Company
ii	Reliance Communications Infrastructure Limited	Holding Company
iii	Globalcom IDC Limited	Holding Company

(Amount in ₹)

b) Transaction with the related parties :-

Sr. No.	Nature of Transactions	Holding Company	Ultimate Holding Company	Total
A	**Current Borrowings**			
	Balance as at April 1, 2020	**89 76 604**	-	**89 76 604**
		(89 76 604)	(-)	(89 76 604)
	Taken during the year	**67 080**	-	**67 080**
		(-)	(-)	(-)
	Repaid during the year	**1 500**	-	**1 500**
		(-)	(-)	(-)
	Balance as at March 31, 2021	**90 42 184**	-	**90 42 184**
		(89 76 604)	(-)	(89 76 604)

c) Details of Material Transaction with Related Party

(Amount in ₹)

Particulars	March 31, 2021	March 31, 2020
Transaction during the year		
Reimbursement of expenses (net)		
Globalcom IDC Limited	**65 580**	**-**
Balance Sheet (Closing Balance)		
Current Borrowings		
Reliance Communications Infrastructure Limited	**89 76 604**	**89 76 604**
Other Financial Liabilities		
Globalcom IDC Limited	**65 580**	-

Notes : 2.10

1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash, borrowings and other financial Liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2021

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	**4 30 293**	4 30 293
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Investments	**Nil**	Nil
Financial liabilities at amortised cost:		
Borrowings (Refer Note 2.05)	**92 06 153**	92 06 153
Other Financial Liabilities (Refer Note 2.06)	**5 64 487**	4 75 307
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 Financial Risk Management Objectives and Policies

The Company does not have any activity during the year and therefore no financial risks like market risk, credit risk and liquidity risk exists.

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2021

Notes : 2.11

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The funding requirement is met through a mixture of equity and borrowings which the Company monitors on regular basis.

Notes : 2.12

Deferred Tax Assets

Significant management judgement considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. The Company on a conservative basis has restricted deferred tax asset to Nil.

Assessment Year	**Year of Expiry**	**Loss Amount in ₹**
I) 2013 - 2014*	NA	30 086
II) 2014 - 2015*	NA	35 531
III) 2016 - 2017	2023-2024	2 89 464

*The above loss represents unabsorbed depreciation pertaining to 2013-2014 & 2014-2015 which has indefinite life as per applicable tax laws and on which deferred tax is not recognised.

(a) Amounts recognised in profit and loss

	For the year ended 'March 31, 2021	For the year ended March 31, 2020
Current income tax	-	-
Deferred income tax liability / (asset), net	-	-
Tax expense for the year	**-**	**-**

(b) Amounts recognised in other comprehensive income - Rs. Nil

(c) Reconciliation of Tax Expenses

Profit/ (Loss) before Tax	**(90 680)**	(2 27 518)
Applicable Tax Rate	**26.00%**	26.00%
Computed Tax Expenses (I)	**(23 577)**	(59 155)
Add: Tax on Expenses disallowed under Income Tax Act	**23 577**	59 155
Less: Setoff from brought forward losses from earlier years	**-**	-
Subtotal (II)	**23 577**	59 155
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss	-	-

Notes : 2.13

Earning per share :	**Amount in ₹ For the year ended March 31, 2021**	Amount in ₹ For the year ended March 31, 2020
Numerator - Loss after tax (₹)	**(90 680)**	(2 27 518)
Denominator - Weighted number of equity shares	**10 000**	10 000
Basic as well as diluted, earning per equity share (₹)	**(9.07)**	(22.75)

Notes : 2.14

Segment Reporting

There are no reportable Segments as per Ind As-108 "Operating segment" issued by the Institute of Chartered Accountants of India.

Notes : 2.15

Going Concern

The Accounts have been prepared on a 'Going concern basis' as the Company has been able to meet its obligations in the ordinary course of business and considering the assurance of the financial support extended by the other body corporate.

Notes : 2.16

There is no transaction during the year, hence bank balances reflected are same as previous year.

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2021

Notes : 2.17

Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Notes : 2.18

Covid - 19 Impact

There is no significant impact on the Company's financial results on account of the COVID 19 pandemic.

Notes : 2.19

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2021 are approved by the Board of Directors on June 25, 2021

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No.107783W/W100593

For and on behalf of the Board

Vishal D Shah
Partner
Membership No. 119303

Place : Mumbai
Dated : June 25, 2021

Rakesh Gupta	**Arvind Purohit**
Director	Director
DIN:00130829	DIN:08349713

Place : Mumbai
Dated : June 25, 2021

Worldtel Tamilnadu Private Limited

Financial Statements

March 31, 2021

Independent Auditor’s Report

To the Members of Worldtel Tamilnadu Private Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **WorldtelTamilnadu Private Limited** (“*the Company*”) which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, (statement of changes in equity)and statement of cash flows for the year then ended,and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Effects of COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. The COVID-19 outbreak was declared a global pandemic by the World Health

Organization. The Indian government had announced countrywide lockdown from 24th March, 2020 which is continued at present. In this nation-wide lock-down period, though all the services across the nation were suspended, some essential services establishments could operate and were exempted from the lock-down.
The management has assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material for and up to March 31, 2021 and there has been no material change in the controls or processes followed in the closing of the financial statements and hence the necessary effects have been captured in the financial statements for the year 2020-2021.
Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.
Our opinion is not modified in respect of the matters described under paragraph above.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)[i] and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and 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 Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibilityfor 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 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 financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
b. The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company does not have any pending litigations as at March 31, 2021

ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2021 for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For Priti V Mehta& Company
Chartered Accountants
Firm Regn.No.129568W

PritiV.Mehta
(Proprietor)
M. No. 130514
UDIN: 21130514AAAACU9016

Place: Mumbai
Date: 24th June,2021

WorldtelTamilnadu PrivateLimited

Annexure A to Independent Auditor's Report – 31st March 2021

With reference to the 'Annexure A'referred to in the Independent Auditors' Report to the Members of WorldtelTamilnadu Private Limited ('the Company') on the financial statements for the year ended March 31, 2021, we report the following:

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) As explained to us, the fixed assets have been physically verified by the management during the year and no material discrepancies were notice on such verification.

2. The Company does not have inventories at the end of financial year. Accordingly paragraphs 2 of the orders are not applicable to the company.

3. The Company has not granted any loans, secured or unsecured, to companies, firms,Limited Liability Partnerships or other covered in the register maintained under section 189 of the Act. Accordingly paragraphs 3(iii) (a),(b) and (c) of the Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the company has not given loans, investments, guarantees, and any security under provisions of section 185 and 186 of the Companies Act,2013. Accordingly, Paragraph 3(iv) of the Order is not applicable to the Company.

5. In our opinion, and information and explanations given to us, the Company has not accepted deposits as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, Paragraph 3(v) of the Order is not applicable to the Company.

6. The Central Government has not prescribed maintenance of cost records under Sub-Section (1) of section 148 of the Companies Act,2013.Accordingly the clause 3(vi) is not applicable.

7. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, goods and services tax,income tax, cess, and other material statutory dues applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, income tax, and cess were in arrears as at March 31, 2021for a period of more than six months from the date they became payable.

8. The company has not raised loans from Financial Institutions or Banks or Government or debenture holders. Hence clause 3(viii) of the order requiring comment on repayment of the dues to them is not applicable.

9. In our opinion and according to the information and explanations given to us, the company has not raised money by way of Initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of Clause 3(ix) of the order is not applicable to the company.

10. According to the information and explanations given to us, no significant fraud on or by the company by its officers or employees, that causes a material misstatement to the financial statements, has been noticed or reported during the year.

11. According to the information and explanations given to us,the company has not paid or provided managerial remuneration during the year. Accordingly, the provision of Clause 3(xi) of the order is not applicable to the company.

12. As the company is not the Nidhicompany, the provision of Clause 3(xii) of the order is not applicable to the company.

13. According to the information and explanations given to us,the company has made all the transactions with the related parties in compliance with sections 177 & 188 of Companies Act and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

14. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year as per section 42 of the Companies Act.2013. Accordingly, the provision of Clause 3(xiv) of the order is not applicable to the company.

15. According to the information and explanations given to us, the company has not entered into any non cash transactions with the directors or persons connected with them as per section 192 of Companies Act,2013.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause 3(xvi) is not applicable.

For Priti V Mehta& Company
Chartered Accountants
Firm Regn.No.129568W

PritiV.Mehta
(Proprietor)
M. No. 130514
UDIN: 21130514AAAACU9016

Place: Mumbai
Date: 24th June,2021

Annexure B to Independent Auditor's Report – 31st March 2021 on the Financial Statements of WorldtelTamilnadu Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of WorldtelTamilnadu Private Limited('the Company') as of March 31, 2021in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 'the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India'. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Annexure B to Independent Auditor's Report – 31st March 2021 on the Financial Statements of WorldtelTamilnadu Private Limited

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Priti V Mehta& Company
Chartered Accountants
Firm Regn.No.129568W

PritiV.Mehta
(Proprietor) Place: Mumbai
M. No. 130514
UDIN: 21130514AAAACU9016 Date: 24th June,2021

Worldtel Tamilnadu Private Limited

Balance Sheet as at March 31, 2021

(Amount in ₹)

	Notes		As at March 31, 2021		As at March 31, 2020
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	2.01		**82 685**		**82 685**
Current Assets					
(a) Financial Assets					
(i) Cash and Cash Equivalents	2.02	4 87 668		4 87 668	
(b) Other Current Assets	2.03	-	**4 87 668**	-	4 87 668
Total Assets			**5 70 353**		5 70 353
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	2.04	1 00 000		1 00 000	
(b) Other Equity	2.05	(101 28 61 610)	**(101 27 61 610)**	(101 28 23 290)	(101 27 23 290)
LIABILITIES					
Non-Current Liabilities			-		-
Current Liabilities					
Financial Liabilities					
Other Current Liabilities	2.06		**101 33 31 963**		101 32 93 643
Total Equity and Liabilities			**5 70 353**		5 70 353
Significant Accounting Policies	1				
Notes on Accounts	2				

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Dated : June 24, 2021

For and on behalf of the Board

Vinay Soni }
DIN: 08567944 }
}
} **Directors**
}
}
Arvind Purohit }
DIN:08349713 }

Worldtel Tamilnadu Private Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Amount in ₹)

		Notes	For the year ended March 31, 2021	For the year ended March 31,2020
	INCOME			
I	Other Income		-	-
	Total Income		-	-
II	**EXPENDITURE**			
	General Administration Expenses	2.07	38 320	14 160
	Total Expenses		38 320	14 160
III	**Profit (Loss) before Tax (I - II)**		(38 320)	(14 160)
IV	Tax Expense:			
	- Current Tax		-	-
	- Short provision of earlier years		-	-
V	**Profit (Loss) After Tax (III - IV)**		(38 320)	(14 160)
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income**		(38 320)	(14 160)
VIII	**Earnings per Share of ₹ 10 each fully paid up**	2.12		
	- Basic (₹)		(4)	(1)
	- Diluted (₹)		(4)	(1)
	Earning per Share			
	Significant Accounting Policies	1		
	Notes on Accounts	2		

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Dated : June 24, 2021

For and on behalf of the Board

Vinay Soni
DIN: 08567944

Arvind Purohit
DIN:08349713

} **Directors**

Worldtel Tamilnadu Private Limited

Statement of Change in Equity for the year ended March 31, 2021

(Amount in ₹)

A Equity Share Capital	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Balance at the beginning of the year	**1 00 000**	1 00 000
Change during the year	**-**	-
Balance at the end of the year	**1 00 000**	1 00 000

B Other Equity

Surplus/ (Deficit) in statement of Profit and Loss

Particular	**Retained Earnings**
Balance of Profit/ (Loss) as at April 1,2019	(101 28 09 130)
Add : Profit \ (Loss) for the year	(14 160)
Balance Profit/ (Loss) as at March 31, 2020	(101 28 23 290)
Add : Profit \ (Loss) for the period	(38 320)
Balance Profit/ (Loss) as at March 31, 2021	(101 28 61 610)

As per our Report of even date

For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Dated : June 24, 2021

For and on behalf of the Board

Vinay Soni }
DIN: 08567944 }

} **Directors**

Arvind Purohit }
DIN:08349713 }

Worldtel Tamilnadu Private Limited
Statement of Cash Flow for the year ended March 31, 2021

(Amount in ₹)

		For the year ended March 31, 2021		For the year ended March 31, 2020
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax as per Statement of Profit and Loss		**(38 320)**		(14 160)
Adjusted for :				
Provision for Doubtful Receivables		**-**		-
Operating Profit/(Loss) before Working Capital Changes		**(38 320)**		(14 160)
Adjusted for :				
Receivables and other Advances	**-**		-	
Other Liabilities	38 320	**38 320**	14 160	14 160
Cash generated from Operations				
Tax Refund	**-**		-	
Tax Paid	**-**	**-**	-	-
Net Cash Used in Operating Activities		**-**		-
Net Increase/ (Decrease) in Cash and Cash Equivalents		**-**		
Opening Balance of Cash and Cash Equivalents		**4 87 668**		4 87 668
Closing Balance of Cash and Cash Equivalents		**4 87 668**		4 87 668

Note:

i Figures in brackets indicate cash outgo.
ii Cash and Cash Equivalent includes cash on hand, cheques on hand, bank balance including Fixed Deposits with
iii Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 "Statement of Cash Flow".

As per our Report of even date

For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Dated : June 24, 2021

For and on behalf of the Board

Vinay Soni
DIN: 08567944

Arvind Purohit
DIN:08349713

} Directors

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2021

1. General Information and Significant Accounting Policies

1.01 General Information

Worldtel Tamilnadu Private Limited ("the Company"), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Infrastructure Limited.

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Recent Accounting Developments

Standards issued but not yet effective:

Recent pronouncements relating to Ind AS 116 "Leases", Ind AS 12 " Income Tax"and Ind AS 19 "Employee Benefits" issued by the Ministry of Corporate Affairs (the MCA), Government of India (GoI), applicable with effect from April 1, 2019, does not have any impact on Financial Statements of the Company.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.05 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company.

1.06 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.07 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised 'over time' or 'at a point in time'.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset's net carrying amount on initial recognition.

1.08 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.10 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

Notes on accounts to Financial Statements as at March 31, 2021

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit and Loss.

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2021

2.01 Property, Plant and Equipment

(Amount in ₹)

Particulars	Computer	Office Equipment	Furniture and Fixtures	Total
Gross carrying value				
As at April 01, 2019	8 43 200	5 67 972	11 02 464	25 13 636
Additions / Adjustment	-	-	-	-
As at March 31, 2020	**8 43 200**	**5 67 972**	**11 02 464**	**25 13 636**
Additions / Adjustment	-	-	-	-
As at March 31, 2021	**8 43 200**	**5 67 972**	**11 02 464**	**25 13 636**
Accumulated Depreciation				
As at April 01, 2019	8 43 200	5 40 410	10 47 341	24 30 951
Depreciation for the year	-	-	-	-
As at March 31, 2020	**8 43 200**	**5 40 410**	**10 47 341**	**24 30 951**
Depreciation for the year	-	-	-	-
As at March 31, 2021	**8 43 200**	**5 40 410**	**10 47 341**	**24 30 951**
Net carrying value				
As at March 31, 2020	-	27 562	55 123	82 685
As at March 31, 2021	**-**	**27 562**	**55 123**	**82 685**

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2021

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
2.02 Cash and Cash Equivalents		
Balance with Banks	**4 87 668**	4 87 668
	4 87 668	4 87 668
2.03 Other Current Assets (Unsecured)		
Advances and Receivables		
Other Receivable		
Considered Good	**-**	**-**
Considered Doubtful	**-**	-
Less: Provision for doubtful debts	**-**	-
	-	-

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2021

2.04 Equity Share Capital

	As at March 31, 2021	(Amount in ₹) As at March 31, 2020
Authorised		
2 50 00 000 (2 50 00 000) Equity Shares of ₹ 10 each	**25 00 00 000**	25 00 00 000
2 50 00 000 (2 50 00 000) Unclassified Share of ₹ 10 each	**25 00 00 000**	25 00 00 000
	50 00 00 000	50 00 00 000
Issued, Subscribed and Paid up		
10 000 (10 000) Equity Shares of ₹ 10 each fully paid up	**1 00 000**	1 00 000
	1 00 000	1 00 000

	As at March 31, 2021		As at March 31, 2020	
a) Shares held by Holding Company	**No. of Shares**	**%**	No. of Shares	%
Reliance Communication Infrastructure Limited	**10 000**	**100**	10 000	100
	10 000	**100**	10 000	100

b) Details of Share holders Holding more than 5% shares in the company

	No. of Shares	Percentage	No. of Shares	Percentage
Reliance Communication Infrastructure Limited	**10 000**	**100%**	10 000	100%
	10 000	**100%**	10 000	100%

C) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at March 31, 2021	(Amount in ₹) As at March 31, 2020
2.05 Other Equity		
Surplus / (Deficit) in the Statement of Profit and Loss		
Opening Balance	**(101 28 23 290)**	(101 28 09 130)
Add: Profit/(Loss) for the year	**(38 320)**	(14 160)
Balance as at March 31, 2021	**(101 28 61 610)**	(101 28 23 290)

2.06 Other Current Liabilities		
Provision for Expenses	**1 34 015**	1 19 855
Other Payables (Related Party Refer Note 2.12)	**100 14 11 990**	100 13 94 910
Other Payables	**1 17 85 958**	1 17 78 878
	101 33 31 963	101 32 93 643

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2021

Other Income (Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended 'March 31, 2020
Interest Income	-	-
	-	-

2.07 General Adinistration Expenses

Particulars	For the year ended March 31, 2021	For the year ended 'March 31, 2020
Other General and Administrative Expenses	**14 160**	-
Sitting Fees	**10 000**	-
Payment to Auditors	**14 160**	14 160
	38 320	14 160

Note 2.08

Previous Year

The figures for the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupee, except as otherwise stated.

Note : 2.09

Deferred Tax Asset

Significant management judgement considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

The Company also has unused capital gain tax losses and Timing difference on depreciation of fixed assets, which according to the management will be used to setoff taxable profit arising in subsequent years. However, the Company on a conservative basis has restricted Deferred Tax Assets to Nil. The details are as under:

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Timing difference on depreciation of fixed assets	**52 868**	52 868
Capital gain Losses	**9 129**	9 129
	61 997	61 997

Note : 2.10

Going Concern

The Accounts have been prepared on a 'Going concern basis' as the Company has been able to meet its obligations in the ordinary course of business and considering the assurance of the financial support extended by the other body corporate.

Note : 2.11

Impact of Covid 19

There is no significant impact on yhe Company's financial results on account of the Covid 19 pandemic

Note : 2.12

Related Parties

As per Ind AS- 24, issued by the Institute of Chartered Accountants of India, the disclosures of transaction with the related parties as defined in the Accounting Standard are given below:

a) Name of the Related Party	Relationship
i)Reliance Communications Limited	Ultimate Holding Company
ii)Reliance Communications Infrastructure Limited	Holding Company
iIi)Globalcom IDC Limited	Holding Company

Transaction with the related parties :- (Amount in ₹)

Nature of Transactions	Holding Company	Total
Other Payable		
Balance as at April 1, 2020	**100 13 94 910**	**100 13 94 910**
	(100 13 94 910)	(100 13 94 910)
Taken during the year	**17 080**	**17 080**
	( )	( )
Repayment/Adjustment	**-**	**-**
	( )	( )
Balance as at March 31, 2021	**100 14 11 990**	**100 14 11 990**
	(100 13 94 910)	(100 13 94 910)

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2021

Note : 2.13

Earning per share	For the year ended March 31, 2021	For the year ended March 31, 2020
Numerator - Profit /(Loss) after tax (₹)	**(38 320)**	(14 160)
Denominator - Weighted number of equity shares	**10 000**	10 000
Basic as well as diluted, earning per equity share of ₹10 each fully paid up (₹)	**(4)**	(1)

Note : 2.14

1 **Financial Instruments**

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Particulars	**As at March 31, 2021**	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**4 87 668**	**4 87 668**
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:	**Nil**	Nil
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 **Financial Risk Management Objectives and Policies**

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company does not have any contractual maturities of financial liabilities.

Note : 2.15

Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 -

Note : 2.16

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholders value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Company monitors on regular basis.

Note : 2.17

Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Note : 2.18

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2021 are approved by the Board of Directors on June 24, 2021.

As per our Report of even date

For Priti V Mehta & Co	**For and on behalf of the Board**	
Chartered Accountants		
Firm Registration No 129568W		
	Vinay Soni	**}**
	DIN: 08567944	**}**
Priti V Mehta		**}**
Proprietor		**} Directors**
Membership No. 130514		**}**
		}
Place : Mumbai	**Arvind Purohit**	**}**
Dated : June 24, 2021	DIN:08349713	**}**

Towercom Infrastructure Private Limited

Unaudited Financial
March/21

Towercom Infrastructure Private Limited
Unaudited Balance Sheet as at March 31, 2021

(` in thousands)

Particulars	Note No.	March 31, 2021	As at March 31, 2021	March 31, 2020	As at March 31, 2020
ASSETS					
Non Current assets					
(a) Income Tax Assets			**0**		3
(b) Mat Credit			**43**		18
Current assets					
(a) Financial assets					
(i) Cash and cash equivalents	**2.01**	**1,178**		1,204	
(b) Other current assets	**2.02**	**337**		226	
Total current assets			**1,516**		1,430
Total Assets			**1,559**		1,451
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	**2.03**	**100**		100	
(b) Other equity	**2.04**	**(124)**		(201)	
Total equity			**(24)**		(101)
Liabilities					
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	**2.05**	**1,514**		1,490	
(ii) Trade payables	**2.06**	**60**		61	
(b) Other current liabilities	**2.07**	**9**		-	
Total current liabilities			**1,583**		1,551
Total Equity and Liabilities			**1,559**		1,451

Significant Accounting policies	**1**
Notes on Accounts	**2**

The Notes referred above form an integral part of the Financial Statement

For and on behalf of the Board

Ramanan Laxminarain
Director
DIN
06739382

Place : Mumbai
Dated : 26th June, 2021

Towercom Infrastructure Private Limited
Unaudited Statement of Profit and Loss for the year ended March 31, 2021

(` in thousands)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME			
Other Income			
Interest	**2.08**	**84**	**79**
		84	79
EXPENSES			
Other expenses	**2.09**	**27**	23
Total expenses		**27**	23
Profit before Exceptional Items and Tax		**57**	56
Exceptional Items			
Interest income of earlier years		**35**	-
Profit before Tax (3 - 4)		**91**	**56**
Tax Expenses			
Current Tax		**(39)**	13
Add : MAT Credit		**25**	(13)
Profit/ (Loss) after Tax		**77**	**56**
Other comprehensive Income /(Loss)		**-**	-
Total comprehensive loss		**77**	56
Earning per share	**2.11**		
Basic (`)		7.67	5.63
Diluted (`)		7.67	5.63
Significant Accounting policies	**1**		
Notes on Accounts	**2**		

The Notes referred above form an integral part of the Financial Statement

For and on behalf of the Board

Ramanan Laxminarain
Director
DIN
06739382

Place : Mumbai
Dated : 26th June, 2021

Towercom Infrastructure Private Limited
Statement of changes in equity for the year ended March 31, 2021

(a) Equity Share Capital

(` in thousands)

Particulars	Note No.	For the year ended March 31, 2021	For the year year March 31, 2020
Balance at the beginning of the period		**100**	100
Change in equity share capital during the period	**2.03**	**-**	-
Closing Balance		**100**	100

(b) Other Equity

Particulars	Note No.	Attributable to the Equity Holders Reserves & Surplus Retained Earnings	
Balance at the beginning of the period		**(201)**	(257)
Deficit of Statement of Profit and Loss	**2.04**	**77**	56
Closing Balance		**(125)**	(201)

For and on behalf of the Board

Ramanan Laxminarain
Director
DIN
06739382

Place : Mumbai
Dated : 26th June, 2021

Towercom Infrastructure Private Limited
Statement of cash flows for the year ended March 31, 2021

(` in thousands)

		For the year ended March 31, 2021		For the year ended March 31, 2020
A: CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before tax as per Statement of Profit and Loss		**77**		56
Adjustments for:				
Increase in other current assets	**(134)**		(79)	
Increase in trade payables	**(1)**		23	
Increase in other current liabilities	**9**	**(126)**	-	(56)
Income Tax Paid				-
Net cash used in operations		**(50)**		0
B: CASH FLOW FROM INVESTING ACTIVITIES:		**-**		-
Net cash generated/ (Used in) Investing Activities		-		-
C: CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of equity share capital		**-**		-
Proceed from Loan		**24**		-
Net cash generated from financing activities		**24**		-
Net increase in cash and cash equivalents [A+B+C]		**(26)**		0
Opening balance of cash and cash equivalents		**1,204**		**1,204**
Closing balance of cash and cash equivalents [Note 2.01]		**1,178**		1,204

Note:
The statement of cash flows is prepared using the "indirect method" set out in Ind AS 7 "Statement of cash flows".

For and on behalf of the Board

Ramanan Laxminarain
Director
DIN
06739382

Place : Mumbai
Dated : 26th June, 2021

Towercom Infrastructure Private Limited
Significant Accounting Policies to the Financial Statements

Note 1 General Information and Significant Accounting Policies

1.01 General Information

Towercom Infrastructure Private Limited ("the Company"), is a subsidiary of Reliance Communications Limited ("RCOM" or " the Holding Company"). The Company is registered under the Companies Act, 2013, having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The ultimate holding company is Reliance Innoventures Private limited. The Company is a private limited company and is domiciled in India. The Company is incorporated on November 17, 2016. The Company is setup to carry on the business of running telecommunication tower infrastructure.

1.02 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention , in accordance with the generally accepted accounting principals (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rule 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other other provisions of the Act, to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

(b) Standard issued but not yet effective:

In March 2018, the Ministry of Corporate Affairs (the MCA), Government of India (GoI) notified Ind AS 115 ‘Revenue from Contracts with Customers’. The standard is applicable to the Company with effect from April 1, 2018.

Ind AS 115: Revenue from Contracts with Customers

Ind AS 115 proposes a change from the age-old transfer of ‘Risk And Rewards’ to a ‘Control’ model. Under Ind AS 115, revenue is recognised when control over goods or services is transferred to a customer, which under current GAAP is based on the transfer of risks and rewards. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

The entities will have to determine whether revenue should be recognised ‘over time’ or ‘at a point in time’. As a result, it will be required to determine whether control is transferred over time. If not, only then revenue will be recognised at a point in time, or else over time. Ind AS 115 focuses heavily on what the customer expects from a supplier under a contract. Companies will have to necessarily determine if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration will then be allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. This could result in earlier recognition of revenue compared to current practice – especially impacting industries where revenue is presently not recorded until all contingencies are resolved. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and interestingly in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense. This may impact entities having significant advance or deferred collection arrangements e.g. real estate infrastructure, EPC, It Services etc.

Fair value measurement

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 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Current vis-à-vis non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Recent accounting pronouncements

Standards issued but not yet effective

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements.

1.03 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees ("Rupees" or "`") which is functional currency of the Company.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.
The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

1.05 Revenue Recognition

(i) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

1.06 Taxes on Income and Deferred Tax

Provision for income tax is made on the basis of taxable income for the year at the current rates. Tax expense comprises of current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents amount of Income Tax payable/ recoverable in respect of taxable income/ loss for the reporting period. Deferred tax represents the effect of temporary difference between carrying amount of assets and liabilities in the financial statement and the corressponding tax base used in the computation of taxable income. Deferred tax liabilities are generally accounted for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which such deductible temporary differences can be utilised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

1.07 Earning per Share

In determining Earning per Share, the Company considers the net profit after tax and includes the post tax effect of any exceptional item. Number of shares used in computing basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average shares considered for deriving Basic Earning per Share and also the weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares unless the results would be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.08 Measurement of Fair value of financial instruments

The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.

1.09 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) Subsequent measurement

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Financial Assets measured at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

Asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial Assets measured at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met: a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met: a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the contractual cash flows of the assets represent SPPI: Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit or loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Derecognition of Financial Assets

A financial asset is primarily derecognised when: a) Rights to receive cash flows from the asset have expired, or b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either(a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described herein:

Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Satement of Profit and Loss.

Financial Libilities measured at amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Towercom Infrastructure Private Limited (` in thousands)
Notes to the financial statements as of and for the year ended March 31, 2021

	As at March 31, 2021	As at March 31, 2020
Note 2.01		
Cash and cash equivalents		
Fixed Deposit With Bank	**1,175**	1,175
Balance with bank in current account	**3**	29
	1,178	1,204
Note 2.02		
Other current assets		
Interest Accrued	**295**	190
CENVAT credit of service tax	**35**	35
Advance to Vendor	**7**	-
	337	226
Note 2.03		
Equity Share capital		
Authorised share capital		
50,000 Equity shares of ` 10 each	**500**	500
	500	500
Issued, subscribed and fully paid up		
10,000 Equity shares of ` 10 each fully paid up	**100**	100
	100	100

2.03.01 Shares held by Holding Company and its subsidiary:

Equity shares	**No. of shares**	No. of shares
Reliance Communications Limited (Holding company)	**9,500**	9,500
Reliance Infratel Limited (Fellow subsidiary)	**500**	500

2.03.02 Details of shareholders holding more than 5% shares in the Company:

Equity shares	**No. of shares**	**%**	No. of shares	%
Reliance Communications Limited	**9,500**	**95**	9,500	95
Reliance Infratel Limited	**500**	**5**	500	5

2.03.03 Reconciliation of shares outstanding at the beginning and at the end of reporting period:

Equity shares	**No. of Shares**	No. of Shares
At the beginning of the year	**10,000**	10,000.00
Add / (Less) : Change during the year	**-**	-
Outstanding at the end of the year	**10,000**	10,000

2.03.04 Terms/ rights attached to the shares

Equity shares

The Company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Towercom Infrastructure Private Limited
Notes to the financial statements as of and for the year ended March 31, 2021

(` in thousands)

	As at March 31, 2021	As at March 31, 2020
Note 2.04		
Other equity		
Deficit in retained earnings		
Opening balance	**(201)**	(257)
Add: Loss during the period	**77**	56
Closing balance	**(124)**	(201)

Note:
Retained earnings:
The balance in retained earnings represents the accumulated losses in the statement of profit and loss.

Note 2.05		
Borrowings		
From Related Party	**1,514**	1,490
	1,514	1,490
Note 2.06		
Trade payables		
Due to other than Micro and small companies	**60**	61
	60	61
Note 2.07		
Other current liabilities		
Provision for tax (Net of Advance Tax)	**9**	-
	9	-
Note 2.08		
Other Income		
Interest	**84**	79
	84	79
Note 2.09		
Other expenses		
Auditors' remuneration	**15**	15
Director's Sitting Fees	**9**	-
Professional Fee	**-**	8
Rates & Taxes ` 0 (Previous year ` 356)	**-**	-
Bank charges (Previous year ` 154)	**3**	0
	27	23

Note : 2.10
Capital Risk management
The Company's objective when managing capital are to:
— safeguard their ability to continue as a going concern, so that it can optimise the return to
— maintain an optimal capital structure to reduce the cost of capital.
Capital of the Company for the purpose of capital management, include issued equity capital and reserve atributable to the equity holders of the Company.

Note 2.11

Earnings per Share (EPS)		**For the year ended March 31, 2021**	For the year ended March 31, 2020
Basic and Diluted EPS			
(a)	Loss attributable to equity shareholders (` in thousands) (used as numerator for calculating Basic EPS)	**76.66**	56.30
(b)	Weighted average number of equity shares (used as denominator for calculating Basic EPS)	**10,000**	10,000
(c)	Weighted average number of equity shares (used as denominator for calculating Diluted EPS)	**10,000**	10,000
(d)	Basic Earnings per Share of ` 10 each (`)	**7.67**	5.63
(e)	Diluted Earnings per Share of ` 10 each (`)	**7.67**	5.63
(f)	Nominal value of an equity shares (`)	**10**	10

Note 2.12

Auditors' Remuneration (excluding service tax)		(` in thousands)
For statutory audit	**15**	15
For other services	**-**	-
Out of Pocket Expenses current year Nil (Previous year Nil)	**-**	-

Note 2.13

Related Party Disclosures

A. List of related parties where control exists

(i)	Reliance Innoventures Private Limited	Ultimate Holding Company
(ii)	Reliance Communications Limited	Holding Company
(iii)	Shri Anil D. Ambani	Individual Promotor
(iv)	Shri Ramanan Laxminarain - Director	Key Managerial Persons
(v)	Shri Gaurang Shah - Director	Key Managerial Persons

B. List of othet related parties where there have been transactions

(i)	Reliance Infratel Limited	Fellow Subsidiary

C. Details of transactions and closing balances with related parties (` in thousands)

Sr.No	Particulars	Holding Company	Fellow Subsidiary	Total
1	**Allotment of Share**			
	Equity Shares:			
	Balance as at April 1, 2020	**95**	**5**	**100**
		(95)	*(5)*	*(100)*
	Allotted during the year	**-**	**-**	**-**
		-	-	-
	Balance as at March 31, 2021	**95**	**5**	**100**
		(95)	*(5)*	*(100)*
2	**Loans**			
	Balance as at April 1, 2020	**220**	**1,270**	**1,490**
		(220)	*(1,270)*	*(1,490)*
	Taken During the year	**-**	**-**	**-**
		-	-	-
	Repaid During the year	**-**	**-**	**-**
		(-)	*(-)*	*(-)*
	Balance as at March 31, 2021	**220**	**1,270**	**1,490**
		(220)	*(1,270)*	*(1,490)*

Towercom Infrastructure Private Limited
Notes to the financial statements as of and for the year ended March 31, 2021

Note : 2.14
Micro and Small scale business entities
Disclosure of payable to vendors as defined under "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts / interest payable amounts for delayed payment to such vendors at the balance sheet date.

Note : 2.15
Financial Instruments by category

(` in thousands)

Particulars	As at March 31, 2021 Amortised Cost	As at March 31, 2020 Amortised Cost
Financial assets:		
Cash and cash equivalents	**1,178**	1,204
Total financial assets	**1,178**	1,204
Financial liabilities:		
Trade payables	**60**	61
Borrowings	**1,514**	1,490
Total financial liabilities	**1,574**	1,551

The fair values of current financial assets and financial liabilities are considered to be the same as their carrying amounts, due to their short term maturities.

Note : 2.16
Financial risk management
The Company's current activities expose it to credit risk.

Risk	Exposure arising from	Measurement		Management
Credit Risk	Cash and cash equivalents	Credit Ratings		Diversification of bank

Note : 2.17
Rounding off of amounts
All amounts disclosed in the financial statements and notes have been rounded off to nearest thousand as per the requirement of Schedule III, unless otherwise stated.

Note : 2.18
Authorisation of financial statements
The financial statements for the period ended 31st March, 2021 were approved by the Board of Directors on 26th June, 2021

For and on behalf of the Board

Ramanan Laxminarain
Director
DIN
06739382

Place : Mumbai
Dated : 26th June, 2021

Independent Auditor's Report

To the Members of Reliance Realty Limited (Formerly Reliance Infocomm Infrastructure Limited)

Report on the Audit of the financial statements

Qualified Opinion

We have audited the financial statements of **Reliance Realty Limited** (formerly known as Reliance Infocomm Infrastructure Limited) ("the Company"), which comprise the balance sheet as at March 31, 2021, the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the 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 state of affairs of the Company as at March 31, 2021 and changes in equity and its profit (including total comprehensive loss) and its cash flows for the year ended on that date.

Basis for Qualified Opinion

a) We draw attention to Note no. 2.37 of the financial statements, regarding pending comprehensive review of carrying amount of all assets including investment in subsidiary & liabilities and non provision for impairment of carrying value of assets and write back of liabilities if any, due to pending completion of the corporate insolvency resolution process of Holding Company. In the absence of comprehensive review as mentioned above for the carrying value of all the assets and liabilities, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported profit for the year ended March 31, 2021. Non determination of fair value of financial assets & liabilities and carrying amount for other assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments" and Ind AS 37 "Provisions, Contingent Liabilities & Contingent Assets" & Ind AS 36 "Impairment of Assets".

b) We draw attention to Note no. 2.43 of the financial statements, regarding losses incurred by the Company during the earlier years resulting in erosion of its networth and its current liabilities exceeding its current assets. Further, major customers of the Company are their own group companies including its holding Company which are under Corporate Insolvency Resolution Process. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The accounts however have been prepared by the management on a going concern basis for the reason stated in the aforesaid note. We however are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the financial statements, in view of ongoing Corporate Insolvency Resolution Process of Holding Company, the outcome of which cannot be presently ascertained.

c) We draw attention to Note No. 2.10 of the financial statements, regarding payment of an amount of Rs. 320.67 Crore to related parties during earlier year, for which terms are not yet finalised. Further, no interest has been charged by the Company in respect of this payment. Pending finalisation of terms as on reporting date, we are unable to comment that whether any adjustment is required in the carrying amount of such receivable and consequential impact, if any, on the reported losses for the year ended March 31, 2021.

d) We draw attention to Note No. 2.36 of the financial statements, regarding the Capital advance paid to a related party of Rs. 25.45 Crore during earlier year. The Company has received the invoices but due to technical and financial evaluation pendency, these invoices are not accounted in the books of account. Pending technical and financial evaluation as on reporting date, we are unable to comment on the consequential impact if any, on the financial statements of the Company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

Emphasis of Matter Paragraph

a. We draw attention to Note no. 2.35 of the financial statements, regarding advance received by the Company from STT Global Data Centre India Pvt Ltd (STT) in earlier year against agreement entered into by the Company to transfer leasehold right, title and interest of land admeasuring 34873 sq. mts forming part of the larger land located at DAKC (Larger Land) along with building thereupon and substation to be constructed on the land, for which necessary approval couldn't be obtained by the Company till the last extension for completion of condition precedent. STT has invoked arbitration proceedings against the Company in accordance with the terms of an Agreement.

b. We draw attention to Note no. 2.41 of the financial statements, as regards to the management evaluation of impact of COVID - 19 on the future performance of the Company. The actual outcome of the assumptions and estimates may vary in future due to impact of pandemic.

Our opinion is not modified in respect of the above matter.

Information Other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon adopted on the same date.

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 during the course of our audit or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors/ Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting record, relevant to the preparation and presentation of the financial statement that give a true and fair view and 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.

The Board of Directors are also 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 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 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company 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 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 achieves fair presentation.

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.

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 Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

(a) Except for the matters described in the Basis of Qualified Opinion paragraph above, 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) Except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015, except requirement of Ind AS 109 "Financial Instruments", Ind AS 36 "Impairment of Assets", Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", with regard to matters described in the Basis of Qualified Opinion paragraph above.

(e) The matter described under the basis for qualified opinion paragraph above and Qualified Opinion paragraph of 'Annexure B' to this report in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in financial statements of the Company;

(f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration has been paid/provided in accordance with the requisite approval by shareholders as mandated by the provisions of section 197 read with schedule V of the Act.

The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 2.29 of the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which are required to be transferred, to the Investor Education and Protection Fund.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm's Registration No: 107783W/W100593

Vishal D. Shah
Partner
Membership No: 119303
UDIN: 21119303AAAALW1737

Date: June 25, 2021
Place: Mumbai

Reliance Realty Limited (formerly known as Reliance Infocomm Infrastructure Limited)
'Annexure A' to the Independent Auditor's Report –March 31, 2021

With reference to the Annexure A referred to in the Independent Auditor's Report to the Members of Reliance Realty Limited (formerly known as Reliance Infocomm Infrastructure Limited) ('the Company') on the financial statements for the year ended March 31, 2021, we report the following:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the fixed assets has been physically verified by the management during the year in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its asset.

(c) According to the information and explanation given to us and on the basis of verification of records of the Company, the title deeds of immovable properties, as disclosed in Note 2.02 to the financial statements, are held in the name of the Company.

ii. As the Company does not have any inventories, therefore the provision of clause 2(a) and 2(b) of the said order are not applicable to the company.

iii. (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the amounts granted by the Company, during the year ended March 31, 2019, to two fellow subsidiaries covered in the register maintained under section 189 of the Act, (total amount granted Rs 320.54 Crore and balance outstanding as at balance sheet date Rs 320.67 Crore) for which terms are yet to be finalised, interest has not been charged and to that extent, it is prejudicial to the company's interest.

(b) As the terms of said amount is not finalized schedule of repayment is not applicable. Hence there is no reporting under Clause 3(b) of the order.

(c) As the terms of said amount is not finalized, we are unable to comment that whether the amount is overdue.

iv. As per the information and explanation given to us, the Company during the year, has not granted any loan, made investment and provided guarantees and securities to the parties covered under section 185 and section 186 of the Act. Accordingly, clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph (v) of the Order is not applicable to the Company.

vi. As informed to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act. Accordingly paragraph (vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that there are delays in amounts deposited with appropriate authorities for amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and services tax, service tax, sales tax, value added tax (VAT), employees' state insurance, cess and other material statutory dues.

According to the information and explanations given to us, undisputed amounts payable in respect of professional tax, income tax and other material statutory dues which were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable are as under:

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
The Maharashtra Value Added Tax Act, 2002	Works Contract Tax Payable	1,68,667	F.Y. 2016-17	Various Dates	Yet to be paid
Income Tax Act, 1961	Tax Collection at Source	43,204	Prior to April 2019	Various Dates	Yet to be paid
Profession Tax Act, 1987	Professional Tax	2,53,792	Up to F.Y. 20-21	Various Dates	Yet to be paid

(b) According to the information and explanations given to us, there are no dues of Service Tax, Sales Tax, Goods & Service Tax, VAT, Entry Tax, Excise duty, income tax, wealth tax, Duty of Customs and Cess which have been deposited on account of any dispute.

viii. The Company has not raised loans from Financial Institutions or Banks or Government or debenture holders. Hence clause (viii) of the order requiring comment on repayment of the dues to them is not applicable.

ix. In our opinion, and according to information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of Clause (ix) of the order is not applicable to the Company.

x. According to the information and explanations given to us, no significant fraud on or by the company by its officer or employees, that causes a material misstatement to the financial statements, has been noticed or reported during the course of our audit.

xi. The Company has not paid managerial remuneration during the year and hence, the reporting requirement under paragraph 3(xi) of the Order is not applicable.

xii. As the Company is not a Nidhi Company, the provision of clause 3(xii) of the order is not applicable to the Company.

xiii. According to the information and explanations given to us, the company has made all the transactions with the related parties in compliance with sections 177 & 188 of the Act, and the details have been disclosed in the financial statements as required by the applicable Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the records, managerial remuneration has been paid/provided in accordance with the requisite approval by shareholders as mandated by the provisions of section 197 read with schedule V of the Act..

xv. According to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with him as per section 192 of the Act. Accordingly, paragraph (xv) of the Order is not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause (xvi) is not applicable.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm's Registration No: 107783W/W100593

Vishal D. Shah
Partner
Membership No: 119303
UDIN: 21119303AAAALW1737

Date: June 25, 2021
Place: Mumbai

Reliance Realty Limited (formerly known as Reliance Infocomm Infrastructure Limited)

'Annexure B' to the Independent Auditor's Report - March 31, 2021
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Reliance Realty Limited (formerly known as Reliance Infocomm Infrastructure Limited) ('the Company') as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 'the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India'. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company’s internal financial controls with reference to financial statements as at March 31, 2021

i. Balances of receivables and payables and loans & advances are subject to confirmation. (Refer Note No. 2.37)

ii. Statutory dues including Goods and Service Tax/Service Tax/ Value Added Tax / Tax Deducted at Source accounts are not reconciled and there are delays in filing of certain statutory returns with the respective authorities.

iii. The Company’s internal financial control with regard to the compliance with the applicable Indian Accounting Standards and evaluation of carrying values of assets and liabilities and other matters, as fully explained in basis for qualified opinion of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the financial statements.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Company’s financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects / possible effects of the material weaknesses described above under Basis for Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of financial statements of the Company for the year ended March 31, 2021 and these material weaknesses has affected our opinion on financial statements of the Company for the year ended March 31, 2021 (our audit report dated June 25, 2021), and we have expressed qualified opinion on these financial statements of the Company.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm's Registration No: 107783W/W100593

Vishal D. Shah
Partner
Membership No: 119303
UDIN: 21119303AAAALW1737

Date: June 25, 2021
Place: Mumbai

Reliance Realty Limited

Audited accounts

March-21

Reliance Realty Limited

Balance Sheet as at March 31, 2021

(₹ in crore)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non Current Assets			
(a) Capital work-in-progress	2.01	-	0.04
(b) Investment Property	2.02	504.38	515.29
(c) Financial Assets			
(i) Investments	2.03	0.05	0.05
(d) Other Non Current Assets	2.04	259.41	253.26
(e) Income Tax Assets	2.05	7.04	6.85
		770.88	775.49
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	2.06	124.16	142.47
(ii) Cash and Cash Equivalents	2.07	5.90	0.90
(iii) Bank balances other than (ii) above	2.08	0.60	0.57
(iv) Loans	2.09	1 186.66	1 168.45
(v) Other Financial Assets	2.10	321.19	321.05
(b) Other Current Assets	2.11	2.67	2.88
		1 641.18	1 636.32
Total Assets		**2 412.06**	**2 411.81**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.12	5.00	5.00
(b) Other Equity	2.13	(284.78)	(296.55)
		(279.78)	(291.55)
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.14	463.29	468.22
(b) Provisions	2.15	0.07	0.10
(c) Deferred Tax Liabilities (net)	2.16	86.04	88.22
		549.40	556.54
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.17	2 076.50	2 078.20
(ii) Trade Payables	2.18		
Due to Micro and Small Enterprises		0.59	0.07
Others		9.83	10.83
(iii) Other Financial Liabilities	2.19	19.13	18.76
(b) Other Current Liabilities	2.20	36.33	38.89
(c) Provisions	2.21	0.05	0.06
		2 142.43	2 146.81
Total Equities and Liabilities		**2 412.05**	2 411.81

Significant Accounting Policies	**1**
Notes on Accounts	**2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For **Pathak H.D. & Associates LLP**
Chartered Accountants
(Firm Registration No.107783W/W100593)

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : June 25, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN : 06739382

Rakesh Gupta
Director
DIN: 0130829

Arvind Purohit
Company Secretary & Manager
Membership No. A33624

Place : Mumbai
Date : June 25, 2021

Reliance Realty Limited

Statement of Profit and Loss for the year ended March 31, 2021

(₹ in crore)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**INCOME**			
(a)	Revenue from Operation	**2.22**	**97.65**	78.89
(b)	Other Income	**2.23**	**6.94**	1.14
(c)	**Total Income ((a)+(b))**		**104.59**	80.03
II	**EXPENDITURE**			
(a)	Employee Benefit Expenses	**2.24**	**1.52**	2.69
(b)	Finance Costs	**2.25**	**47.36**	47.74
(c)	Depreciation Expenses	**2.01 & 2.02**	**10.95**	11.07
(d)	Other Expenses	**2.26**	**34.97**	55.57
(e)	**Total Expenses ((a) to (c))**		**94.80**	117.07
III	**Profit/ (Loss) before Tax (I(c) - II (e))**		**9.79**	(37.04)
IV	Tax expense:			
	- Current Tax		**-**	-
	- Deferred Tax Charge/ (Credit) (net)	**2.16**	**(2.16)**	(6.82)
	- Earlier year Tax		**0.22**	-
	- Total Tax Expenses		**(1.94)**	(6.82)
V	**Profit/ (Loss) after Tax (III- IV)**		**11.73**	(30.22)
VI	**Other Comprehensive Income**			
	Remeasurement of Gain/ (Loss) of the Defined employee benefit		**0.03**	0.26
VII	**Total Comprehensive Income for the year (V + VI)**		**11.76**	(29.96)
VIII	**Earning per share of face value of ₹ 10 each fully paid up**	**2.31**		
	Basic (₹)		**23.46**	(60.45)
	Diluted (₹)		**23.46**	(60.45)

Significant Accounting Policies	**1**
Notes on Accounts	**2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For Pathak H.D. & Associates LLP
Chartered Accountants
(Firm Registration No.107783W/W100593)

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : June 25, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN : 06739382

Rakesh Gupta
Director
DIN: 0130829

Arvind Purohit
Company Secretary & Manager
Membership No. A33624

Place : Mumbai
Date : June 25, 2021

Reliance Realty Limited

Statement of Change in Equity for the year ended March 31, 2021

(₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
A: Equity Share Capital		
Balance at the beginning of the year	5.00	5.00
Change in equity share capital during the year	-	-
Balance at the end of the year	**5.00**	5.00

B: Other Equity

(Attributable to Equity Share Holder)	Reserve and Surplus				
Particular	**General Reserve**	**Revaluation Reserve**	**Retained Earnings**	**Other Comprehensive Income**	**Total**
Balance as at April 1, 2019	64.52	347.50	(678.63)	0.04	(266.57)
Add / (Less) :					
Surplus / (Deficit) of Statement of Profit and Loss	-	-	(30.23)	-	(30.23)
Other Comprehensive Income	-	-	-	0.26	0.26
Depreciation on Revaluation	7.79	(7.79)	-	-	-
Balance as at March 31, 2020	72.31	339.71	(708.86)	0.31	(296.54)
Add / (Less) :					
Surplus / (Deficit) of Statement of Profit and Loss	**-**	**-**	**11.73**	**-**	**11.73**
Other Comprehensive Income	**-**	**-**	**-**	**0.03**	**0.03**
Depreciation on Revaluation	**7.77**	**(7.77)**	**-**	**-**	-
Balance as at March 31, 2021	**80.07**	**331.95**	**(697.13)**	0.33	**(284.78)**

Significant Accounting Policies **1**
Notes on Accounts **2**
Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For Pathak H.D. & Associates LLP
Chartered Accountants
(Firm Registration No.107783W/W100593)

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : June 25, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN : 06739382

Rakesh Gupta
Director
DIN: 0130829

Arvind Purohit
Company Secretary & Manager
Membership No. A33624

Place : Mumbai
Date : June 25, 2021

Reliance Realty Limited

Cash Flow Statement for the year ended March 31, 2021

(₹ in crore)

Particulars		For the year ended March 31, 2021		For the year ended March 31, 2020
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before tax as per statement of Profit and Loss		**9.79**		(37.04)
Adjusted for:				
Depreciation	**10.95**		11.07	
Provision for Doubtful Debts	**5.72**		13.66	
Remeasurement of net defined benefit liability/ asset	**-**		0.26	
Finance Costs	**47.36**		47.74	
Interest Income	**(6.94)**		(1.05)	
		57.09		71.69
Operating Profit before Working Capital Changes		**66.89**		34.65
Adjusted for:				
Receivables and other Advances		**12.99**		21.59
Trade Payable & Other Liabilities		**(2.84)**		(54.87)
Cash Generated from Operations		**77.03**		1.37
Income Tax Refund		**7.47**		-
Income Tax Paid		**(7.88)**		(5.72)
Net Cash from Operating Activities		**76.62**		(4.35)
B CASH FLOW FROM INVESTING ACTIVITIES				
Additions of Fixed Assets and Capital Work in Progress		**-**		(0.04)
Loan Given to /(Received) from Body Corporate		**(18.21)**		-
Interest Received		**0.50**		1.16
(Investment) / Redemption in Bank Deposits		**(0.03)**		(0.15)
Net Cash Used in Investing Activities		**(17.75)**		0.97
C CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Short Term Borrowings		**(1.70)**		(2.05)
Proceeds / (Repayment) of Long Term Borrowings		**(4.81)**		6.25
Interest Paid (net)		**(47.36)**		(0.30)
Net Cash from / (Used in) Financing Activities		**(53.87)**		3.90
Net Increase/ (Decrease) in Cash and Bank Balances		**5.00**		0.53
Opening Balance of Cash and Cash Equivalents		**0.90**		0.37
Effect of Exchange Gain/ (Loss) on Cash and Cash Equivalents		**-**		-
Closing Balance of Cash and Cash Equivalents (Refer Note 2.07)		**5.90**		0.90

Note:
(1) Figures in brackets indicate cash outgo.
(2) Cash and Cash Equivalents includes Fixed Deposits with Banks.
(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flow".

As per our Report of even date
For Pathak H.D. & Associates LLP
Chartered Accountants
(Firm Registration No.107783W/W100593)

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai
Date : June 25, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN : 06739382

Rakesh Gupta
Director
DIN: 0130829

Arvind Purohit
Company Secretary & Manager
Membership No. A33624

Place : Mumbai
Date : June 25, 2021

Reliance Realty Limited

Significant Accounting Policies to the Financial Statement

1 General Information and Significant Accounting Policy

1.01 General Information

Reliance Realty Limited (Formerly Reliance Infocomm Infrastructure Limited) (“the Company”), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Limited and engaged in providing infrastructure/ real estate related services.

1.02 Basis of Preparation of Financial Statements

i) The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and compliance with Indian Accounting Standard specified under Section 133 of the Companies Act, 2013 ("the Act") except matters specified in Note 2.37 & 2.43, read with Relevant Rule of the Companies (Indian Accounting Standard) Rules of 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

ii) The Company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

1.03 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees which is presentation and functional currency of the Company. All amounts are rounded off to the nearest crore with two decimal, unless stated otherwise.

1.04 Investment Property & Property Plant and Equipment

i) Investment Properties are, properties held for rental income and/ or capital appreciation, initially measured at cost including transaction cost and stated at cost net of Input credit / Mod vat/ Cen vat, Value Added Tax less accumulated depreciation and amortisation based on Straight Line Method with effect from April 01, 2017 (till March 31,2017 Depreciation provided on written down value method), impairment loss, if any. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company depreciates investment property over 60 years or as per useful life prescribed as per Schedule II from the date of original purchase. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on valuation performed by qualified and experienced Independent Valuer. Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

ii) Property, Plant and Equipment are stated at cost net of Input credits/ Modvat/ Cenvat, Value Added Tax less accumulated depreciation, amortisation and impairment loss, if any. Subsequent Expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company.

Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

iii) Depreciation is provided on Straight Line Method with effect from April 01, 2017 (till March 31,2017 Depreciation provided on written down value method) Value based on useful life of the assets prescribed in Schedule II to the Act, except for Interiors, forming part of building where the useful life of asset is estimated as 15 years. Premium on leasehold land is amortised over the remaining life of the lease.

iv) Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

v) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year.

1.05 Revenue Recognition

(i) The Company has applied the practical expedient in Ind AS 115 "Revenue from Contracts with Customers" w.e.f. April 1, 2018, using the cumulative effect method and therefore comparative information has not been restated and continues to be reported under Ind AS 18. Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

(ii) The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’. As a result, it is required to determine whether control is transferred over time. If not, only then revenue be recognised at a point in time, or else over time. The Company also determines if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration gets allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. This could result in earlier recognition of revenue compared to current practice – especially impacting industries where revenue is presently not recorded until all contingencies are resolved. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense.

(iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

1.06 Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised as an expense during the period.

Long term employee benefits

(i) Defined benefit plans

Provident Fund

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Statement of Profit and loss on accrual basis.(Refer Note 2.33 (xiii))

Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value, mortality rate and the fair value of plan assets is deducted. Mortality rate is based on publicly available mortality table in India.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at present value of the estimated future cash flows. The discount rates used for determining present value of obligation under defined benefit plan, are based on market yields of Government Securities as at the Balance Sheet date.

Remeasurements which comprise of actuarial gain and losses, the return of plan assets (excluding interest) and the effect of asset ceiling (if any, excluding interest) are recognised in OCI.

ii) Other Long term employment benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under the defined benefit plan, are based on the market yields of Government Securities as at the Balance Sheet date.

Remeasurements gain and losses is recognised in the Statement of Profit and Loss in the period in which they arise.

1.07 Taxes on Income and Deferred Tax

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.08 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets up to the commencement of commercial operations.

A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. other borrowing costs are recognised as an expense in the year in which they are incurred.

1.09 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased/ reversed where there has been change in the estimate of recoverable value. The recoverable value is the higher of the asset's net selling price and value in use.

1.10 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.11 Measurement of Fair value of financial instruments

The company’s accounting policies and disclosures require the measurement of fair values for financial instruments.

The company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.(Refer Note 2.30)

1.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

i The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

ii 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

iii Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

iv Subsequent measurement

Debt instruments: Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Financial Assets measured at amortised cost:

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial Assets measured at fair value through other comprehensive income(FVTOCI):

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent SPPI: Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit or loss (FVTPL):

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

Equity investments :

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Also, company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition.

Derecognition of Financial Assets

A financial asset is primarily derecognised when:

I) The rights to receive cash flows from the asset have expired, or

II)The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either(a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables, as permitted by Ind AS 109. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and borrowings: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.13 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements pertain to useful life of property, plant and equipment including Investment Properties (Note 2.01 and Note 2.02), current tax expense and payable, recognition of deferred tax assets for carried forward tax losses (Note 2.16), impairment of trade receivables and other financial assets (Note 2.06 & 2.10) and measurement of defined benefit obligation (Note 2.34).

Useful life of Property, Plant and Equipment including Investment Property: The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Taxes : The Company provides for tax considering the applicable tax regulations and based on reasonable estimates.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is probable that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer probable to the effect that Company will be able to absorb such credit during the specified period.

Fair value measurement and valuation process: The Company measured at fair value certain financial assets and liabilities for financial reporting purposes.

The models used to determine fair values including estimates / judgements involved are validated and periodically reviewed by the management.

Trade receivables and Other financial assets: The Company follows a 'simplified approach' (i.e. based on lifetime Expected Credit Loss (ECL)) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

Defined benefit plans (gratuity benefits) : The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. 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).

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.14 Earning per Share

In determining Earnings per Share, the Company considers net profit after tax and includes post tax effect of any exceptional item. Number of shares used in computing basic earnings per share is the weighted average number of the shares, excluding the shares owned by the Trust, outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when result will be anti - dilutive. Dilutive potential equity Shares are deemed converted as at the beginning of the period, unless issued at a later date.

1.15 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

2.01 & 2.02 Investment Property

(₹ in crore)

Particulars	Leasehold Land	Buildings	Electrical Installations	Office Equipment	Furniture and Fixtures	Computer	Vehicles	Total	Capital Work in Progress
Gross carrying value									
As at April 1, 2019	2.73	1 636.48	153.28	18.37	43.30	33.66	0.65	1 888.48	0.06
Additions	-	-	-	0.06	-	-	-	0.06	0.04
Deductions	-	-	-	-	-	-	-	-	(0.06)
As at April 01, 2020	2.73	1 636.48	153.28	18.43	43.30	33.66	0.65	1 888.54	0.04
Additions	-	-	-	0.04	-	-	-	0.04	(0.04)
Deductions	-	-	-	-	-	-	-	-	-
As at March 31, 2021	**2.73**	**1 636.48**	**153.28**	**18.47**	**43.30**	**33.66**	0.65	**1 888.58**	**-**
Accumulated Depreciation									
As at April 1, 2019	0.66	1 123.69	144.62	17.88	41.07	33.64	0.62	1 362.18	-
Depreciation for the year	0.03	10.75	0.22	0.00	0.07	-	-	11.07	-
As at April 01, 2020	0.70	1 134.44	144.84	17.88	41.14	33.64	0.62	1 373.25	-
Depreciation for the year	0.03	10.72	.15	.02	.02	.00	-	10.95	-
As at March 31, 2021	**0.73**	**1 145.16**	**144.99**	**17.90**	**41.16**	**33.64**	**0.62**	**1 384.20**	**-**
Net Carrying Value									
As at March 31, 2020	2.03	502.04	8.44	0.55	2.17	0.02	0.03	515.29	0.04
As at March 31, 2021	**2.00**	**491.32**	**8.29**	**0.57**	**2.14**	**0.02**	**0.03**	**504.38**	**-**

2.01.01

Gross Block of Electrical installations includes ₹ 2 65 59 000 (previous year ₹ 2 65 59 000) towards Metering equipment's which are under custody and control of Maharashtra State Electricity Board.

Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rental income derived from investment properties	97.65	78.89
Direct operating expenses (including repairs and maintenance) generating rental income	18.92	26.80
Direct operating expenses (including repairs and maintenance) that did not generate rental income	4.07	6.12

The fair value of investment property is ₹ 6,284 crore considering realization value based on valuation report obtained in F.Y.2016-17 and in the previous year the fair value was ₹12,164 crore considering development basis valuation.

(₹ in crore)

	Particulars	As at March 31, 2021	As at March 31, 2020
2.03 Investments in Subsidiaries			
(valued at cost unless stated otherwise)			
In Equity Shares of Wholly Owned Subsidiary Companies*			
Unquoted, fully paid up			
50 000 (50 000)	Reliance Infra Projects Limited of ₹ 10 each	**0.05**	0.05
In Equity Shares of Companies*			
Unquoted, fully paid up			
1 80 19 900	Reliance Telecom Limited of ₹ 10 each	**17.49**	17.49
(1 80 19 900)	Less: Provision for Impairment	**(17.49)**	(17.49)
		-	-
		0.05	0.05

2.04 Other Non Current Assets		
Capital Advances (Refer Note 2.36 & 2.43)	**25.45**	25.45
Electricity and other deposits (Refer Note 2.29)	**233.96**	227.81
	259.41	253.26

2.05 Income Tax Assets		
Advance taxes and Tax deducted at source (Net) (Refer Note 2.37)	7.04	6.85
	7.04	6.85

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

Particulars	As at March 31, 2021	(₹ in crore) As at March 31, 2020
2.06 Trade Receivables (Unsecured)		
(Unsecured, Considered goods / unless stated otherwise)		
Considered Good	**124.16**	142.46
Credit Impaired	**43.53**	37.81
	167.69	180.27
Less: Provision for allowances of Credit Impaired	**43.53**	37.81
	124.16	142.47
2.07 Cash and Cash Equivalents		
Balances with Banks	**5.71**	0.72
Bank Deposit with less than 3 months maturity	**0.19**	0.18
	5.90	0.90
2.08 Bank Balances other than Cash and Cash Equivalents referred in Note 2.07 above		
Bank Deposit with Maturity for Less than 12 months	**0.60**	0.57
	0.60	0.57

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

Particulars	As at March 31, 2021	(₹ in crore) As at March 31, 2020
2.09 Loans		
(Unsecured, Considered goods / unless stated otherwise)		
Considered Good	**1 186.66**	1 168.45
Credit Impaired	**520.88**	520.88
	1 707.55	1 689.33
Less: Provision for allowances of Credit Impaired	**520.88**	520.88
(Refer Note 2.38 & 2.43)	**1 186.66**	1 168.45
2.10 Other Financial Assets		
(Unsecured, Considered good - unless stated otherwise)		
Other Receivable* (Refer Note 2.38 & 2.43)	**320.67**	320.55
Interest accrued on Fixed Deposit	**0.08**	0.09
	321.19	321.05

* The Company has paid to two fellow subsidiaries during previous year for which terms were yet to be finalised, accordingly no interest is charged on these receivables.

Particulars	As at March 31, 2021	As at March 31, 2020
2.11 Other Current Assets		
(Unsecured, Considered good -unless stated otherwise)		
Advance to vendor and Others	**2.66**	2.88
Considered Doubtful	**1.08**	1.08
	3.74	3.96
Less: Provision for doubtful Advances	**1.08**	1.08
	2.66	2.88
Others		
Prepaid expenses (C.Y.₹ 10,675 Previous year ₹ Nil))	**.00**	-
Advance to Employees (C.Y. ₹ Nil,Previous year ₹ 18,724)	**-**	.00
	2.67	2.88

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
2.12 Share Capital		
Authorised		
50 00 000 Equity Shares of ₹ 10 each (50 00 000)	**5.00**	5.00
50 00 000 7.5% Redeemable Non Cumulative Non Convertible Preference Shares of ₹ 10 each (50 00 000)	**5.00**	5.00
	10.00	10.00
Equity Shares Capital		
Issued, Subscribed and Paid up		
50 00 000 Equity Shares of ₹ 10 each fully paid up (50 00 000)	**5.00**	5.00
	5.00	5.00

2.12.1 Share held by Holding Company

	No. of shares	No. of shares
Reliance Communications Limited, and its Nominee	**50 00 000**	50 00 000
	100%	100%

2.12.2 Details of Share Holders Holding more than 5% Shares in the company

Reliance Communications Limited, and its Nominee	**50 00 000**	50 00 000

2.12.3 Type of Equity Share

The Company has only one class of Equity Share having at par value of ₹10 per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their shareholdings.(Refer Note 2.38)

2.12.4 Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Equity Shares

	No. of shares	No. of shares
At the beginning of the year	**50 00 000**	50 00 000
Add / (Less) : Changes during the year	-	**-**
At the end of the year	**50 00 000**	50 00 000

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
2.13 Other Equity		
Reserves and Surplus		
General Reserve		
Opening Balance	**72.31**	64.52
Add : Transferred from Revaluation Reserve	**7.77**	7.79
(To the extent depreciation on revaluation)	**80.07**	72.31
Revaluation Reserve		
Opening Balance	**339.71**	347.50
Less: Transferred to statement of Profit and Loss on account of Depreciation on revaluation surplus (Refer note 2.13.01)	**7.77**	7.79
	331.95	339.71
Surplus / (Deficit) in the statement of Profit and Loss		
Opening Balance	**(708.86)**	(678.63)
Add : Profit / (Loss) for the year	**11.73**	(30.23)
	(697.13)	(708.86)
Other Comprehensive Income		
Opening Balance	**0.30**	0.04
Add : Additions during the year (net of taxes)	**0.03**	0.26
	0.33	0.30
Balance Carried forward	**(284.78)**	(296.55)

2.13.01 Nature and Purpose

Revaluation Reserve

In earlier year, the Company has revalued Buildings situated at Dhirubhai Ambani Knowledge City, Navi Mumbai as at 1st April 2006 by an amount of ₹. 1,007.92 crore and an equivalent amount has been credited to Revaluation Reserve. Consequent to the revaluation, there is an additional charge of depreciation of ₹ 7.77 crore (Previous year ₹ 7.79 crore) for the year and an equivalent amount has been withdrawn from Revaluation Reserve and credited to the General Reserve.

General Reserve

General Reserve represents amount transferred from Statement of Profit & loss account and Revaluation Reserve.

2.14 Borrowings		
Loan from Body Corporate (Unsecured) (Refer Note 2.39)	463.29	468.22
	463.29	468.22

2.15 Provision		
Provision for Employee Benefit (Refer Note 2.33)	0.07	0.10
	0.07	0.10

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

2.16 Deferred Tax Liabilities (Net)

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Deferred Tax Liabilities				
Related to timing difference on depreciation on fixed assets	**132.82**	131.62	**1.20**	1.72
(ii) Deferred Tax Assets				
Related to carried forward loss	**23.20**	18.76	**4.44**	9.76
MAT Credit Entitlement	**6.56**	6.56	-	-
Related to other disallowances	**17.02**	18.10	**(1.08)**	(1.22)
Net Deferred Tax Liabilities (I-II)	**86.04**	88.20	**(2.16)**	(6.82)
Deferred Tax Charge/ (Credit)			**(2.16)**	(6.82)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(a) Amounts recognised in profit and loss

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax	-	-
Short /(Excess) Provision for the earlier years	-	-
Deferred income tax liability / (asset), net including on Other Comprehensive Income	**(2.16)**	(6.82)
Tax expense for the year	**(2.16)**	(6.82)

(b) Reconciliation of Tax Expenses

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/ (Loss) before Tax	**9.79**	(37.04)
Applicable Tax Rate	**31.200%**	31.200%
Computed Tax Expenses (I)	**3.05**	(11.56)
Add: Items not considered for Tax Computation		
For Tax Rate Difference	**-**	1.39
On Carry forwarded losses	**4.44**	9.76
On Expenses not allowed/ (allowed) for computing taxable profit	**(9.65)**	(6.41)
Sub total (II)	**(5.21)**	4.74
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I + II)	**(2.16)**	(6.82)

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
2.17 Borrowings-Current		
Unsecured		
Loan from Holding Company (Refer Note 2.39 & 2.43)	**76.50**	78.20
50 00 000 7.5% Non Cumulative Non Convertible Preference (50 00 000) Shares of ₹ 10 each (Refer Note 2.17.01)	**2 000.00**	2 000.00
	2 076.50	2 078.20

2.17.01 Preference Shares

(a) Details of Shareholders holding more than 5% Preference Shares		
Reliance Bhutan Limited,	**0.50**	0.50

(b) Reconciliation of shares outstanding at the beginning and at the end of the reporting period	**No. of shares**	No. of shares
At the beginning of the year	**0.50**	0.50
Add / (Less) : Changes during the year	-	-
At the end of the year	**0.50**	0.50

Preference Share are redeemable at any time after the date of allotment (i.e. December 31,2016) and before expire of 20 years from the date of allotment, at 7.5% yield per annum less dividend paid ,if any, at the time of redemption on issue price (Face value plus premium paid at the time of application) by giving 15 days advance notice to the Preference Shareholders, or on expire of 20 years from the date of allotment at the price of ₹ 4,000 per share (including ₹. 3,990 premium per share), in case above option is not exercised.

2.18 Trade Payable		
Due to Micro and Small Enterprises	**0.59**	0.07
Due to Related Parties (Refer Note 2.42)	**0.20**	0.20
Others	**9.63**	10.62
	10.42	10.90

2.18.01 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the company, the following disclosures are made for the amounts due to Micro, Small and Medium Enterprises.

a. Principal amount due to any supplier as at the year end	0.59	0.30
b. Interest due on the principal amount unpaid at the year end to any supplier	0.01	0.01
c. Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
d. Payment made to the enterprises beyond appointed date under section 16 of MSMED	3.35	4.95
e. Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED	0.02	0.06
f. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.03	0.07
g. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED	0.01	0.02

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
2.19 Other Financial Liabilities		
Current Maturity of Long Term Debt (Refer Note 2.39)	1.38	1.25
Provision for Expenses	16.89	16.56
Other Liabilities (Refer Note 2.37)	0.86	0.95
	19.13	18.76
2.20 Other Current Liabilities		
Statutory Dues (Refer Note 2.37)	5.59	8.24
Deposit received from vendors	0.43	0.43
Other Liabilities*	30.31	30.23
	36.33	38.89

* Includes advance received from customers and other payable (Refer Note 2.35)

2.21 Provisions		
Provision for Employee Benefit (Refer Note 2.33)	0.05	0.06
	0.05	0.06

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
2.22 Revenue From Operations		
Service Revenue	97.65	78.89
	97.65	78.89
2.23 Other Income		
Interest Income	6.94	1.05
Miscellaneous Income (₹ 1,500)	0.00	0.09
	6.94	1.14
2.24 Employee Benefit Expenses		
Salaries (Including Managerial Remuneration) (Refer Note 2.42)	1.32	2.31
Contribution to Provident, Gratuity and Superannuation Fund & Others	0.06	0.13
Employee Welfare and Other Amenities	0.14	0.25
	1.52	2.69

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

(₹ in crore)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
2.25 Finance Costs		
Interest and Other Charges (Net)	47.36	47.74
	47.36	47.74
2.26 Other Expenses		
Insurance	1.90	1.38
Rent, Rates & Taxes	2.16	4.73
Electricity Expenses	10.78	17.71
Repairs and Maintenance	5.89	6.63
Provision for Doubtful Debts and Receivables	5.72	13.66
Professional Fees	0.52	0.69
Water Charges	1.11	1.54
Postage and Courier	0.01	0.02
Horticulture Expenses	0.75	1.04
Guest House Expenses	1.48	1.27
Catering/Lunch/Canteen Expenses	0.02	0.15
Hire Charges-Contracted Services	0.99	0.95
Security Expenses	2.65	3.00
Other Miscellaneous Expenses	0.29	1.71
Other General and Administrative Expenses	0.67	1.06
Payment to Auditors		
Audit Fees	0.03	0.03
	34.97	55.57

Note : 2.27

Previous Year

The figures for the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented rounded off to the nearest crore with two decimal, except as otherwise stated.

Note 2.28

Segment Reporting

The Company is mainly engaged in the business of providing business centre facilities and other income is incidental in nature, hence in the opinion of the management there are no other reportable segments as per Indi As - 108 "Operating Segments".

Note 2.29

Contingent Liabilities and Capital Commitment (as represented by the Management)

i) Maharashtra State Electricity Distribution Co. Limited has served assessment orders, during the month of April 2015, claiming ₹ 1,184.23 crore considering commercial rate of alleged use of power at its premises for the activities other than IT\ITES service as per its registration. Against the said demand the company has paid ₹ 200 crore under protest. The matter is pending before the Bombay High Court and no provision is required.

ii) During an earlier year, the Company has issued, on behalf of Holding Company Reliance Communications Limited, a Corporate Guarantee of ₹ 1,400.00 crore in favour of Department of Telecommunications.

Note 2.30

2.30.1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
Fair value of cash, trade and other short term receivables, trade payables, other current liabilities, short term borrowings approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

(₹ in crore)

Particulars	As at March 31 ,2021	As at March 31 ,2020
Financial assets at amortized cost:		
Cash and cash equivalents (Refer Note 2.07)	**5.90**	0.90
Loans (Refer Note 2.09)	**1 186.66**	1 168.45
Trade receivables (Refer Note 2.06)	**124.16**	142.46
Other financial assets (Refer Note 2.10)	**321.19**	31.63
Total	**1 637.91**	1 343.43
Financial assets at fair value through Profit and Loss:	**Nil**	Nil
Financial assets at fair value through other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortized cost:		
Trade payables (Refer note 2.18)	**10.42**	10.89
Other financial liabilities (Refer Note 2.19)	**19.13**	24.00
Borrowings (Refer Note 2.14 & 2.17)	**2 539.79**	2 546.43
Total	**2 569.34**	2 581.31
Financial liabilities at fair value through Profit and Loss:	**Nil**	Nil
Financial Liabilities at fair value through other Comprehensive Income:	**Nil**	Nil

2.30.2 Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company’s financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and financial assets includes trade receivables, cash and bank balances, other receivables etc. arises from its operation.

Financial risk management

The Company’s business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables,	Ageing analysis	Diversification of bank deposits,
Liquidity Risk	Borrowing and other liabilities	Rolling cash flow forecasts	Availability of borrowing facilities
Market risk-foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee	Sensitivity analysis	Not applicable
Market risk - interest rate	Long -term borrowing at variable rates	Sensitivity analysis	Not applicable
Market risk -price risk	Unquoted investment in equity shares of subsidiaries and associates- not exposed to price risk fluctuations	-	-

Market risk

The Company operates in domestic market only and all business transactions are carried out through domestic currencies and therefore the Company is not exposed to foreign exchange risk. Market Risk is the risk that changes in market prices such as foreign exchange rates, interest rates. So Market Risk is not exist in the Company.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to Interest Rate Risk

Interest rate risk of the Company arises from borrowings. The Company adopts a policy of ensuring that maximum of its interest rate risk exposure is at fixed rate. Interest rate profile of interest-bearing financial instruments of the Company is as follows.

The Company’s interest-bearing financial instruments are reported as below

(₹ in crore)

	As at March 31, 2021	As at March 31, 2020
Fixed Rate Instruments		
Financial Assets	**0.79**	0.75
Financial Liabilities	**2 463.29**	2 468.22
Variable Rate Instruments		
Financial Assets	**-**	**-**
Financial Liabilities	**-**	**-**

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is carrying value of respective financial assets.

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Ageing of Trade Receivable

(₹ in crore)

Particulars	**As at March 31,2021**		As at March 31,2020	
Days	**Gross Amount**	**Credit Impaired**	Gross Amount	Credit Impaired
0-90	**8.97**	**-**	79.15	-
91-181	**0.05**	**-**	0.06	-
181-365	**-**	**-**	2.05	-
Above 365	**115.14**	**43.53**	97.93	36.73
Total	**124.16**	**43.53**	179.19	36.73

Movement of Provision for Doubtful Debt

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Balance	**37.81**	26.30
Add: Provision during the year	**5.72**	11.51
Less: Write off during the year	**-**	-
Closing Balance	**43.53**	37.81

Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Working capital of the company in negative but that The company believes that the will be sufficient by obtaining further borrowing to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding.

The table below provides details regarding the contractual maturities, within one year, of significant financial liabilities are as under:

(₹ in crore)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Borrowings	**76.50**	78.20
Trade payables	**10.42**	10.89
Other financial liabilities	**19.13**	24.00

Note 2.31

Earnings per Share (EPS)	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Basic and Diluted EPS		
(a) Profit attributable to Equity Shareholders (₹) (used as numerator for calculating Basic EPS)	**11.73**	(30.23)
(b) Weighted average number of Equity Shares (used as denominator for calculating Basic EPS)	**0.50**	0.50
(c) Profit attributable to Equity Shareholders (₹) (used as numerator for calculating Diluted EPS)	**11.73**	(30.23)
(d) Weighted average number of Equity Shares (used as denominator for calculating Diluted EPS)	**0.50**	0.50
(e) Basic Earnings per Share of ₹ 5 each (₹)	**23.46**	(60.46)
(f) Diluted Earnings per Share of ₹ 5 each (₹)	**23.46**	(60.46)

Notes to the Financial Statements as at March 31, 2021

Note 2.32

Corporate Social Responsibility (CSR) Expenses

The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

Note 2.33

Employee Benefits

Gratuity: In accordance with the applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) for all its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employees last drawn salary and for the years of employment with the Company.

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act).The Company is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan vis-a-vis settlements. The management is responsible for the overall governance of the plan. The management have outsourced the investment management of the fund to insurance company which in turn manage these funds as per the mandate provided to them by the trustees and applicable insurance and other regulations.

The Company operates its gratuity and superannuation plans through separate trusts which is administered and managed by the Trustees. As on March 31, 2020 and March 31, 2019, the contributions towards the plans have been invested in Insurer Managed Funds.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular , there is a risk for the Company that any significant change in salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future.

The define benefit plan exposed the Company at actuarial risk such as logentivity risk. interest risk and market (Investment) risk

The following table set out the status of the Gratuity Plan as required under Indian Accounting Standard ("Ind AS") 19 "Employee Benefits".

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Obligation at beginning of the year	0.18	0.50
Service cost	0.02	0.02
Interest cost	0.01	0.04
Liability Transferred In / Acquisitions	(0.02)	(0.27)
Actuarial (gain)/ loss -Due to change in Demographic Assumptions	-	-
Actuarial (gain)/ loss - Due to Change In Financial Assumptions	-	-
Actuarial (gain)/ loss - Due to Experience	-	-
Benefits paid	(0.01)	(0.11)
Obligation at year end	0.19	0.18

Defined benefit obligation liability as at the balance sheet is wholly funded by the Company

(₹ in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
(ii) Change in plan assets		
Plan assets at beginning of the year, at fair value	**0.59**	0.66
Expected return on plan assets	**0.04**	0.04
Interest Income Expected Contributions by the Employee	**-**	-
Benefits Paid from the Fund	**(0.01)**	(0.11)
Plan assets at year end, at fair value	**0.63**	0.59
(iii) Reconciliation of present value of the obligation and the fair value of the plan assets		
Fair value of plan assets at the end	**0.63**	0.59
Present value of the defined benefit	**(0.19)**	(0.18)
Asset recognized in the Balance Sheet	**0.44**	0.41
(iv) Expenses Recognized in Profit or Loss		
Service Cost	**0.02**	0.02
Interest Cost	**(0.02)**	(0.01)
Total	**(0.00)**	0.01
(v) Amount Recognized in Other Comprehensive Income		
Actuarial (gain)/ loss recognized in Other Comprehensive income	**0.02**	0.27
Expected return on plan assets	**0.01**	(0.01)
Total	**0.03**	0.26
(vi) Experience adjustment		
On Plan Liabilities (Gain)/Loss	**-**	-
On Plan Assets Gain / (Loss)	-	-
(vii) Investment details of plan assets		
100% of the plan assets are invested in balanced Fund Instruments		
(viii) Actual return on plan assets	**(0.01)**	**0.01**
(ix) Assumptions		
Interest rate	**4.54%**	5.04%
Estimated return on plan assets	**4.54%**	5.04%

Notes to the Financial Statements as at March 31, 2021

(x) Particulars of the amounts for the year and previous years

Particulars	Gratuity				
	for the year ended March 31,				
	2021	2020	2019	2018	2017
Present Value of benefit obligation	**0.19**	0.18	0.50	0.18	0.47
Fair value of plan assets	**0.63**	0.59	0.66	0.72	0.87
Excess of (obligation over plan assets) / plan assets over obligation	**(0.44)**	(0.41)	(0.16)	(0.54)	(0.41)

*The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(xi) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Amount in ₹

Particulars	**As at March 31,2021**	As at March 31,2020
Discount rate (+1% movement)	**(29,163.00)**	(28,572.00)
Discount rate (-1% movement)	**30,297.00**	29,144.00

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(xii) Maturity analysis of defined benefit plan (fund)

Amount in ₹

Particulars	**As at March 31, 2021**	As at March 31, 2020
1st following year	**805,583.00**	784,333.00
2st following year	**543,445.00**	519,408.00
3st following year	**330,513.00**	257,316.00
4st following year	**101,767.00**	154,712.00
5st following year	**56,102.00**	49,016.00
6st following year	**22,041.00**	26,706.00
Sum of 6 years and above	**21,550.00**	21,266.00

(xiii) During the earlier year, the Company has received a notice from the Regional Provident Fund Commissioner (RPFC) to surrender the Provident fund Trust due to losses in consecutive past four years. Accordingly, the Company has initiated the process to surrender the Trust and started making payment of monthly contribution directly to RPFC. During the year, the Company has contributed towards provident fund ₹ 0.06 crore (Previous year ₹ 0.06 crore) to the RPFC and ₹ Nil (Previous year ₹ 0.04 crore) to the Trust established under the erstwhile Scheme. The Company is in the process to transfer the accumulated funds to RPFC after completion of inspection/ audit by RPFC hence any liability towards the short fall on sale of securities, if any, will be recognised at the time of transfer of funds.

Note 2.34

The Company in the capacity of agent recovers only the actual amount towards electricity consumed by customer and therefore, as legally advised electricity expenses are shown net of said reimbursements of ₹ 66.18 Crores from Globalcom IDC Limited.

Note 2.35

Pursuant to an agreement for assignment entered into between the Company and STT Global Data Centres India Private Limited (STT) in an earlier year for transfer of leasehold right, title and interest of Land admeasuring 34,873 sq. mts forming part of the larger land located at DAKC along with building (Larger land) thereupon and substation to be constructed on the land, the Company has received an amount of ₹ 26.99 crore from STT which is reflected as Advance Received from Customer under Other Liabilities in the financial statements.

STT (the Claimant) invoked arbitration proceedings against the Company in accordance with the terms of the agreement for assignment and filed its Claim before the Arbitral Tribunal seeking claim comprising of Loss of Profit ₹36.05 crore and Interest at the rate of 18% p.a. to the tune of ₹14.28 crore and Legal costs incurred by the Claimant.

The cross-examination of the Claimant's Witness has concluded. At the joint request of the Learned Counsel for the Parties and with the consent of the Parties, the Claimant shall file written submissions before 5th July 2021 and Respondent shall file written submissions before 24th July 2021. The matter will now be listed on 12th July, 2021 at 3.30 p.m. by way of video conferencing for hearing oral arguments of the Learned Counsel from the Claimant.

Note 2.36

During an earlier year, the Company had entered into a Development agreement with Reliance Globalcom Limited (RGL) for completion of Internet Data Centre 5 (IDC 5) building and paid ₹ 25.45 crore to RGL for completion of construction of IDC 5 building which has been reflected as Capital Advance under other non current assets in the financial statements on account of pending the verification of invoices and certification of work completion.

Note 2.37

On completion of the corporate insolvency resolution process of the Holding Company, the Company will carry out a comprehensive review of all the assets and liabilities and accordingly provide for impairment of assets and write back of liabilities, if any. Consistent with the practice followed in earlier years, interest has not been charged/provided on loans given/availed to/from holding company and fellow subsidiaries company. Receivable and Payable balances are subject to confirmation from the respective parties.

Note 2.38

During the year ended March 31, 2019, the Holding Company was in the process of finalising and implementing its asset monetization and debt resolution plan, comprising the Holding Company's real estate development plan and restructuring of Debt. Accordingly as required by the lenders and also to safeguard the development of real estate and the business taken up by RRL, it was felt necessary that control of RRL be conferred on ADA Group

However, in view of the monetization plan having failed and the resumption of the corporate insolvency resolution process of the Holding Company, the control of RRL was transferred from ADA Group to the Holding Company. During the previous year, pursuant to amendment of the Articles of Association in the Extra Ordinary General Meeting of the Company, held on December 10, 2019, the control of the Company was conferred on the Holding Company, with effect from December 10, 2019.

Note 2.39

During an earlier year, the Company had entered into a Long Term Lease agreement with a Customer for two buildings named Corporate Head Quarters (CHQ) and Business Head Quarters situated within the complex of Dhirubahi Ambani Knowledge City (DAKC) for the period from July 2019 to March 2041. The said Lease Agreement has been discounted @10% per annuam and received ₹ 461.74 crore. Further, Monthly Lease Rental receivables have been assigned against payment of instalment due on discounting.

Note 2.40

During the previous year, the Company had extended loans to Fellow subsidiaries amounting to ₹ 1,168.45 crore for which terms are not decided, accordingly no interest is charged to them.

Note 2.41

While the Company is sensitive about the impact of the pandemic (COVID- 19), not only on the human life but on businesses and industrial activity across the globe, however, its effect will only be realized and ascertained over the next few months.

Vide notification dated March 24, 2020 issued by Ministry of Home Affairs, a nation-wide lockdown was announced to contain COVID-19 outbreak and same had been extended for additional period. However, the Company is leasing its premises to the Holding Company and fellow subsidiaries providing Telecommunication services, being essential services, had been exempted and permitted to continue operation during the period of lockdown. The Company has continued to provide services without any interruptions and honor commitments during lockdown and as such there has been no significant impact on the operations of the Company on account of COVID-19.

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

Note 2.42 Related Parties

As per Indian Accounting Standard 24, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below :

i) List of related parties and their relationships :

1	Reliance Communications Limited	**Holding Company**
2	Reliance Infra Projects Limited	**100% Subsidiary (w.e.f. 23 July 2018)**
3	Reliance Webstore Limited	**Name of the Fellow Subsidiary Companies with whom transactions have taken place**
4	Reliance Communications Infrastructure Limited	
5	Reliance Infratel Limited	
6	Independent TV Limited **	
7	Reliance Tech Services Limited	
8	Reliance Telecom Limited	
9	Globalcom IDC Limited	
10	Reliance Globalcom Limited, India **	
11	Reliance Bhutan Limited	
12	Reliance Capital Limited	**Enterprise over which promoter of holding significant influence**
13	Reliance General Insurance Company Limited	
14	Reliance Home Finance Limited	
15	Reliance Commodities Limited	
16	Reliance Wealth Management Limited	
17	Reliance Financial Limited	
18	Reliance Money Solutions Private Limited	
19	Reliance Securities Limited	
20	Reliance Infrastructure Limited	
21	Reliance Power Limited	
22	Sasan Power Limited	
23	Vidarbha Industries Power Limited	
24	Rosa Power Supply Company Limited	
25	Reliance Nippon Life Insurance Limited	
26	Global Cloud Exchange	
27	Reliance Nippon Life Assets Management Limited	
28	Reliance Commercial Finance Limited	
29	Reliance Health Insurance Limited	
30	Reliance Defence Limited	
31	Unlimit IOT Private Limited	
32	Jaywant Prabhu	**Key Managerial Personnel**
33	Arvind Purohit	
34	Chemical and Fibers of India Limited Provident Fund	**Employee Benefit Trust**

**** No control w.e.f.1-7-2019.**

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

Note : Related party transaction is as identified by the company and relied upon by the Auditors.

ii) Transaction with the related parties :-

During the Financial Year 2020 - 2021 (₹ in crore)

Sr. No.	Nature of Transactions	Holding Company	Subsidiary	Fellow Subsidiaries	Enterprise over which promoter of holding Company having significant influence	Key Managerial Personnel / Employee Benefit Trust	Total
A	**Allotment of Shares**						
	Equity Shares						
	Balance as at April 1, 2020	**5.00** (5.00)	- (-)	- (-)	- (-)	- (-)	**5.00** (5.00)
	Allotted during the year	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
	Balance as at March 31, 2021	**5.00** (5.00)	- (-)	- (-)	- (-)	- (-)	**5.00** (5.00)
	Preference Share (Including Share Premium)						
	Balance as at April 1, 2020	- (-)	- (-)	**2,000.00** (2,000.00)	- (-)	- (-)	**2,000.00** (2,000.00)
	Allotted during the year	- (-)	- (-)	- (-)	- (-)	- (-)	- **(-)**
	Balance as at March 31, 2021	- (-)	- (-)	**2,000.00** (2,000.00)	- (-)	- (-)	**2,000.00** (2,000.00)
B	**Borrowings (Unsecured Loans) ***						
	Balance as at April 1, 2020	**78.20** 80.25	- (-)	- (-)	- (-)	- (-)	**78.20** 80.25
	Unsecured Loan taken during year	- 0.34	- (-)	- (-)	- (-)	- (-)	- 0.34
	Repayment/Adjustment of Loan	**1.70** 2.39	- (-)	- (-)	- (-)	- (-)	**1.70** 2.39
	Balance as at March 31, 2021	**76.51** 78.20	- (-)	- (-)	- (-)	- (-)	**76.51** 78.20
C	**Investments**						
	Balance as at April 1, 2020	- (-)	- (-)	**0.05** (-)	- (-)	- (-)	**0.05** (-)
	Purchased during the year	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
	Provision for Impairment	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
	Balance as at March 31, 2021	- (-)	- (-)	**0.05** (-)	- (-)	- (-)	**0.05** (-)

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

D	**Trade Receivables***	**-**	**-**	**113.04**	**0.13**	**-**	**113.17**
		(-)	(-)	(140.32)	(0.11)	(-)	(140.43)
E	**Trade Payables** *	**-**	**-**	**-**	**0.20**	**-**	**0.20**
		(-)	(-)	(-)	(0.20)	(-)	(0.20)
							(Amount in `)
F	**Loan to related party**	**-**	**-**	**1,186.66**	**-**	**-**	**1,186.66**
		(-)	(-)	(1,186.66)	(-)	(-)	(1,186.66)
G	**Other Receivable**	**-**	**-**	**320.67**	**-**	**-**	**320.67**
		(-)	(-)	(320.91)	(-)	(-)	(320.91)
H	**Advance From Customers**	**0.53**	**0.18**	**-**	**-**	**-**	**0.71**
		(-)	(-)	(0.54)	(0.16)	(-)	(0.70)
I	**Advance to Others**	**-**	**-**	**-**	**2.51**	**-**	**2.51**
		(-)	(-)	(-)	(2.51)	(-)	(2.51)
J	**Capital Advance**	**-**	**-**	**25.45**	**-**	**-**	**25.45**
		(-)	(-)	(25.45)	(-)	(-)	(25.45)
K	Other Financial Assets - Unbilled Revenue	**-**	**-**	**-**	**-**	**-**	**-**
		(-)	(-)	(-)	(-)	(-)	(-)
L	**Other Expenses**	**1.87**	**-**	**-**	**-**	**-**	**1.87**
		(1.55)	(-)	(-)	(-)	(-)	(1.55)
M	**Revenue from Operation**						
	Facility usage charges/ Rent	**11.49**	**-**	**24.45**	**0.04**	**-**	**35.97**
		(6.65)	(-)	(23.59)	(0.10)	(-)	(30.33)
N	**Managerial Remuneration****	**-**	**-**	**-**	**-**	**0.10**	**0.10**
		(-)	(-)	(-)	(-)	(0.32)	(0.32)

* Includes non cash transactions

** Reimbursable to Holding Company

Note : Figures in bold represents current year figures.

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

Note 2.43 Going Concern

The Company has incurred losses in earlier years and its net worth is fully eroded. as at March 31, 2021. The Company's current liabilities exceeded its Current assets by ₹ 501.25 Crore. The Company is a wholly owned subsidiary company of Reliance Communications Limited. Reliance Communications Limited (the holding company) is undergoing Corporate Insolvency resolution process under the Insolvency and Bankruptcy Code 2016 (IBC).As a consequence, management and operation of the Holding Company are under the control and custody of Resolution Professional (RP) appointed vide Hon'ble NCLT order dated May 18, 2019. On finalisation and implementation of resolution process of Holding Company, the Company will carry out a comprehensive impairment review of its Tangible Assets and other Financial/ Non Financial Assets and liabilities which are pending for confirmation. These factors, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern However, the Company does not have any intention to suspend the operational activities. The Company does not have any external borrowing from Banks/ Financial Institutions and current liabilities consist of mainly borrowings from the holding and fellow subsidiary companies. The Company is in the process of exploring the opportunity for renting out the property and hence, the financial statements have been prepared on a going concern basis.

Note 2.44 Capital Management

Capital of the Company, for the purpose of capital management, includes issued equity capital and all other equity reserves attributable to equity shareholders of the Company. The primary objective of the Company's capital management is to maximise shareholders value.

The funding requirement is met through a mixture of equity, internal accruals and short term borrowings.

The Company monitors capital using gearing ratio, which is debt divided by total capital plus debt.

(Amount in ₹)

		As at March 31,2021	As at March 31,2020
(a)	Equity	**(279.78)**	(291.54)
(b)	Debt	**2 541.17**	2 547.67
(c)	Equity and Debt (a + b)	**2 261.39**	2 256.14
(d)	Debt to Equity Ratio (b / a)	**(9.08)**	(8.74)
(e)	Capital Gearing Ratio (b / c)	**1.12**	1.13

Decreasing capital gearing ratio reflects reduction in equity on account of net losses incurred and increase in borrowings during the year.

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2021

Note 2.45 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Note 2.46 Authorisation of Financial Stateme

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors on June 25, 2021

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
(Firm Registration No.107783W/W100593)

Vishal D. Shah
Partner
Membership No. 119303

Place : Mumbai.
Date : June 25, 2021

For and on behalf of the Board

Ramanan Laxminarayan
Director
DIN : 06739382

Rakesh Gupta
Director
DIN: 0130829

Arvind Purohit
Company Secretary & Manager
Membership No. A33624

Place : Mumbai.
Date : June 25, 2021

Reliance Infra Projects Limited

Financial Statements

March 31, 2021

Independent Auditor's Report

To the Members of Reliance Infra Project Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Reliance Infra Project Limited** ("*the Company*") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Effects of COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. The COVID-19 outbreak was declared a global pandemic by the World Health

Organization. The Indian government had announced countrywide lockdown from 24th March, 2020 which is continued at present. In this nation-wide lock-down period, though all the services across the nation were suspended, some essential services establishments could operate and were exempted from the lock-down.
The management has assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material for and up to March 31, 2021 and there has been no material change in the controls or processes followed in the closing of the financial statements and hence the necessary effects have been captured in the financial statements for the year 2020-2021.
Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.
Our opinion is not modified in respect of the matters described under paragraph above.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)[i] and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and 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 Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility 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 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 financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
b. The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company does not have any pending litigations as at March 31, 2021

ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2021 for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For D.J. Diwan & Compnay
Chartered Accountants
Firm Regn.No. 102658W

Dilip J. Diwan
(Proprietor)
M. No. 016665
UDIN: 21016665AAAABD8598

Place: Mumbai
Date: 24th June, 2021

Reliance Infra Project Limited
Annexure A to Independent Auditor's Report – 31st March 2021

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Reliance Infra Project Limited** ('the Company') on the financial statements for the year ended March 31, 2021, we report the following:

1. The company does not have fixed assets as on 31st March 2021. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.

2. The Company does not have inventories at the end of financial year. Accordingly paragraphs 2 of the orders are not applicable to the company.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other covered in the register maintained under section 189 of the Act. Accordingly paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the company has not given loans, investments, guarantees, and any security under provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph 3(iv) of the Order is not applicable to the Company.

5. In our opinion, and information and explanations given to us, the Company has not accepted deposits as per directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, Paragraph 3(v) of the Order is not applicable to the Company.

6. The Central Government has not prescribed maintenance of cost records under Sub-Section (1) of section 148 of the Companies Act, 2013. Accordingly the clause 3(vi) is not applicable.

7. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, goods and services tax, income tax, cess, and other material statutory dues applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, income tax, and cess were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

8. The company has not raised loans from Financial Institutions or Banks or Government or debenture holders. Hence clause 3(viii) of the order requiring comment on repayment of the dues to them is not applicable.

9. In our opinion and according to the information and explanations given to us, the company has not raised money by way of Initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of Clause 3(ix) of the order is not applicable to the company.

10. According to the information and explanations given to us, no significant fraud on or by the company by its officers or employees, that causes a material misstatement to the financial statements, has been noticed or reported during the year.

11. According to the information and explanations given to us, the company has not paid or provided managerial remuneration during the year. Accordingly, the provision of Clause 3(xi) of the order is not applicable to the company.

12. As the company is not the Nidhi company, the provision of Clause 3(xii) of the order is not applicable to the company.

13. According to the information and explanations given to us, the company has made all the transactions with the related parties in compliance with sections 177 & 188 of Companies Act and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

14. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year as per section 42 of the Companies Act.2013. Accordingly, the provision of Clause 3(xiv) of the order is not applicable to the company.

15. According to the information and explanations given to us, the company has not entered into any non cash transactions with the directors or persons connected with them as per section 192 of Companies Act, 2013.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause 3(xvi) is not applicable.

For D.J. Diwan & Company
Chartered Accountants
Firm Regn.No. 102658W

Dilip J. Diwan
(Proprietor)
M. No. 016665
UDIN: 21016665AAAABD8598

Place: Mumbai
Date: 24th June, 2021

Annexure B to Independent Auditor's Report – 31st March 2021 on the Financial Statements of Reliance Infra Project Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Reliance Infra Project Limited** ('the Company') as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 'the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India'. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Annexure B to Independent Auditor's Report – 31st March 2021 on the Financial Statements of Reliance Infra Project Limited

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For D.J. Diwan & Comp
Chartered Accountants
Firm Regn.No. 102658W

Dilip J. Diwan
(Proprietor)
M. No. 016665
UDIN: 21016665AAAABD8598

Place: Mumbai
Date: 24th June, 2021

Reliance Infra Projects Limited

Balance Sheet as at March 31, 2021

(Amount in ₹)

	Note		As at March 31, 2021		As at March 31, 2020
ASSETS					
Current Assets					
(a) Financial Assets					
(i) Cash and Cash Equivalents	**2.01**		**4 06 985**		4 06 985
Total Assets			**4 06 985**		4 06 985
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.02**	**5 00 000**		5 00 000	
(b) Other Equity	**2.03**	**(2 45 730)**	**2 54 270**	(1 54 490)	3 45 510
Liabilities					
Current Liabilities					
(a) Other Current Liabilities	**2.04**		**1 52 715**		61 475
Total Equity and Liabilities			**4 06 985**		4 06 985
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For **D.J. DIWAN & CO.**
Chartered Accountants
(Firm Registration No.102658W)

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

Place : Mumbai
Date : June 24, 2021

For and on behalf of the Board

Vinay Soni
DIN-08567944

Arvind Purohit
DIN:08349713

} **Directors**

Reliance Infra Projects Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Amount in ₹)

		Note	For the year ended March 31, 2021	For the year ended March 31, 2020
	INCOME			
I	Other Income		-	-
II	**Total Income**		-	-
III	**EXPENSES**			
	General and Administration Expenses	**2.05**	**91 240**	21 594
IV	**Total Expenses**		**91 240**	21 594
V	**Profit (Loss) Before Tax (II -IV)**		**(91 240)**	(21 594)
VI	Tax expense:			
	- Current Tax		-	-
VII	**Profit After Tax**		**(91 240)**	(21 594)
	Earning per Share of face value of ₹ 10 each fully paid up			
	Basic and Diluted (₹)	**2.09**	**(1.82)**	(0.43)
	Significant Accounting Policies	**1**		
	Notes on Accounts	**2**		

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For D.J. DIWAN & CO.
Chartered Accountants
(Firm Registration No.102658W)

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

Place : Mumbai
Date : June 24, 2021

For and on Behalf of the Board

Vinay Soni
DIN-08567944

Arvind Purohit
DIN:08349713

} **Directors**

Reliance Infra Projects Limited

Statement of Change in Equity for the year ended March 31, 2021

(Amount in ₹)

A Equity (Refer Note.2.02)

Balance at April 1, 2019	5,00,000
Change in equty share capital during the year	-
Balance at March 31, 2020	5,00,000
Change in equty share capital during the period	-
Balance at March 31, 2021	**5,00,000**

B Other Equity (Refer Note.2.03)

Particular	**Retained Earnings**
Balance at April 1, 2019	(1 32 896)
Add : (Loss) for the year	(21 594)
Balance at March 31, 2020	(1 54 490)
Add : (Loss) during the period	(91 240)
Balance at March 31, 2021	**(2 45 730)**

As per our Report of even date
For D.J. DIWAN & CO.
Chartered Accountants
(Firm Registration No.102658W)

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
}
}
Arvind Purohit }
DIN:08349713 }

Place : Mumbai
Date : June 24, 2021

Reliance Infra Projects Limited

Statement of Cash Flow for the year ended March 31, 2021

(Amount in ₹)

			For the year ended March 31, 2021		For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit / (Loss) before tax as per Statement of Profit and Loss		**(91 240)**		(21 594)
	Adjusted for:				
	Write back of Provision for Liabilities no longer required		**-**		-
	Operating Profit/(Loss) before Working Capital Changes		**(91 240)**		(21 594)
	Adjusted for:				
	Receivables and other Advances	-		-	
	Trade Payable and Other Liabilities	91 240	**91 240**	14 160	14 160
	Cash Used in Operations				(7 434)
	Tax Paid		-		-
	Net Cash from/(Used In) Operating Activities				(7 434)
B	**CASH FLOW FROM INVESTING ACTIVITIES**		**-**		-
	Net Cash from / (Used in) Investing Activities		**-**		-
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Cash from Financing Activities		**-**		-
	Net Increase / Decrease in Cash and Cash Equivalents		**-**		(7 434)
	Opening Balance of Cash and Cash Equivalents		**4 06 985**		4 14 419
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)		**4 06 985**		4 06 985

Note:

(1) Figures in brackets indicate cash outgo.

(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits.

(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standards 7 "Statement of Cash flow".

As per our Report of even date

For D.J. DIWAN & CO.
Chartered Accountants
(Firm Registration No.102658W)

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

For and on Behalf of the Board

Vinay Soni } Directors
DIN-08567944

Arvind Purohit
DIN:08349713

Place : Mumbai
Date : June 24, 2021

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2021
Note: 1
General Information and Significant Accounting Policies

1.01 General Information

Reliance Infra Projects Limited (“the Company”), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Infrastructure Limited ("RCIL" or " the Holding Company").

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Recent Accounting Developments

Standards issued but not yet effective:

Recent pronouncements relating to Ind AS 116 "Leases", Ind AS 12 " Income Tax"and Ind AS 19 "Employee Benefits" issued by the Ministry of Corporate Affairs (the MCA), Government of India (GoI), applicable with effect from April 1, 2019, does not have any impact on Financial Statements of the Company.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.05 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is funcitional currency of the Company.

1.06 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.07 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

1.08 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.10 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) 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 risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest.Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2021

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 2.01 Cash And Cash Equivalents		
Balances with Banks- In current account	4 06 985	4 06 985
	4 06 985	4 06 985
Note 2.02 Equity Share Capital		
Authorised		
50 000 Equity Shares of ₹ 10 each (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000
Issued, Subscribed and Paid up		
50 000 Equity Shares of ₹ 10 each fully paid up (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000

a) Shares held by Holding Company

	No. of Shares	**%**	No. of Shares	%
Reliance Communications Infrastructure Ltd and its nominees (upto July 22, 2018)	**-**	**-**	50 000	100%
Reliance Realty Limited and its nominees (w.e.f. July 23, 2018)	**50 000**	**100%**	-	-

b) Details of Shareholders holding more than 5% shares in the Company

	No. of Shares	**%**	No. of Shares	%
Reliance Communications Infrastructure Ltd and its nominees (upto July 22, 2018)	**-**	**-**	50 000	100%
Reliance Realty Limited and its nominees (w.e.f. July 23, 2018)	**50 000**	**100%**	-	-

c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	No of Shares	**₹**	No of Shares	₹
Equity Shares				
At the beginning of the year	50 000	5 00 000	50 000	5 00 000
Add/ (Less) : Changes during the year	**-**	**-**	-	-
At the end of the year	**50 000**	**5 00 000**	50 000	5 00 000

d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the numbers of equity shares held by the shareholder.

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2021

(Amount in ₹)

Particulars	**As at March 31, 2021**	As at March 31, 2020
Note 2.03 Other Equity		
Balance carried from last balance sheet	(1 54 490)	(1 32 896)
Add : Profit / (Loss) during the year	(91 240)	(21 594)
Balance at the end of the year	**(2 45 730)**	(1 54 490)
Note 2.04 Other Current Liabilities		
Audit Fees Payable	43 963	29 803
Other Payable	41 002	31 672
Advance from Others (Ref Note No.2.13)	67 750	-
	1 52 715	61 475

(Amount in ₹)

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Note 2.05 Other Expenses		
Audit Fees	14 160	14 160
Bank charges	-	354
Professional Fees	7 080	7 080
Sitting Fees	70 000	-
	91 240	**21 594**

Notes on Accounts to Financial Statements as at March 31, 2021

Note 2.06 Previous Year

The figures for the previous year have been regrouped and reclssified, wherever required. Amount in financial statements are presented in Rupees, except as otherwise stated.

Note : 2.07

1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	**4 06 985**	4 06 985
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:	**Nil**	Nil
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk
The Company does not have Interest rate risk as there is no interest bearing liability
The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments
The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments
The Company does not hold derivative financial instruments

Credit risk
Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk
The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company doesnot have any contractual maturities of financial liabilities.

Note 2.08 Earning per share :

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Numerator - Profit /(Loss) after tax (₹)	**(91 240)**	(21 594)
Denominator - Weighted number of equity shares	**50 000**	50 000
Basic as well as Diluted, earning per equity share (₹)	**(1.82)**	(0.43)
		-

Note 2.09 Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 - 'Operating Segment'

Note 2.10 Deferred Tax

The Company does not have any items on which deferred tax should be recognised.

Note 2.11 Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholers value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Company monitors on regular basis.

Note 2.12 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Note 2.13 Related Parties:

As per Indian Accounting Standard ("Ind AS")-24 of "Related Party Disclosures", the disclosures", the disclosure of transactions with the related parties as defined therein are given below:

A. **List of related parties and relationships :**

a) Holding Company
1. Reliance Communications Infrastructure Limited (upto July 22, 2018)
2. Reliance Realty Limited (w.e.f. July 23, 2018)

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2021

B. Transactions during the year with Related Parties and closing balances.

(Figures relating to current year are reflected in Bold, relating to previous year are reflected in brackets)

Sr.	Nature of Transactions	
	Equity Shares	(Amount in ₹)
(i)	**Reliance Communications Infrastructure Limited** (Holding Company upto July 22, 2018)	
	Balance as at April 1, 2020	**-** -
	Transferred during the period	**-** -
	Balance as at March 31, 2021	**-** (-)
(ii)	**Reliance Realty Limited** (Holding Company w.e.f. July 23, 2018)	
	Balance as at April 1, 2020	**5 00 000** (5 00 000)
	Acquired during the period	**-** (-)
	Balance as at March 31, 2021	**5 00 000** (5 00 000)
	Other Liabilities	
(iii)	**Reliance Realty Limited** (Holding Company w.e.f. July 23, 2018)	
	Balance as at April 1, 2020	**-** (-)
	Acquired during the period	**67 750** (-)
	Balance as at March 31, 2021	**67 750** (-)

Note 2.14 Impact of Covid 19

There is no significant impact on the Company's financial results on account of the Covid 19 pandemic

Note 2.15 Authorisation of Financial Statements

The financial statements for the year ended March 31, 2021 are approved by the Board of Directors on June 24, 2021.

As per our Report of even date
For D.J. DIWAN & CO.
Chartered Accountants
(Firm Registration No.102658W)

DILIP JIVANDAS DIWAN
(Proprietor)
Membership No.016665

Place : Mumbai
Date : June 24, 2021

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
Arvind Purohit }
DIN:08349713 }

Reliance Globalcom B.V.

Unaudited Accounts

2020 - 21

March 31, 2021

Reliance Globalcom B.V.

Unaudited Balance Sheet as at March 31, 2021

(Amount in ₹)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Current Assets			
(a) Financial Assets			
(i) Investments	**2.01**	6,752,885,863	6,941,503,303
(ii) Cash and Cash Equivalents	**2.02**	951,585	984,841
(b) Other Current Assets	**2.03**	6,987,753,726	7,231,957,129
Total Assets		13,741,591,175	14,174,445,273
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	**2.04**	152,277,968	157,599,678
(b) Other Equity	**2.05**	(22,960,992,419)	(23,808,677,325)
		(22,808,714,451)	(23,651,077,647)
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**2.06**	-	-
Current Liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	**2.07**	36,037,545,283	37,296,961,617
(b) Other Current Liabilities	**2.08**	512,760,343	528,561,303
Total Equity and Liabilities		13,741,591,175	14,174,445,273

Significant Accounting Policies **1**
Notes to the Financial Statements **2**
The Notes referred to above form an integral part of the Financial Statements.

For Reliance Globalcom B.V.

Place : Mumbai
Date : 26.06.2021

Curado Trust
Director

Reliance Globalcom B.V.

Statement of Profit and Loss for the year ended March 31, 2021

(Amount in ₹)

		Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
	INCOME			
I	Other Income		-	-
II	**Total Income**		-	-
III	**EXPENSES**			
	Finance Costs	**2.09**	-	-
	Sales and General Administration Expenses	**2.10**	2,077,852	24,117,175,793
	Total Expenses (III)		2,077,852	24,117,175,793
IV	**Profit Before Tax (II - III)**		**(2,077,852)**	(24,117,175,793)
V	Tax expense:			
	- Current Tax		-	-
VI	**Profit After Tax (IV - V)**		(2,077,852)	(24,117,175,793)
VII	**Other Comprehensive Income**		849,762,759	(1,305,730,969)
VIII	**Total Comprehensive Income / (Loss) (VI - VII)**		**847,684,906**	(25,422,906,762)
Earnings per Share of EURO 100 each fully paid up		**2.12**		
	- Basic		(127.74)	(1,482,674.03)
	- Diluted		(127.74)	(1,482,674.03)
Significant Accounting Policies		**1**		
Notes on Accounts		**2**		

The Notes referred to above form an intergral part of the Financial Statements.

For Reliance Globalcom B.V.

Place : Mumbai

Date : 26.06.2021

Curado Trust

Director

Reliance Globalcom B.V.

Statement of Change in Equity for the year ended March 31, 2021

(Amount in ₹)

	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Equity Share Capital		
Balance at the beginning of the year	157,599,678	144,040,252
Change in equity share capital during the year	(5,321,710)	13,559,425
Balance at the end of the year	152,277,968	157,599,678

B. Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings	Exchange Fluctuation Reserve	
Balance as at 01.04.2019	30,362,454,378	(28,443,766,544)	(304,458,397)	1,614,229,437
Surplus/(Deficit) of Statement of Profit and Loss	-	(24,117,175,793)	(1,305,730,969)	(25,422,906,762)
			-	-
Balance as at 31.03.2020	**30,362,454,378**	**(52,560,942,337)**	**(1,610,189,366)**	**(23,808,677,325)**
Restated balance at 01.04.2020	30,362,454,378	(52,560,942,337)	(1,610,189,366)	(23,808,677,325)
Surplus/(Deficit) of Statement of Profit and Loss	-	(2,077,852)	849,762,759	847,684,906
			-	-
Balance as at 31.03.2021	**30,362,454,378**	**(52,563,020,190)**	**(760,426,607)**	**(22,960,992,419)**

For Reliance Globalcom B.V.

Place : Mumbai
Date : 26.06.2021

Curado Trust
Director

Reliance Globalcom B.V.

Statement of Cash Flow for the year ended March 31, 2021

(Amount in ₹)

		For the year ended March 31, 2021	For the year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax as per Profit and Loss Account	**(2,077,852)**	(24,117,175,793)
	Adjusted for:		
	Impairment of Investment	-	23,477,174,316
	Operating Profit before Working Capital Changes	**(2,077,852)**	**(640,001,477)**
	Adjusted for:		
	Effect of Exchange difference on translation of Assets & Liabilities	17,869,321	17,869,321
	Receivables and other Advances	(244,203,403)	622,216,889
	Trade Payables	(15,800,960)	16,956,376
	Net Cash from / (Used in) Operating Activities	**(244,212,894)**	**17,041,109**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Net Cash Used in Investing Activities	**-**	**-**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Net Proceeds from Non Current Borrowings	-	-
	Net proceeds from Current Borrowings	15,800,960	(16,956,376)
	Financial Charges	-	-
	Net Cash from / (Used in) Financing Activities	**15,800,960**	**(16,956,376)**
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(228,411,934)	84,733
	Opening Balance of Cash and Cash Equivalents	984,841	900,108
	Closing Balance of Cash and Cash Equivalents	**(227,427,094)**	**984,841**

Note:

Cash and Cash Equivalent includes cash on hand, cheques on hand , remitances-in-transit, bank balance and fixed deposits in bank

For Reliance Globalcom B.V.

Place : Mumbai
Date : 26.06.2021

Curado Trust
Director

Note :1 Significant Accounting Policies

1.01 General Information

The Company Reliance Globalcom B.V. (the "Company") was incorporated in Amsterdam as a private limited liability company.

1.02 Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention, in accordance with the generally accepted accounting principles (GAAP) in India and Comply with Accounting Standard specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act, to the extent notified and applicable as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (the ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Revenue Recognition

Interest Income is recognised on time proportion basis.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted

1.07 Earning per Share

In determining Earning per Share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item. The number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average number of shares considered for deriving Basic Earnings per Share, and also the weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.08 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.09 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(i) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) **Subsequent measurement**

Subsequent measurement of the debt instruments depends on the Company's business model for managing asset and cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

(iii) **Financial Assets measured at amortised cost**

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

a) Asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise to cash flows, on specified dates, that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(iv) **Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) Objective of the business model is achieved both, by collecting contractual cash flows and selling financial assets, and

b) Contractual cash flows of the asset represent SPPI: Debt instruments included within FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment loss and reversal and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using EIR method.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if, doing so reduces or eliminates measurement or recognition inconsistency (referred to as 'accounting mismatch').

(vi) **Equity investments:**

All equity investments in scope of Ind AS 109 "Financial Instruments" are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. For all other equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Group makes such election on instrument by instrument basis. The classification is made on initial recognition, which is irrevocable. If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividend, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Also, the Comapny has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when: (I) Rights to receive cash flows from the asset have expired, or (II) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(viii) **Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. Impairment methodology applied depends on whether there has been a significant increase in the credit risk. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables, as permitted by Ind AS 109. Provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

Financial Liabilities

(i) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables and loans.

(ii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described herein:

(a) **Financial liabilities at Fair Value through Profit or Loss**: Financial liabilities at Fair Value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in Statement of Profit or Loss.

(b**) Financial liabilities measured at amortised cost**: After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gains or losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(iii) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
Note 2.01 Investment		
In Equity Shares of Companies		
Unquoted, fully Paidup		
In Equity Shares of Subsidiary Companies		
22,000 (22,000) Equity Shares of Reliance communications (UK) Ltd.	1,431,861,690	1,481,901,446
	-	-
1 (1) Equity Shares of Reliance Communications (Hong Kong) Limited		
100,000 (100,000) Equity Shares of Reliance Communciations (Singapore) Pte. Ltd.	4,965,412	5,138,940
	73	76
1 (1) Equity Shares of Reliance Communications New Zealand Pte. Ltd.		
1 (1) Equity Shares of Reliance Communications Australia Pty. Ltd.	73	76
27,000 (27,000) Equity Shares of Anupam Global Soft (Uganda) Ltd.	473,392,587	489,936,399
10,00,000 (10,00,000) (1 $ each) , 2,50,010 (2,50,010) (100 $ each) Equity Shares of Gateway Net Trading Pte. Ltd.	1,897,750,339	1,964,071,665
12,000 (12,000) Equity Shares of Reliance Flag Pacific Holdings Ltd	877,320	907,980
23,53,22,790 (23,53,22,790) (1 $ each) Equity Shares of Global Cloud Xchange Limited	-	-
100 (100) share of Reliance Infocom Inc	1,608,420,000	1,664,630,000
Other Investments		
30,00,04,130 (30,00,04,130) Equity Shares of Reliance Infratel Limited	1,065,576,642	1,102,815,710
5,95,074 (5,95,074) Squance Communications SA of Euro .02 each	264,950,713	229,183,736
39,342 (39,342) Groupon Inc - Class A common Stock of 0.0001 each	5,091,015	2,917,276
	6,752,885,863	6,941,503,303

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

(Amount in ₹)

Note 2.02 Cash and Cash Equivalents

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Balance with Banks	**951,585**	984,841
Bank deposits with less than 3 months' maturity	**-**	-
	951,585	**984,841**

Note 2.03 Other Current Assets

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Unsecured,Considered good		
Other Loans and Advances		
Considered good to Related Parties	**5,434,959,675**	5,624,897,057
Considered good to Others	**1,514,158,751**	1,567,074,571
Prepaid expenses	**38,635,300**	39,985,501
	6,987,753,726	**7,231,957,129**

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
Note 2.04 Equity Share Capital		
Issued, Subscribed and Paid up		
16,266 (16,266) Equity Shares of EURO 100 each fully paid up	**152,277,968**	**157,599,678**
	152,277,968	157,599,678

1) Details of Shares held by holding Company:

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Communications Ltd.	**89.24**	**14,516**	**89.24**	**14,516**

2) Details of Shareholders holding more than 5% shares in the Company:

Particulars	% of Holding	No. of Shares	% of Holding	No. of Shares
Reliance Communications Ltd.	**89.24**	**14,516**	**89.24**	**14,516**
Reliance Communications Infrastructure Ltd.	**10.76**	**1,750**	**10.76**	**1,750**

3) The Company has only one class of ordinary shares having a par value of EURO 100 per share. Each holder of Ordinary shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of ordinary share will be entitled to receive remaining assets of the Company.

4) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	Number	₹	Number	₹
Equity Shares				
At the beginning of the year	**16,266**	**152,277,968**	**16,266**	**157,599,678**
Add/Less: Changes during the year	-	-	-	-
At the end of the year	**16,266**	**152,277,968**	**16,266**	**157,599,678**

Note 2.05 Other Equity

	As at March 31, 2021	As at March 31, 2020
Security Premium	30,362,454,378	30,362,454,378
Surplus / (Deficit) of Statement of Profit and Loss		
As per Last Balance sheet	(76,216,634,727)	(52,099,458,934)
Add: Profit / (Loss) for theyear	(2,077,852)	(24,117,175,793)
	(76,218,712,580)	(76,216,634,727)
Other Comprehensive Income		
(i) Opening Balance	(1,610,189,366)	(304,458,397)
(ii) Addition/ (deductions) during the year (net)	849,762,759	(1,305,730,969)
Total	(760,426,607)	(1,610,189,366)
	(46,616,684,809)	(47,464,369,715)

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

Note 2.06 Borrowings - Current

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
From Banks *	-	-
	-	-

Note 2.07 Other Financial Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long Term Debts		
Secured		
From Banks	174,999,507	181,115,275
Amounts payable to group companies	32,899,234,114	34,048,974,822
From Others		
In Preference Shares		
52 (52) 1% Non convertible Non-redeemable Preference Shares of EURO 1 each	5,119,893	5,298,820
22,143 (22,143) 8% Non Convertible Non-redeemable Preference Shares of EURO 1 each	2,180,241,417	2,256,435,054
Other Liablilities	777,950,352	**805,137,647**
	36,037,545,283	**37,296,961,617**

* - Against pledge of shares of material susbidaries.

Note 2.08 Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
	-	-
Provisions for Expenses	512,760,343	528,561,303
	512,760,343	**528,561,303**

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

(Amount in ₹)

	For the year ended March 31, 2021	For the year ended March 31, 2020

Note 2.09 FINANCIAL CHARGES

Interest Expenses	-	-
Other Finance Cost	-	-
	-	-

Note 2.09.1 Non Provision of Interest
The holding company is undergoing a debt resoulition plan being finalized with the lenders. In view of the same the company has not provided interest of ₹ 5 crore. Had the company provided interest, the loss would have been higher by ₹ 5 crore.

Note 2.10 GENERAL ADMINISTRATION EXPENSES

Legal & Professional Fees	593,672	54,328,053
Bank Charges	-	-
Bad Debts Written Off	-	-
Rent	-	-
Impairment of Investment	-	24,061,430,219
Payment to Auditors	1,484,180	1,417,520
	2,077,852	24,117,175,793

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

Note : 2.11

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.12

(Amount in ₹)

Earning Per Share	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Net Profit (Numerator used for calculation)	**(2,077,852)**	(24,117,175,793)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	**16,266**	16,266
Basic and Diluted Earning Per Share	**(127.74)**	(1,482,674.03)

Note : 2.13

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.14

As per the Ind AS 24 of "Related Party Disclosures" as referred to in the Accounting Standard Rules, the disclosures of transactions with the related parties as defined therein are given below:

i	**Name of the Related Party**	**Relationship**
1	Reliance Communications Limited	Holding Company
2	Global Cloud Exchange Limited	Subsidiary
3	Reliance Communications (Singapore) Pte Limited	Fellow- Subsidiary Company
4	Anupam Globalsoft (Uganda) Limited	Fellow- Subsidiary Company
5	Reliance Communications Inc	Fellow- Subsidiary Company
6	Gatewat Net Trading Pte. Limited	Fellow- Subsidiary Company
7	Reliance Flag Pecific Holdings Limited	Fellow- Subsidiary Company

ii Transaction during the year with related party

Figures in brackets are pertaining to March 31, 2020

(Amount in ₹)

	Entity Name	**As at March 31, 2021**	
		Borrowings Current	**Current Assets**
1	Reliance Communications Inc	11,351,422,468 (11,748,124,485)	
2	Reliance Flag Pacific Holdings Limited		3,324,937,814 (3,441,135,545)
3	Reliance Communications Singapore Pte. Limited	18,343,299,000 (18,984,348,500)	
5	Anupam Global soft (Uganda) Limited	124,287,731 (128,631,257)	- -
6	Gatewat Net Trading Pte. Limited		2,110,021,861 (2,183,761,512)
7	Reliance Communications Limited	3,130,204,650 (3,239,596,975)	

Notes on Accounts to Financial Statements
Note : 2.15

1 **Financial Instruments**

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in
The following methods and assumptions have been used to estimate the fair values:
Fair value of cash , trade and other short term receivables, trade payables, other financial liabilities, short term loans
Fair value hierarchy
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
There is no fair valuation of Financial Instruments. The carrying value of the financial instruments by categories were as follows:

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**951,585**	984,841
Investments (Refer Note 2.01)	**6,482,844,135**	6,709,402,291
Total	**6,483,795,721**	6,710,387,132
Financial assets at fair value through Profit and Loss		
Investments (Refer Note 2.01)	**270,041,728**	232,101,012
Financial liabilities at amortised cost:		
Borrowings (Refer Note 2.06)	-	-
Total	**-**	-
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

Financial Risk Management Objectives and Policies

The Company's financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability or assets.
The Company's interest bearing financial instruments are reported as below:

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
Fixed Rate Instruments		
Financial Assets	**Nil**	Nil
Financial Liabilities	**Nil**	Nil
Variable Rate Instruments		
Financial Assets	**Nil**	Nil
Financial Liabilities	**-**	-

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

Notes on Accounts to Financial Statements

Impact on Profit and Loss / Equity

(Amount in ₹)

	As at March 31, 2021	As at March 31, 2020
Impact of increase in interest rate by 100 basis point	**-**	-

If the interest rate is adversely affected with decrease by 100 basis point, profit shall also accordingly be affected vise

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and is calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company's principal sources of liquidity were cash and cash equivalents and the cash flow generated from operations. The Company closely monitors its liquidity position and is attempting to maintain a balance between continuity of funding and flexibility by generating cash flow through realisations. Presently, the Company is primarily funded through Inter Corporate Deposits.

Note : 2.16

The amounts relating to Balance Sheet items appearing in Indian Rupees have been translated at Closing Rate of 1 USD = Rs. 73.110 (March 31, 2020 1 USD = Rs. 75.665) and items relating to profit and loss have been translated at average rate of 1 USD = Rs. 74.209 and (March 31, 2020, 1 USD = Rs. 70.876).

For and on Behalf of the Board

Place : Mumbai
Date : 26.06.2021

Curado Trust
Director

Aircom Holdco B.V

Unaudited Annual Accounts

March 2021

Aircom Holdco B.V.

Unaudited Balance Sheet as at 31st March 2021

(Amount in ₹)

Particulars	Note No.		As at 31st March 2021		As at March 31, 2020
ASSETS					
Current assets					
(a) Financial assets					
(i) Cash and cash equivalents	**2.01**	**290,435**		96,593	
Total current assets			**290,435**		96,593
Total Assets			**290,435**		96,593
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	**2.02**	**85,750**		82,770	
(b) Other equity	**2.03**	**(1,422,593)**		(2,205,655)	
Total equity			**(1,336,843)**		(2,122,885)
Liabilities					
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.04**		**874,479**		1,241,550
Current Liabilities					
(a) Other current liabilities	**2.05**	**752,799**		977,928	
Total liabilities		**752,799**	**752,799**	977,928	977,928
Total Equity and Liabilities			**290,435**		96,593

Significant Accounting Policies **1**

Notes on Accounts **2**

For Aircom Holdco B.V

Place : The Netherland
Date : 26.06.2021

Athos Business Services (Asia) B.V.
Director

Aircom Holdco B.V.

Statement of Profit and Loss for the year ended 31st March 2021

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March 2021	For the year ended March 31, 2020
INCOME		**1,719,193**	-
EXPENSES			
Other expenses	**2.06**	**848,516**	541,050
Total expenses		**848,516**	541,050
Loss before Tax		**870,677**	(541,050)
Other comprehensive income / (Loss)		**(87,614)**	(128,194)
Total comprehensive loss		**783,062**	(669,244)
Earning per Share (Refer Note 2.09)			
Basic (₹)		**870.68**	(541.05)
Diluted (₹)		**870.68**	(541.05)
Significant Accounting Policies	**1**		
Notes on Accounts	**2**		

For Aircom Holdco B.V

Place : The Netherland
Date : 26.06.2021

Athos Business Services (Asia) B.V.
Director

Aircom Holdco B.V.

Statement of changes in equity for the period ended March 31, 2021

(a) Equity share capital

(Amount in ₹)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the period	82,770	77,679
Change in equity share capital during the period (Refer note 2.02)	-	-
Foreign Exchange Variance	2,980	5,091
Balance at the end of the period	**85,750**	**82,770**

(b) Other Equity

(Amount in ₹)

Particulars	Attributable to the Equity Holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2019	(1,599,235)	62,824	(1,536,411)
Net Profit/(Loss) for the year	(541,050)	(128,194)	(669,244)
Balance as at March 31, 2020	(2,140,285)	(65,370)	(2,205,655)
Net Profit/(Loss) for the year	870,677	(87,614)	783,062
Balance as at March 31, 2021	(1,269,609)	(152,984)	(1,422,593)

For Aircom Holdco B.V.

Place : The Netherland
Date : 26.06.2021

Athos Business Services (Asia) B.V.
Director

Significant Accounting Policies to the Balance Sheet and Statement of Profit and Loss

Note 1 General Information and Significant Accounting Policies

1.01 General Information

Aircom Holdco B.V. ("Aircom" or "the Company"), is a subsidiary of Reliance Communications Limited ("RCOM" or " the Holding Company") incorporated on July 18, 2016.

1.02 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of Preparation

Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indiand Accounting Standards) Rule, 2015 and relevant provisions of the Companies Act, 2013 ("the Act")

These are the first Ind AS financial statements of the Company and cover a period of nine months starting from July 18, 2016 to March 31, 2017, hence no comparative are presented.

Historical cost convention

The financial statements have been prepared under historical cost convention except certain financial assets and financial liabilities which are measured at fair value.

Fair value measurement

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 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Current vis-à-vis non-current classification

The assets and liabilities reported in the balance sheet are classified on a “current/non-current basis”, with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Recent accounting pronouncements

Standards issued but not yet effective

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements.

Significant Accounting Policies to the Balance Sheet and Statement of Profit and Loss

1.03 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

1.04 Revenue Recognition

(i) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

1.05 Taxes on Income and Deferred Tax

Provision for income tax is made on the basis of taxable income for the year at the current rates. Tax expense comprises of current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents amount of Income Tax payable/ recoverable in respect of taxable income/ loss for the reporting period. Deferred tax represents the effect of temporary difference between carrying amount of assets and liabilities in the financial statement and the corressponding tax base used in the computation of taxable income. Deferred tax liabilities are generally accounted for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which such deductible temporary differences can be utilised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

1.06 Earning per Share

In determining Earning per Share, the Company considers the net profit after tax and includes the post tax effect of any exceptional item. Number of shares used in computing basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average shares considered for deriving Basic Earning per Share and also the weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares unless the results would be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.07 Miscellaneous Expenditure

Miscellaneous Expenditure is charged to the Profit and Loss Account as and when it is incurred.

Significant Accounting Policies to the Balance Sheet and Statement of Profit and Loss

1.08 Measurement of Fair value of financial instruments

The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.

1.09 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) Subsequent measurement

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Financial Assets measured at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

Asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any
discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial Assets measured at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met: a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

The contractual cash flows of the assets represent SPPI: Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit or loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Derecognition of Financial Assets

A financial asset is primarily derecognised when: a) Rights to receive cash flows from the asset have expired, or b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either(a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described herein:

Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Satement of Profit and Loss.

Financial Libilities measured at amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended March 31,2021

	As at 31st March 2021	As at March 31, 2020
		(Amount in ₹)
Note 2.01		
Cash and Cash Equivalents		
Balance with banks in current accounts	**290,435**	96,593
	290,435	96,593

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended March 31,2021

(Amount in ₹)

	As at 31st March 2021	As at March 31, 2020
Note 2.02		
Share capital		
Authorised share capital		
1,000 Equity shares of Euro 1 each	**85,750**	82,770
	85,750	82,770
Issued, subscribed and fully paid up		
1,000 Equity shares of Euro 1 each fully paid up	**85,750**	82,770
	85,750	82,770

2.02.01 Shares held by Holding Company and its subsidiary:

Equity shares	**No. of shares**	**No. of shares**
Reliance Communications Limited. (Holding company)	**1,000**	**1,000**

2.02.02 Details of shareholders holding more than 5% shares in the Company:

Equity shares	**No of shares**	**% of shareholding**	**No of shares**	**% of shareholding**
Reliance Communications Limited	**1,000**	**100**	**1,000**	**100**

2.02.03 Reconciliation of shares outstanding at the beginning and at the end of reporting period:

Equity shares	**No of Shares**	(Amount in INR)	**No of Shares**	(Amount in INR)
At the beginning of the year	**1,000.00**	**82,770.00**	**1,000.00**	**77,679.00**
Add : Changes since date of incorporation i.e July 18, 2016 [issue of shares]	**-**	**-**	**-**	**-**
Outstanding at the end of the year	**1,000**	**82,770**	**1,000**	**77,679**

Aircom Holdco B.V. ("Aircom" or "the Company"), incorporated on July 18, 2016 is a subsidiary of Reliance Communications Limited ("RCOM" or " the Holding Company")..

2.02.04 Terms/ rights attached to the shares

Equity shares

The Company has only one class of equity shares having a par value of Euro 1 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferencial amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended March 31,2021

		(Amount in ₹)
	As at 31st March 2021	As at March 31, 2020
Note 2.03		
Other equity		
Deficit in retained earnings		
Opening balance	(2,205,655)	(1,536,411)
Add: Loss during the period	**783,062**	(669,244)
Add: Foreign Exchange Variance	**-**	-
Closing balance	**(1,422,593)**	(2,205,655)

Note:

Retained earnings:

The balance in retained earnings represents the accumulated losses in the statement of profit and loss.

Note 2.04		
Non-Current Liabilities		
Borrowings	**874,479**	1,241,550
	874,479	1,241,550
Note 2.05		
Other current liabilities		
Provision for Expenses	**752,799**	977,928
	752,799	977,928
Note 2.06		
Other expenses		
Foreign Currency Exchanges Results (NET)	**95,482**	-
Legal and Professional Expenses	**753,034**	541,050
	848,516	541,050

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended March 31,2021

Note : 2.07
Previous Year
Figure for previous year is not given as the Company was incorporated during the current year. Amount in financial statement are presented in Rupees except as otherwise stated.

Note : 2.08
Capital Risk management
The company's objective when managing capital are to:

Safeguard their ability to continue as agoing concern, so that it can optimise the return to shareholders; and
Maintain an optimal capital structure to reduce the cost of capital.
Capital of the company for the purpose of capital management, include issued equity capital and resource atributable to the equity holders of the company.

Note 2.09
Earnings per Share (EPS)

(Amount in ₹)

		For the year ended March 31, 2021	For the year ended March 31, 2020
Basic and Diluted EPS (before and after Exceptional Items)			
(a)	Loss attributable to Equity Shareholders (Euro) (used as numerator for calculating Basic EPS)	870,677	(541,050)
(b)	Weighted average number of Equity Shares (used as denominator for calculating Basic EPS)	1 000	1 000
(c)	Weighted average number of Equity Shares (used as denominator for calculating Diluted EPS)	1,000	1,000
(d)	Basic Earnings per Share of Euro 1 each (Euro)	870.68	(541.05)
(e)	Diluted Earnings per Share of Euro 1 each (Euro)	870.68	(541.05)
(f)	Nominal value of an equity shares (Euro)	1.00	1.00

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended March 31,2021

Note 2.1(Related Party Disclosures

A. List of Related party: Where control exists

(i)	Reliance Innoventure Private Limited	Ultimate holding company
(ii)	Reliance Communications Limited	Holding company
(iii)	Athos Business Services (Asia) B.V.	Director

B.. Details of transactions and closing balances with related parties

(Amount in ₹)

Sr.No	Particulars	Holding Company	Total
[A]			
1	**Allotment of equity shares**	**82,770** (77,679)	**82,770** (77,679)

Note : 2.11

Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended March 31,2021

Note : 2.12

Financial Instruments by category

(Amount in ₹)

Particulars	**As at 31st March 2021 Amortised Cost**	As at 31st March 2020 Amortised Cost
Financial Assets:		
Cash and cash equivalent	290,435	96,593
Total financial assets	**290,435**	96,593

The fair value of current financial assets and financial liabilities are considered to be the same as their carrying amount, due to their short term maturities.

Note : 2.13

Financial Risk management

The company's current activities expose it to credit risk.

Risk	**Exposure arrising from**	**Measurement**	**Management**
Credit Risk	Cash and cash Equivalents	Credit Ratings	Diversification of bank balances

Note : 2.14

The amounts relating to Balance Sheet items appearing in Indian Rupees have been translated at Closing Rate of 1 USD = Rs. 73.110 (March 31, 2020 1 USD = Rs. 75.665) and items relating to profit and loss have been translated at average rate of 1 USD = Rs. 74.209 and (March 31, 2020, 1 USD = Rs. 70.876).

For Aircom Holdco B.V.

Place : The Netherland
Date : 26.06.2021

Athos Business Services (Asia) B.V.
Director