

Independent Auditor's Report

To the Members of Reliance Wimax Limited. Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Reliance Wimax Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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’.
- 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 does not have any pending litigations as at March 31,2023

- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLN2659

Place: Mumbai
Date: 24/05/2023

Reliance Wimax Limited

Annexure A to Independent Auditor's Report - 31st March 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Reliance Wimax Limited** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.

(b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii) (a) The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.

iii) (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.

iii).According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.

iv).During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.

v).The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

vi).As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

vii).According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2023 for a period of more than six months from the date they became payable.

Reliance Wimax Limited

Annexure A to Independent Auditor's Report - 31st March 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

Reliance Wimax Limited

Annexure A to Independent Auditor's Report -31stMarch 2023

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.

(d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii).There has been no instance of any resignation of the statutory auditors occurred during

xix).No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx).There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi).The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLN2659

Place: Mumbai
Date: 24/05/2023

Annexure B to Independent Auditor's Report - 31stMarch 2023 on the Financial Statements of Reliance Wimax 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 Wimax Limited** ('the Company') as of March 31, 2023 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 ("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 Companies Act, 2013.

Auditor's 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 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 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 2023 on the Financial Statements of Reliance Wimax 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, 2023, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLN2659

Place: Mumbai
Date: 24/05/2023

Reliance WiMax Limited

March 31, 2023

Reliance Wimax Limited

Balance Sheet as at March 31, 2023

(Amount in ₹ '000)

Particulars	Notes	As at March 31, 2023		As at March 31, 2022		
ASSETS						
Non Current Assets						
(a) Property, Plant and Equipment	2.01	-	-	-		
Current Assets						
(a) Financial Assets						
(i) Cash and Cash Equivalents	2.02	83	83			
(ii) Other Financial Assets	2.03	50 979	50 979			
		51 061	51 062			
TOTAL ASSETS		51 061		51 062		
EQUITY AND LIABILITIES						
Equity						
(a) Equity Share Capital	2.04	6 871	6 871			
(b) Other Equity	2.05	32 118	38 989	32 205		
				39 076		
Liabilities						
Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	2.06	10 000	10 000			
(ii) Other Financial Liabilities	2.07	2 072	1 986			
		12 072	11 986			
(b) Other Current Liabilities	2.08					
		12 072		11 986		
TOTAL EQUITY AND LIABILITIES		51 061		51 062		

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

For and on behalf of the Board

Priti V Mehta

Proprietor

Membership No. 130514

VINEETA PIYUSH PATEL

Director

DIN No :- 07151087

KONIKA SHAH

Director

DIN No :- 09600137

Place : Mumbai

Date :- May 24, 2023

Place : Mumbai

Date :- May 24, 2023

Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Notes	(Amount in ₹ '000)	
		For the year ended March 31, 2023	For the year ended March 31, 2022
I INCOME			
Revenue from Operations		-	-
Other Income		-	-
Total Income (I)		<u>-</u>	<u>-</u>
II EXPENDITURE			
General Administration Expenses	2.09	<u>87</u>	<u>46</u>
Total Expenses (II)		<u>87</u>	<u>46</u>
III Loss before Tax (I - II)		(87)	(46)
IV Tax expense:			
Current Tax		-	-
Deferred Tax		-	-
V Loss after Tax		<u>(87)</u>	<u>(46)</u>
VI Other Comprehensive Income		-	-
VII Total Comprehensive Income/(Loss) for the year		<u>(87)</u>	<u>(46)</u>
Earning per share of face value of ₹ 10 each fully Paid	2.13		
Basic (₹)		(0.00)	(0.00)
Diluted (₹)		(0.00)	(0.00)

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

For and on behalf of the Board

Priti V Mehta

Proprietor

Membership No. 130514

VINEETA PIYUSH PATEL

Director

DIN No :- 07151087

KONIKA SHAH

Director

DIN No :- 09600137

Place : Mumbai

Date :- May 24, 2023

Place : Mumbai

Date :- May 24, 2023

Statement of Change in Equity for the year ended March 31, 2023

A Equity Share Capital (Refer Note 2.04)		For the period ended March 31, 2023			(Amount in ₹ '000)
Particulars		For the period ended March 31, 2023		For the year ended March 31, 2022	
Balance at the begining of the year		6 871		6 871	
Change in equity share capital during the year		-		-	
Balance at the end of the year		6 871		6 871	
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, 2020	2 54 443	4 678	(2 26 558)	(13)	32 549
Add : Loss for the year	-	-	(46)	-	(46)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2022	2 54 443	4 678	(2 26 604)	(13)	32 503
Add : Loss for the year	-	-	(87)	-	(87)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2023	2 54 443	4 678	(2 26 690)	(13)	32 417

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

For and on behalf of the Board

Priti V Mehta
Proprietor
Membership No. 130514

VINEETA PIYUSH PATEL
Director
DIN No :- 07151087

KONIKA SHAH
Director
DIN No :- 09600137

Place : Mumbai
Date :- May 24, 2023

Place : Mumbai
Date :- May 24, 2023

Statement of Cash Flow for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023	(Amount in ₹ '000) For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before tax as per Statement of Profit and Loss	(87)	(46)
Adjusted for:		
Remeasurement Gain/Loss of defined benefit plan (Net of Tax)	—	—
Operating Profit/(Loss) before Working Capital Changes	(87)	(46)
Adjusted for:		
Receivable and Other Advances		
Trade Payable and Other Liabilities	86	(64)
Cash (Used in) Operations	()	(110)
Tax Refund	—	—
Tax Paid	—	—
Net Cash from Operating Activities	()	(110)
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	()	(110)
Opening Balance of Cash and Cash Equivalents	83	192
Closing Balance of Cash and Cash Equivalents (Refer Note 2.02)	83	83

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 Priti V Mehta & Co

Chartered Accountants

Firm Registration No. 129568W

For and on behalf of the Board**Priti V Mehta**

Proprietor

Membership No. 130514

VINEETA PIYUSH PATEL

Director

DIN No :- 07151087

KONIKA SHAH

Director

DIN No :- 09600137

Place : Mumbai

Date :- May 24, 2023

Place : Mumbai

Date :- May 24, 2023

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 pertaining 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:

Significant Accounting Policies and General Information to the Financial Statements

- 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 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

(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.

Significant Accounting Policies and General Information to the Financial Statements

(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.

1.13 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 ₹ '000)

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

(Amount in ₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022
2.02 Cash and Cash Equivalents		
Balance with Banks (Refer Note no. 2.22)	63	63
Fixed Deposit (Refer Note no. 2.22)	20	20
	83	83
2.03 Other Financial Assets		
Advances to Related Parties (Unsecured, Considered good)	50 979	50 979
	50 979	50 979
2.04 Share Capital		
Authorised		
Equity		
15 00 000 (15 00 000) Equity Shares of ₹ 10 each	15 000	15 000
Preference		
20 00 000 (20 00 000) Preference Shares of ₹ 10 each	20 000	20,000
	35 000	35 000
Issued, Subscribed and Paid up		
6 87 066 (6 87 066) Equity Shares of ₹ 10 each fully paid up	6 871	6 871
	6 871	6 871

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.

Reconciliation 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	6 871
Add/ (Less): Changes during the year	-	-
At the end of the year	6 87 066	6 871

7.5% Redeemable Non Cumulative Non Convertible Preference Shares

	No. of Shares	Amount
At the beginning of the year	10 00 000	10 000
Add/ (Less): Changes during the year	-	-
At the end of the year	10 00 000	10 000

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

2.05 Other Equity

(Amount in ₹ '000)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at April 01, 2021	2 54 443	4 678	(226 856)	(13)	32 251
Add: Loss for the year	-	-	(46)	-	(46)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2022	2 54 443	4 678	(226 902)	(13)	32 205
Add: Loss for the year	-	-	(87)	-	(87)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2023	2 54 443	4 678	(226 989)	(13)	32 118

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

(Amount in ₹ '000)

Particulars	As at	
	March 31, 2023	March 31, 2022
2.06 Borrowings		
10 00 000 7.5% Redeemable Non Cumulative Non Convertible Preference Shares (Refer Note 2.04) (10 00 000)	10 000	10 000
	10 000	10 000
2.07 Other Financial Liabilities		
Provision for Expenses	1,178	1 158
Payable to Related Parties	712	828
Payable to Others	183	-
	2 072	1 986
2.08 Other Current Liabilities		
Payable to Tax Authorities	-	-
	=====	=====

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

(Amount in ₹ '000)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
2.09 General administration Expenses		
Bank Charges		2
Legal and Professional Fees	16	24
Directors Sitting Fees	50	-
Interest on TDS		-
Payment to Auditors	20	20
	87	46

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.

	As at March 31, 2023	As at March 31, 2022
2.12 Contingent Liabilities		

Bank guarantees and letters of credit	22 000	22 000
---------------------------------------	--------	--------

	(Amount in ₹ '000)	
	For the period ended March 31, 2023	For the year ended March 31, 2022

Loss attributable to Equity share holders (Numerator - Profit after tax) (₹)	(87)	(46)
Denominator - Weighted number of equity shares	6 87 066	6 87 066
Basic as well as diluted, earning per equity share (₹)	(0.00)	(0.00)

	(Amount in ₹ '000)	
	As at March 31, 2020	As at March 31, 2022
Related to carried forward losses	-	-
Related to Capital Loss	-	-
Related to timing difference on depreciation of Fixed Assets	-	-
Total Deferred Tax Assets	<u><u>-</u></u>	<u><u>-</u></u>

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, 2022.

	(Amount in ₹ '000)	
	For the period ended March 31, 2023	For the year ended March 31, 2022
Current income tax	-	-
Tax for earlier years	-	-
Tax expense for the year	<u><u>-</u></u>	<u><u>-</u></u>

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

	Nil	Nil
(c) Reconciliation of Tax Expenses		
Loss before Tax	(87)	(46)
Applicable Tax Rate	26%	26%
Computed Tax Expenses (I)	(22)	(12)
Add: Expenses not considered for taxable profit	<u><u>22</u></u>	<u><u>12</u></u>

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
i Reliance Innoventures Private Limited	Ultimate Holding Company
ii Reliance Communications Limited	Holding Company
iii Reliance Communications Infrastructure Limited	Fellow Subsidiary Company
iv Reliance Reality Limited	Fellow Subsidiary Company
v Globalcom IDC Limited (ceased to be w.e.f December 12, 2022)	Fellow Subsidiary Company

b) Transactions during the year with related parties :

(Amount in ₹ '000)

Sr. No.	Nature of Transactions	Holding Company	Fellow Subsidiary Company	Total
1	Other Financial Liabilities	699 (699)	12 (129)	712 (699)
2	Advances to Related Parties		50 979 (50 979)	50 979 (50 979)
3	Preference Shares Issued (7.5% Redeemable Non Cumulative Non Convertible)	10 000 (10 000)	(-) (-)	10 000 (10 000)

c) Details of Material Transaction with Related Party

(Amount in ₹ '000)

Particulars	March 31, 2023	March 31, 2022
Transaction during the year		
<u>Reimbursement of expenses (net)</u>		
Reliance Reality Limited	12	-
Balance Sheet (Closing Balance)		
<u>Other Financial Liabilities</u>		
Reliance Communications Infrastructure Limited	699	
Reliance Reality Limited	12	-
<u>Other Financial Assets</u>		
Reliance Communications Infrastructure Limited	50 979	50 979
<u>Borrowings</u>		
Reliance Communications Limited	10 000	10 000

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).

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

Notes annexed to and forming part of financial statements

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	83	83
Other Financial Assets (Refer Note 2.03)	50 979	50 979
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	Nil	Nil
Financial liabilities at amortised cost:		
Borrowings (Refer Note 2.06)	10 000	10 000
Other Financial Liabilities (Refer Note 2.07)	2 072	1 986
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 does not 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 shareholders value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Company monitors on regular basis.

	As at March 31, 2023	As at March 31, 2022
(a) Equity	38 989	39 076
(b) Debt	10 000	10 000
(c) Equity + Debt (a+b)	48 989	49 076
(d) Capital Gearing Ratio (b/c)	20%	20%

Note : 2.21

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors on May 24, 2023.

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 Priti V Mehta & Co

Chartered Accountants

Firm Registration No. 129568W

For and on behalf of the Board

Priti V Mehta

Proprietor

Membership No. 130514

VINEETA PIYUSH PATEL

Director

DIN No :- 07151087

KONIKA SHAH

Director

DIN No :- 09600137

Place : Mumbai

Date :- May 24, 2023

Place : Mumbai

Date :- May 24, 2023

Independent Auditor's Report

To the Members of RelianceWebstore Limited. Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Reliance Webstore Limited.** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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’.
- 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 does not have any pending litigations as at March 31,2023

- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

PritiV. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLO1891

Place: Mumbai
Date: 24/05/2023

Reliance Webstore Limited.

Annexure A to Independent Auditor's Report - 31stMarch 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Reliance Webstore Limited.** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

- i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a), (b) and(c) of the orders are not applicable to the company.
- (b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a) The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.
ii) (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii).According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv).During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.
- v).The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi).As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act,2013.
- vii).According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March,2022 for a period of more than six months from the date they became payable.

Reliance Webstore Limited.

Annexure A to Independent Auditor's Report - 31stMarch 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

Reliance Webstore Limited.

Annexure A to Independent Auditor's Report -31stMarch 2023

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii). There has been no instance of any resignation of the statutory auditors occurred during

xix). No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx). There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi). The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLO1891

Place: Mumbai
Date: 24/05/2023

Annexure B to Independent Auditor's Report -31stMarch 2023on the Financial Statements of Reliance Webstore 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 Webstore Limited.** ('the Company') as of March 31, 2023 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 ("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 Companies Act, 2013.

Auditor's 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 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 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 2023 on the Financial Statements of Reliance Webstore 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, 2023, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLO1891

Place: Mumbai
Date: 24/05/2023

Annual Report
2022-23

Reliance Webstore Limited

Reliance Webstore Limited
Balance Sheet as at March 31, 2023

	NOTES	As at March 31, 2023	As at Mar. 31, 2022
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2.01	-	-
(b) Investments in Subsidiaries	2.02	215.00	215.00
(c) Financial Assets			
Others Financial Assets	2.03	3.10	3.10
(d) Income Tax Assets	2.04	632.24	632.24
(e) Deferred Tax Assets	2.05	70.00	70.00
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	2.06	707.69	707.69
(ii) Cash and Cash Equivalents	2.07	115.92	243.68
(iii) Other Financial Assets	2.08	1.05	0.97
(b) Other Current Assets	2.09	18 585.67	18 657.72
Total Assets		20 330.67	20 530.40
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	2.10	5.00	5.00
(b) Other Equity	2.11	(64 330.91)	(64 065.44)
LIABILITIES		(64 325.91)	(64,060.44)
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.12	61 231.50	61 231.50
(ii) Trade Payable	2.13		
Due to Micro and Small Enterprises		214.42	217.61
Due to Others		6 181.66	6 154.73
(iii) Other Financial Liabilities	2.14	9 317.81	9 147.86
(b) Other Current Liabilities	2.15	7 711.18	7 839.14
Total Equity and Liabilities		20 330.67	20 530.40
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
Proprietor
Membership No.130514

Place :Mumbai
Date :24-05-2023

For and on behalf of the Board

Sandeep Garg
Director
DIN: 09513285

Dolly Dhandhresha
Director
DIN: 07746698

Reliance Webstore Limited

Statement of Profit and Loss for the Period ended March 31, 2023

(₹ in Lacs)

	NOTES	For the Period ended March. 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from Operations	2.16	-	-
Other Income	2.17	0.35	1.52
Total Income		0.35	1.52
EXPENDITURE			
Cost of Goods Sold	2.18	-	0.11
Utilities and Services Consumed	2.19	-	0.80
Finance Costs	2.20	0.01	0.14
Other Expense	2.21	192.69	54.91
Total Expenses		192.70	55.96
Profit/ (Loss) before Exceptional Items. & Tax		(192.35)	(54.44)
Exceptional Items			
Advances and Receivables w/off		73.12	-
Profit / (Loss) before Tax		(265.47)	(54.44)
Tax Expense :			
Current Tax		-	-
Profit / (Loss) After Tax		(265.47)	(54.44)
Other Comprehensive Income		-	-
Total Comprehensive Income		(265.47)	(54.44)
Earning per Share of face value of ₹10 each fully paid up	2.26		
Basic (₹)		(530.94)	(108.88)
Diluted (₹)		(530.94)	(108.88)
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

For Priti V. Mehta & Co.

Chartered Accountants

Firm Regn No. 129568W

Sandeep Garg

Director

DIN: 09513285

Priti V. Mehta

Proprietor

Membership No.130514

Dolly Dhandhresha

Director

DIN: 07746698

Place :Mumbai

Date :24-05-2023

Reliance Webstore Limited

Statement of Cash flow for the period ended March. 31, 2023

(₹ in Lacs)

	For the period ended March 31, 2023	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) before tax as per Statement of Profit and Loss	(265.47)	(54.44)
Adjusted for:		
Write back of Liability No Longer required	(0.27)	-
Finance Cost	0.01	0.14
Effect of change in Unrealised Foreign Exchange Rate	-	0.14
Operating Profit before Assets and Liabilities Changes	(265.73)	(54.30)
Adjusted for:		
Receivables and other Advances	71.05	(0.77)
Trade Payables and Other Liabilities	<u>66.01</u>	<u>62.95</u>
Cash Generated from Operations	137.05	62.18
Income Tax Refund	0.93	-
Income Tax Paid	-	-
Net Cash from Operating Activities	(127.75)	7.88
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)	-	-
Interest Paid	(0.01)	(0.14)
Net Cash (Used in) / from Financing Activities	(0.01)	(0.14)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(127.76)	7.74
Opening Balance of Cash and Cash Equivalents	243.68	235.94
Closing Balance of Cash and Cash Equivalents (Refer Note 2.07)	115.92	243.68

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 and on behalf of the Board

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

Sandeep Garg
Director
DIN: 09513285

Priti V. Mehta
Proprietor
Membership No.130514

Dolly Dhandhresha
Director
DIN: 07746698

Place :Mumbai
Date :24-05-2023

Reliance Webstore Limited

Statement of Change in Equity for the period ended March 31 2023

	For the Period ended March 31, 2023	(₹ in Lacs)
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 Attributable to the equity holders	(₹ in Lacs)
---	-------------

Particulars	Retained Earnings
Opening Balance as at April 1, 2021	(64 011.00)
Total Comprehensive Income for the year	(54.44)
Balance as at March 31, 2022	(64 065.44)
Total Comprehensive Income for the year	(265.47)
Balance as at March 31, 2023	(64 330.91)

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 :24-05-2023

For and on behalf of the Board

Sandeep Garg
Director
DIN: 09513285

Dolly Dhandhresha
Director
DIN: 07746698

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 is engaged in marketing of Telecom and DTH related products and collection thereof.

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 lacs, 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 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 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 2.05) . 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.

Reliance Webstore Limited

General Information and Significant Accounting Policies to the Financial Statements

- (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.

Reliance Webstore Limited**General Information and Significant Accounting Policies to the Financial Statements**

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 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 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 2.40.1) 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

Particulars	(₹ in Lacs)					
	Leasehold Improvement	Plant and Machinery	Furniture and Fixtures	Vehicles	Total	Capital Work in Progress
Gross carrying value						
As at April 1, 2021	417.70	22 411.00	274.94	35.75	23 139.88	14 365.65
Additions	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	-
As at March 31, 2022	417.70	22 411.00	274.94	35.75	23 139.88	14 365.65
Additions	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	-
As at March 31, 2023	417.70	22 411.00	274.94	35.75	23 139.88	14 365.65
 Accumulated Depreciation						
As at April 1, 2021	417.70	22 411.00	274.94	35.59	23 140.22	14 365.79
Depreciation for the year	-	-	-	-	-	-
Provision for Impairment	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	-
As at March 31, 2022	417.70	22 411.00	274.94	35.59	23 140.22	14 365.79
Depreciation for the year	-	-	-	-	-	-
Provision for Impairment	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	-
As at Mar 31, 2023	417.70	22 411.00	274.94	35.59	23 140.22	14 365.79
 Net Carrying Value						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2023	-	-	-	-	-	-

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

	As at March 31,2023	(₹ in Lacs) As at Mar. 31, 2022
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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)	210.00	210.00
50 000 Shares of Reliance Communication Tamil Nadu Limited ₹ 10 each ('50000)	5.00	5.00
(Refer Note 2.31)	215.00	215.00

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	3.10	3.10
	3.10	3.10

NOTE : 2.04

INCOME TAX ASSETS

TDS and Advance Tax (Net)	632.24	632.24
	632.24	632.24

NOTE : 2.05

	As at Mar 31		For the year ended March 31,	
	2023	2022	2023	2022
DEFERRED TAX ASSETS				
Related to carried forward loss	-	-	-	-
Related to timing difference on depreciation	-	-	-	-
MAT Credit Entitlement	70.00	70.00	-	-
Net Deferred Tax Assets	70.00	70.00	-	-
Deferred Tax Charge/ (Credit)				

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 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 Lacs)

(a) Amounts recognised in profit and loss	For the Period ended March 31, 2023	For the year ended March 31.
Current Tax	-	-
Deferred Tax Charge/ (Credit) (net)	-	-
Tax expense for the year	<u>-</u>	<u>-</u>
(b) Reconciliation of Tax Expenses		
Profit/ (Loss) before Tax	(192.35)	(54.44)
Applicable Tax Rate	31.20%	31.20%
Computed Tax Expense (I)	(60.01)	(16.99)
Add: Items not considered for Tax Computation		
DTA Recognised in earlier year reversed during the year	-	-
Tax Losses for which no DTA was recognised	60.01	16.99
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)	1 779.69	1 779.69
Credit Impaired	1 072.00	1 072.00
	<u>707.69</u>	<u>707.69</u>

Trade Receivables ageing schedule

(₹ in Lacs)

Sr.	Particulars	Less Than 6 months	6 month to 1 years	1-2 years	2-3 Years	More than 3 years	Total
As at March 31, 2023							
(i)	Undisputed Trade receivables considered good	-	-	0.30	131.41	1 647.98	1 779.69
(ii)	increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - Credit Impaired	-	-	-	-	1 072.00	1 072.00
(iv)	Disputed Trade receivables considered good	-	-	-	-	-	-
(v)	increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade receivables - Credit Impaired	-	-	-	-	-	-
	Total - A	-	-	0.30	131.41	1 647.98	1 779.69
	Provision for allowance of credit impaired (B)	-	-	-	-	(1 072)	(1 072)
	Total - A + B	-	-	0.30	131.41	575.98	707.69
As at March 31, 2022							
(i)	Undisputed Trade receivables considered good	-	.30	131.41	693.93	954.05	1 779.69
(ii)	increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - Credit Impaired	-	-	-	118.38	953.62	1 072.00
(iv)	Disputed Trade receivables considered good	-	-	-	-	-	-
(v)	increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade receivables - Credit Impaired	-	-	-	-	-	-
	Total - A	-	0.30	131.41	693.93	954.05	1 779.69
	Provision for allowance of credit impaired (B)	-	-	-	(118.38)	(953.62)	(1 072.00)
	Total - A + B	-	0.30	131.41	575.55	0.43	707.69

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

(₹ in Lacs)

As at	As at
March 31, 2023	Mar. 31, 2022

NOTE : 2.07**CASH AND CASH EQUIVALENTS**

Balances with Banks	115.92	243.68
	<u>115.92</u>	<u>243.68</u>

NOTE : 2.08**OTHERS FINANCIAL ASSETS**

Interest Accrued	1.05	0.97
	<u>1.05</u>	<u>0.97</u>

NOTE : 2.09**OTHER CURRENT ASSETS****Advances and Receivables**

Considered good (Refer Note No 2.30)	10 108.19	10 181.31
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Others

Deposit with Government Authorities	36.91	36.91
Deposit with Others	161.43	161.43
Balance with Customs, Central Excise Authorities etc.	8 280.14	8 278.07
	<u>18 585.67</u>	<u>18 657.72</u>

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

(₹ in Lacs)

As at
March 31, 2023As at
March 31, 2022**NOTE : 2.10****SHARE CAPITAL****Authorised**

50 000 (50 000) Equity Shares of ₹ 10 each	5.00	5.00
	5.00	5.00

Issued, Subscribed and Paid up

50 000 (50 000) Equity Shares of ₹ 10 each fully paid up	5.00	5.00
	5.00	5.00

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

	No. of Shares	%	No. of Shares	%
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Reliance Communications Limited (Holding Company) and its Nominees	50,000	100.00	50,000	100.00
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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 Lacs)	Number	(₹ in Lacs)
Equity Shares				
At the beginning of the year	50,000	5.00	50,000	5.00
Add/Less: Changes during the year	-	-	-	-
At the end of the year	50,000	5.00	50,000	5.00

Reliance Webstore Limited

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

	As at March 31, 2023	(₹ in Lacs) As at Mar. 31, 2022
NOTE : 2.11		
OTHER EQUITY		
Surplus in Retained Earnings		
Opening Balance	(64 065.44)	(64 011.00)
Profit/(Loss) for the year	(265.47)	(54.44)
Balance carried forward	<u>(64 330.91)</u>	<u>(64 065.44)</u>
	<u>(64 330.91)</u>	<u>(64 065.44)</u>

NOTE : 2.12

BORROWINGS

Unsecured

Rupee Loan from Related Party (Refer Note 2.30)

61 231.50	61 231.50
<u>61 231.50</u>	<u>61 231.50</u>

NOTE : 2.13

TRADE PAYABLES

Due to Micro, Small and Medium Enterprises	214.42	217.61
Others	6 181.67	6 154.73
	<u>6 396.10</u>	<u>6 372.34</u>

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, 2023	As at Mar. 31, 2022
(a) Principal amount due to the enterprises defined under MSMED	214.42	217.61
(b) Interest due thereon to the enterprises defined under MSMED	389.95	220.50
(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	-	-
	-	-
(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	389.95	220.50
(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	268.97	148.04

NOTE : 2.14

OTHER FINANCIAL LIABILITIES

Provision for Expenses	9 317.81	9 147.86
	<u>9 317.81</u>	<u>9 147.86</u>

NOTE : 2.15

OTHER CURRENT LIABILITIES

Advance from Customers	1 049.59	1 049.59
Other Liabilities*	6 661.59	6 789.55
	<u>7 711.18</u>	<u>7 839.14</u>

(*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 Lacs)

For the Period ended	For the year ended March
March. 31, 2023	31, 2022

NOTE : 2.16**REVENUE FROM OPERATIONS**

Hand Sets & Devices	-	-	-	-
Less: VAT/Sales Tax	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>	<hr/>

Revenue for the year from sale of services as disclosed above excluding 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.

NOTE : 2.17**OTHER INCOME**

Interest Income ₹ 3,875 (Previous Year ₹ 15,500)	0.04	0.15
Interest Income on Income Tax Refund	0.04	1.37
	<hr/>	<hr/>
	0.35	1.52

Revenue for the year from sale of services as disclosed above excluding 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.

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

(₹ in Lacs)

For the Period ended March. 31, 2023	For the year ended March 31, 2022
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NOTE : 2.18**COST OF GOODS SOLD**

Handsets	-	0.11
	<hr/> <hr/>	<hr/> <hr/>

NOTE : 2.19**UTILITIES AND SERVICES CONSUMED**

Stores and Spares Consumed	-	0.80
	<hr/> <hr/>	<hr/> <hr/>

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

(₹ in Lacs)

For the Period ended	For the year ended
March. 31, 2023	March 31, 2022

NOTE : 2.20**FINANCE COST**

Interest and Other Charges on Loans

Other Financial Cost (net) (Bank Charges Rs 1180)

0.01	0.14
-------------	-------------

0.01	0.14
-------------	-------------

NOTE : 2.21**OTHERS EXPENSES****Selling Expenses**

Sales Promotion and Trade Discount

Selling and Marketing Expense (Nil, PYRs 9947)

-	0.00
---	------

-	-
---	---

General Administration Expenses

Interest on TDS/GST & Others

169.45	46.29
---------------	-------

Rent, Rates & Taxes

11.83	2.70
--------------	------

Professional Fees

4.12	2.32
-------------	------

Other General and Administrative Expenses

4.80	1.10
-------------	------

190.19	52.41
---------------	-------

Payment to Auditors

Audit Fees

2.00	2.00
-------------	------

Tax Audit Fees

0.50	0.50
-------------	------

2.50	2.50
-------------	------

192.69	54.91
---------------	-------

192.69	54.91
---------------	-------

Reliance Webstore Limited**Note on Accounts to the Balance Sheet as at Mar 31, 2022 and Statement of Profit and Loss for the year ended on that date****Note : 2.22****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 2.23**Contingent Liabilities and Capital Commitment (as represented by the Management)**

		(₹ in Lacs)	
	As at		As at
	March. 31, 2023		March 31, 2022
Estimated amount of contracts remaining to be executed on capital			
(i) accounts and not provided for		-	-
(ii) Disputed Liabilities not provided for			
- Sales Tax and VAT	1 754.00	1 754.00	1 754.00
- Custom, Excise and Service Tax	2 621.00	2 621.00	2 621.00
- Entry Tax and Octroi	26.00	26.00	26.00
- Other Litigations	1 100.00	1 100.00	1 100.00

Note : 2.24**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 2.25

2.25.1 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:

Particulars	As at Mar 31, 2023	As at March 31, 2022
Financial assets at amortised cost:		
Cash and Cash Equivalents (Refer Note 2.07)	115.92	243.68
Trade receivables (Refer Note 2.06)	707.69	707.69
Other financial assets (Refer Note 2.08 & 2.03)	4.15	4.07
Total	827.76	955.44
Financial assets at fair value through Profit and Loss:		
Financial assets at fair value through other comprehensive	Nil	Nil
Income:	Nil	Nil
Financial liabilities at amortised cost:		
Trade payables (Refer note 2.13)	6 396.08	6 372.34
Other Financial Liabilities (Refer note 2.14)	9 317.81	9 147.86
Borrowings (Refer Note 2.12)	61 231.50	61 231.50
Total	76 945.40	76 751.70
Financial liabilities at fair value through Profit and Loss:		
Financial Liabilities at fair value through other Comprehensive	Nil	Nil
Income:	Nil	Nil

2.25.2 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 (CIR) Process has been initiated against the Holding Company and operations of the Company has also been adversely impacted and its associated risks are as under

Market risk

Reliance Webstore Limited**Note on Accounts to the Financial Statement**

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.

Foreign Currency Risk from financial instruments as of :

Particulars	March 31, 2023		
	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, 2022		
	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.

Reliance Webstore Limited
Note on Accounts to the Financial Statement

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 Lacs)

Particulars	As at Mar 31, 2023			As at March 31, 2022		
	Gross Amount	Weighted Average loss rate	Loss Allowance	Gross Amount	Weighted Average loss rate	Loss Allowance
0-90	-	-	-	-	-	-
91-180	-	-	-	-	-	-
181-365	-	-	-	-	-	-
Above 365	707.69	-	-	707.69	-	-
	707.69	-	-	707.69	-	-

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.

Note 2.26

Earnings per Share (EPS)	For the year ended Mar 31, 2023	For the year ended March 31, 2022
Basic and Diluted EPS (before and after Exceptional Items)		
(a) Profit attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating Basic EPS)	(265.47)	(54.44)
(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 (₹)	(530.94)	(108.88)

Note 2.27

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 2.28

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.

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 Rs: Nil).

	In Cash	For the year ended March 31, 2023	In Cash	For the year ended March 31, 2022
	Yet to be paid 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	-	-	-	-

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
- 2 Globalcom IDC Limited (Formerly Reliance IDC Limited)
(ceased w.e.f December 12, 2022)
- 3 Reliance Communications Tamilnadu Limited
- 4 Reliance Communications Infrastructure Limited
- 5 Reliance Infratel Limited (ceased w.e.f December 22, 2022)
- 6 Reliance Realty Limited
- 7 Reliance Tech Services Limited (ceased w.e.f March 03, 2023)
- 8 Reliance Communications (Hong Kong) Limited
- 9 Reliance Telecom Limited
- 10 Reliance Capital Limited
- 11 Reliance Nippon Life Asset Management Limited
- 12 Reliance General Insurance Company Limited
- 13 Reliance Nippon Life Insurance Company Ltd.
- 14 Reliance Infrastructure Limited.

B Transactions during the year with related parties

	Holding Company	Subsidiaries	Fellow Subsidiaries	Enterprise over which Promoter of Holding Company having control	Total	(₹ in Lacs)
(A) Non Current investment						
Balance as at April 1, 2022	-	215.00	-	-	215.00	
Purchase/(Sale) Of Investment	-	-	-	-	-	
Balance as at March 31, 2023	-	215.00	-	-	215.00	
(B) Trade Receivables						
As at March 31, 2023	-	-	-	15.66	15.66	
As at March 31, 2022	-	-	-	15.66	15.66	
(C) Other Current Assets						
As at March 31, 2023	239.18	-	-	-	239.18	
As at March 31, 2022	239.18	-	-	-	239.18	
(D) Short Term Borrowings						
Balance as at April 1, 2022	-	-	61 232.00	-	61 232.00	
Taken/ Adjusted during the year	-	-	-	-	-	
Repaid / Adjusted during the year	-	-	-	-	-	
Balance as at March 31, 2023	-	-	61 232.00	-	61 232.00	
(E) Trade Payables						
As at March 31, 2023	-	1 241.18	-	0.39	1 241.57	
As at March 31, 2022	-	1 268.00	-	0.39	1 268.39	
(F) Other Financial Liabilities						
As at March 31, 2023	-	-	1 365.75	-	1 365.75	
As at March 31, 2022	-	-	1 366.00	-	1 366.00	

Reliance Webstore Limited
Note on Accounts to the Financial Statement

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 Mar 31, 2023	As at March 31, 2022
(a) Equity	(64 325.91)	(64 060.44)
(b) Debt	61 231.50	61 231.50
(c) Equity and Debt (a + b)	(3 094.41)	(2 828.93)
(d) Capital Gearing Ratio (b / c)	(19.79)	(21.64)

Note : 2.34

Authorisation of Financial Statements

The financial statements for the years ended March 31, 2023 were approved by the Board of Director on May 26,2023

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 :24-05-2023

For and on behalf of the Board

Sandeep Garg
Director
DIN: 09513285

Dolly Dhandhresha
Director
DIN: 07746698

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 ("the Company), which comprise the balance sheet as at 31st March 2023, 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, 2022 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.4,45,80,461 for the year ended 2022-23 and, as of that date Company's current liabilities exceeded its total assets by Rs. 78,64,78,556. 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 2023, 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.

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 necessarily 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 Standalone Financial 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:

- 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, 2020("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;
 - (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 7 of 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, 2023 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 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 have any pending 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.
- (iv)
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party.
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The company has not declared any dividend during the year under reference.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of Account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For M/S AJAY AGARWAL & CO.

Chartered Accountants

FRN No. 005972N

M. No. 084812

(CA AJAY KUMAR AGARWAL)

Partner

Place: New Delhi

Date: May 25, 2023

UDIN: 23084812BGWEEO3606

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, 2023.

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.

(d) The company has not revalued its Property, plant and equipment during the year.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rule made hereunder.

2. In respect of its inventories:

There is no inventory maintained by entity.

3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii of the order are not applicable to the Company.

4. In our opinion, the company has not granted any loans, investments and guarantees, therefore, Clause iv of the Companies (Auditor's Report) Order 2020 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. Since no tax assessments during the year, hence no transactions has been surrendered as income during the year in tax assessments. Hence clause viii of the Companies (Auditor's Report) Order 2020 is not applicable.

9. The company does not have any loans or borrowings from financial institution or bank or debenture holders, therefore, the clause ix of the Companies (Auditor's Report) Order 2020 is not applicable to the company.

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

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

11. (a) 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.

(b) No report under subsection (12) of section 143 of the Companies Act has been filed in form ADT-4.

(c) No whistle blowers complaints received during the year.

12. In our opinion, the company is not Nidhi Company. Therefore, the clause xii of the Companies (Auditor's Report) Order 2020 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. Since the Company does not have any operations and Section 138 of the Companies Act, 2013 is also not applicable, therefore, clause xiv of the Companies (Auditor's Report) Order 2020 is not applicable to the Company.

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. Hence clause xiv of the Companies (Auditor's Report) Order 2020 is not applicable.

17. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18. There has been no instance of any resignation of the statutory auditors occurred during the year.

19. Material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

We draw attention to Note No. 27(a) in the financial statement. 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 factors indicate that a material uncertainty exists that significant doubt on the company's ability to continue as going concern.

20. Clause xx of the Companies (Auditor's Report) Order 2020 is not applicable to the company since there is no requirement of CSR Expenditure as per section 135 of the said act.

For M/S AJAY AGARWAL & CO.

Chartered Accountants

FRN No. 005972N

M. No. 084812

(CA AJAY KUMAR AGARWAL)

Partner

Place: New Delhi

Date: May 25, 2023

UDIN: 23084812BGWEE03606

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, 2023 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

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, 2023, 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

(CA AJAY KUMAR AGARWAL)

Partner

Place: New Delhi

Date: May 25, 2023

UDIN: 23084812BGWEEO3606

Campion Properties Limited

Balance sheet as at March 31, 2023

(Amount in Rs.'000)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, Plant and Equipment	2	55,353	69,110
Investment Property	3	7,84,920	7,99,347
		8,40,273	8,68,457
Current assets			
Financial assets			
(i) Trade receivables	4	-	-
(ii) Cash and cash equivalents	5	1,883	2,102
Current tax assets	6	-	-
Other current assets	7	2,003	2,003
		3,887	4,105
Total assets		8,44,160	8,72,562
Equity and liabilities			
Equity			
Share capital	8	35,636	35,636
Other equity	9	(8,22,115)	(7,77,534)
		(7,86,479)	(7,41,898)
Current liabilities			
Financial Liabilities			
(i) Borrowings	10	15,35,707	15,35,707
(ii) Trade payables			
Total outstanding dues of Micro and Small Enterprise	11	-	-
Total outstanding dues to creditors other than Micro and Small Enterprise	11	52,899	43,694
Other current liabilities	5	41,876	34,902
Current Tax Liability	13	157	157
		16,30,639	16,14,460
Total Equity and Liabilities		8,44,160	8,72,562

See accompanying notes to the financial statements 1-30

In terms of our report of even date attached

For M/S AJAY AGARWAL & CO.

For and on behalf of the Board

Chartered Accountants

(Firm Registration No.005972N)

(CA AJAY KUMAR AGARWAL)

Partner
M No 084812

Director Trusha D Shah
DIN : 08969726

Director: Konika Shah
DIN : 09600137

Place of Signature: New Delhi
Date: 25/05/2023

Place of Signature: Mumbai
Date: 25/05/2023

Campion Properties Limited
Statement of Profit and Loss for the year ended March 31, 2023

(Amount in Rs.'000)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations	14	-	-
Other Income	15	-	16
Total Income		-	16
Expenses			
Depreciation and Amortization Expense	16	28,184	28,436
Other Expenses	17	16,396	27,659
Total Expenses		44,580	56,095
Loss before exceptional item and tax		(44,580)	(56,079)
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Tax for earlier years			
Loss for the year / period		(44,580)	(56,079)
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		(44,580)	(56,079)
Earning per equity share			
(1) Basic	24	(12.51)	(15.74)
(2) Diluted	24	(12.51)	(15.74)

See accompanying notes to the financial statements 1-30

In terms of our report of even date attached

For M/S AJAY AGARWAL & CO.

For and on behalf of the Board

Chartered Accountants

(Firm Registration No.005972N)

(CA AJAY KUMAR AGARWAL)

Partner

M No 084812

Place of Signature: New Delhi

Date: 25/05/2023

Director Trusha D Shah

DIN : 08969726

Director: Konika Shah

DIN : 09600137

Place of Signature: Mumbai

Date: 25/05/2023

Campion Properties Limited
Statement of Cash Flow for the year ended March 31, 2023

(Amount in Rs.'000)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Cash flow from Operating Activities		
Net Profit / (Loss) after tax	(44,580)	(56,079)
Adjustment for:		
Depreciation	28,184	28,436
Provision for Doubtful Debt	-	-
Provision for Doubtful Advances	-	-
Write-back of Creditors	-	-
Cash loss from operating before Working Capital Changes	(16,396)	(27,643)
Adjustment for:		
(Increase)/Decrease in Trade Receivables	-	-
(Increase)/Decrease in Current Tax Assets	-	-
(Increase)/Decrease in Other Current Assets	-	(2)
Increase/(Decrease) in Trade Payables	9,204	35,133
Increase/(Decrease) in Other Current Liabilities	6,974	(7,606)
Cash flow from Operating Activities (A)	(219)	(118)
(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)	(219)	(118)
Opening Balance of Cash and Cash equivalents	2,102	2,220
Closing Balance of Cash and Cash equivalents	1,883	2,102
Net Increase/(Decrease) in Cash and Cash equivalents	(219)	(118)
Components of Cash and Cash Equivalents (refer note 5)		
Cash in Hand	-	-
Balances with Banks- In Current account	1,883	2,102
	1,883	2,102

In terms of our report of even date attached

For M/S AJAY AGARWAL & CO.

Chartered Accountants

(Firm Registration No.005972N)

For and on behalf of the Board

(CA AJAY KUMAR AGARWAL)

Partner

Director : Trusha D Shah

Director: Konika Shah

M No 084812

Place of Signature: New Delhi

Date: 25/05/2023

DIN : 08969726

DIN : 09600137

Place of Signature: Mumbai

Date: 25/05/2023

Campion Properties Limited
Statement of Changes in Equity for the quarter ended March 31, 2023

(Amount in Rs.'000)

Particulars	Share capital	Retained Earning	Other Comprehensive Income	Total Equity
As at 1 April 2021(audited)	35,636	(7,21,455)	-	(6,85,819)
Net Profit	-	(56,079)	-	(56,079)
Deferred Tax Assets/ (Liabilities) Adjustment	-	-	-	-
As at March 31, 2021 (audited)	35,636	(7,77,534)	-	(7,41,898)
As at April 1, 2022	35,636	(7,77,534)		(7,41,898)
Net Profit/ loss for the period	-	(44,580)	-	(44,580)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	-
Fair value change on available for sale financial assets	-	-	-	-
As at March 31, 2023	35,636	(8,22,115)	-	(7,86,479)

In terms of our report of even date attached

For M/S AJAY AGARWAL & CO.

Chartered Accountants

(Firm Registration No.005972N)

For and on behalf of the Board

(CA AJAY KUMAR AGARWAL)

Partner

M No 084812

Place of Signature: New Delhi

Date: 25/05/2023

Director : Trusha D Shah

DIN : 08969726

Place of Signature: Mumbai

Date: 25/05/2023

Director: Konika Shah

DIN : 09600137

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 Earnings 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 earnings 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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Campion Properties Limited

Notes forming part of Financial Statements for the year ended Mar 31, 2023

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, 2022	1,02,624	43,006	2,04,462	3,50,092
Additions	-	-	-	-
Disposals	-	-	-	-
As at Mar 31, 2023	1,02,624	43,006	2,04,462	3,50,092
Accumulated Depreciation				
As at April 1, 2022	97,252	40,855	1,42,875	2,80,982
Additions	-	-	13,757	13,757
Disposals	-	-	-	-
As at Mar 31, 2023	97,252	40,855	1,56,632	2,94,739
Closing net carrying value as at April 1, 2022	5,372	2,150	61,587	69,110
Closing net carrying value as at Mar 31 ,2023	5,372	2,150	47,831	55,353

(Amount in Rs.'000)

Particulars	Furniture & Fittings	Office Equipment	Plant & Machinery	Total
Gross carrying value				
As at April 1, 2021	1,02,624	43,006	2,04,462	3,50,092
Additions	-	-	-	-
Disposals	-	-	-	-
As at Mar 31, 2022	1,02,624	43,006	2,04,462	3,50,092
Accumulated Depreciation				
As at April 1, 2021	97,010	40,855	1,29,108	2,66,973
Additions	242	-	13,767	14,009
Disposals	-	-	-	-
As at Mar 31, 2022	97,252	40,855	1,42,876	2,80,982
Closing net carrying value as at April 1, 2021	5,615	2,150	75,354	83,119
Closing net carrying value as at Mar 31 ,2022	5,373	2,150	61,587	69,110

Campion Properties Limited

Notes forming part of Financial Statements for the year ended Mar 31, 2023

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, 2022	1,64,627	8,07,464	9,72,091
Additions	-	-	-
Disposals	-	-	-
As at Mar 31, 2023	1,64,627	8,07,464	9,72,091
Accumulated Depreciation			
As at April 1, 2022	32,400	1,40,344	1,72,744
Additions	1,663	12,765	14,428
Disposals	-	-	-
As at Mar 31, 2023	34,063	1,53,109	1,87,172
Closing net carrying value as at April 1, 2022	1,32,227	6,67,119	7,99,346
Closing net carrying value as at Mar 31 ,2023	1,30,563	6,54,354	7,84,920

Particulars	Leasehold Land	Building	Total
Gross carrying value			
As at April 1, 2021	1,64,627	8,07,464	9,72,091
Additions	-	-	-
Disposals	-	-	-
As at Mar 31, 2022	1,64,627	8,07,464	9,72,091
Accumulated Depreciation			
As at April 1, 2021	30,737	1,27,580	1,58,317
Additions	1,663	12,765	14,429
Disposals	-	-	-
As at Mar 31, 2022	32,401	1,40,345	1,72,746
Closing net carrying value as at April 1, 2021	1,33,890	6,79,884	8,13,774
Closing net carrying value as at Mar 31 ,2022	1,32,227	6,67,119	7,99,346

Note 4. Trade Receivables	(Amount in Rs.'000)	
	As at	As at
	Mar 31, 2023	March 31, 2022
(i) Undisputed, considered good	-	-
(ii) Undisputed, which have significant increase in credit risk	-	-
(iii) Undisputed, credit impaired- outstanding for		
-Less than 6 months		
-6 months- 1 year		
-1-2 years		
-2-3 years		
-More than 3 years	82,636	82,636
Less: Provision for doubtful debts	(82,636)	(82,636)
	(0)	(0)
Total	(0)	(0)

Note 5. Cash and Cash Equivalent	(Amount in Rs.'000)	
	As at	As at
	Mar 31, 2023	March 31, 2022
Balances with Banks		
Current Accounts	1,883	2,102
Cash on Hand	-	-
Total	1,883	2,102

Note 6. Current tax assets	(Amount in Rs.'000)	
	As at	As at
	Mar 31, 2023	March 31, 2022
Taxes Paid	-	-
Total	-	-

Note 7. Other Current Assets	(Amount in Rs.'000)	
	As at	As at
	Mar 31, 2023	March 31, 2022
Mobilization 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)
Other Current Assets	2	2
Sub Total (A)	2	2
EMD Deposits	2,001	2,001
Sub Total (B)	2,001	2,001
Total	2,003	2,003

Note 8. Share Capital	(Amount in Rs.'000)	
	As at Mar 31, 2023	As at March 31, 2022
Authorized		
Equity Shares of Rs. 10/- each (as at March 31, 2023, : 3,600,000, as at March 31, 2022: 3,600,000)	36,000	36,000

Issued, Subscribed & Fully Paid up

Equity Shares of Rs. 10/- each (as at March 31, 2023, : 3,563,601, as at March 31, 2022: 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 Mar 31, 2023		As at March 31, 2022	
	No of Shares	Amount	No of Shares	Amount
Balance at the beginning of the year	35,63,601	3,56,36,010	35,63,601	3,56,36,010
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	35,63,601	3,56,36,010	35,63,601	3,56,36,010

(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 number of the Equity shares held by the shareholders.

(c) Shares held by holding company

Equity Shares	As at Mar 31, 2023		As at March 31, 2022	
	No of Shares	Percentage	No of Shares	Percentage
Reliance Communications Limited and its nominee's*	35,63,601	100%	35,63,601	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

Equity Shares	As at Mar 31, 2023		As at March 31, 2022	
	No of Shares	Percentage	No of Shares	Percentage
Reliance Communications Limited and its nominee's	35,63,601	100%	35,63,601	100%

Note 9. Other Equity

	(Amount in Rs.'000)	
	As at Mar 31, 2023	As at March 31, 2022
Deficit in Statement of Profit & Loss		
Balance as per last period Balance Sheet	(7,77,534)	(7,21,455)
Add: Loss for the period	(44,580)	(56,079)
Add: Deferred Tax adjustment		
Balance at the end of the year	(8,22,115)	(7,77,534)

Campion Properties Limited
Notes forming part of Financial Statements for the year ended Mar 31, 2023

Note 10. Current Liabilities - Borrowings	(Amount in Rs.'000)	
	As at	As at
	Mar 31, 2023	March 31, 2022
Unsecured		
Loan from Holding Company*	15,27,520	15,27,520
Loan from Globalcom IDC Limited	8,188	8,188
Total	15,35,707	15,35,707

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

Note 11. Trade Payables	(Amount in Rs.'000)	
	As at	As at
	Mar 31, 2023	March 31, 2022
Total outstanding dues of Micro and Small Enterprise*		
Total outstanding dues to creditors other than Micro and Small Enterprise	52,899	43,694
Outstanding from due date of payment for-		
Less than 1 year	9,205	35,133
1-2 years	35,133	1,454
2-3 years	1,454	-
More than 3 years	7,107	7,107
Disputed Dues-MSME		
Disputed Dues- Others		
Total	52,899	43,694

*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

Note 12. Other Current Liabilities	(Amount in Rs.'000)	
	As at	As at
	Mar 31, 2023	March 31, 2022
Statutory Due Payable		
TDS Payable	17	10
Service Tax Payable	-	-
Labour Cess	-	-
Expenses Payable	41,858	34,892
Security Deposit	-	-
Interest on Property tax Payable	-	-
Total	41,876	34,902

Note 13. Current Tax Liability	(Amount in Rs.'000)	
	As at	As at
	Mar 31, 2023	March 31, 2022
Provision for Income Tax		
	157	157
Total	157	157

Campion Properties Limited**Notes forming part of Financial Statements for the year ended Mar 31, 2023**

Note 14. Revenue from Operations	For Year ended March 31, 2023	For Year ended March 31, 2022
Sale of services		
Rental Income	-	-
Total	-	-
Note 15. Other Income	For Year ended March 31, 2023	For Year ended March 31, 2022
Interest received on		
Fixed Deposits	-	-
Others	-	1
Miscellaneous Income (Interest on Electricity Security Deposit)	-	15
Total	-	16
Note 16. Depreciation	For Year ended March 31, 2023	For Year ended March 31, 2022
Property, Plant and Equipment	13,757	3,502
Investment Property	14,428	3,607
Total	28,184	7,109
Note 17. Other Expenses	For Year ended March 31, 2023	For Year ended March 31, 2022
Lease Rent	6,879	6,513
Rates & Taxes	7,657	6,444
Legal & Professional	36	28
Sitting Fees	75	-
Insurance -Fixed Assets	1,398	1,779
Interest on Service Tax	-	-
Interest on GST	-	-
Interest on TDS	1	0
Interest on Property Tax demand	-	-
Payment to auditors (refer note no. 19)	112	112
Other Miscellaneous Expenses	1	2
Water Expenses	237	4,912
Interest on Property tax demand	-	7,870
Total	16,396	27,659

Note 18 Payment to Auditors

Particulars	For Year ended March 31, 2023	For Year ended March 31, 2022
As auditors		
Audit Fee	50	50
Limited Review	45	45
Tax audit	-	-
Internal Financial Control	-	-
In other Capacities		
Certification	-	-
Total	95	95

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**

Particulars	For Year ended March 31, 2023	For Year ended March 31, 2022
Rental income	-	-
Less: Direct Operating expenses from property that generated rental income	-	-
Less: Direct Operating expenses from property that did not generated rental	(14,536)	(12,957)
Profit/ (Loss) from Investment Property before Depreciations	(14,536)	(12,957)
Less: Depreciations	(14,428)	(14,428)
Profit/ (Loss) from Investment Property	(28,963)	(27,384)

(ii) Contractual Obligations

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

(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:

Particulars	As at March 31, 2023	As at March 31, 2022
Within one year	-	-
Later than one year but not later than 5 years	-	-
Later than 5 years	-	-
	-	-

(iv) Fair Value

Particulars	As at March 31, 2023	As at March 31, 2022
Investment Property	66,56,000	66,56,000
	66,56,000	66,56,000

(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 valuation 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 relacement 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) Rules, 2015 has

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

B. Fellow Subsidiary Company

Globalcom IDC Limited (Formerly known Reliance IDC Limited) (Upto to 12th December,2022)
Reliance Reality Limited

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

Trusha D Shah

Konika Shah

Vineeta P Patel

Details of transactions and closing balances

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Taken		
Reliance Communications Limited	-	-
Expense Paid		
Insurance Expenses - Reliance Communications Limited	1,398	1,779
Water Expenses-Reliance Communications Ltd.	237	4,912
Interest on Property Tax	-	7,870
Professional charges	-	8
Transaction with Directors		
Sitting Fees	75	-

Outstanding Balances:	As at March 31, 2023	As at March 31, 2022
Loan Taken		
Reliance Communications Limited	15,27,520	15,27,520
Payable		
Relaince Reality Limited	23	0
Reliance Communications Limited	52,899	43,694

Note 23 Earning per Equity Share

Particulars	As at March 31, 2023	As at March 31, 2022
Nominal Value of Equity Shares (Rs.)	10	10
Profit/ (Loss) attributable to Equity Shareholders	(4,45,80,461)	(5,60,79,017)
Weighted Average number of Equity Shares outstanding during the period	35,63,601	35,63,601
Basic and Diluted Earnings per Share	(12.51)	(15.54)

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.

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, 2023	1,883	-	-	1,883
Trade Receivables and Cash & Cash Equivalent	As at March 31, 2022	2,102	-	-	2,102

Financial liabilities		Carrying Amount	FVPL	FVOCI	Amortised cost
Borrowings and Trade payables	As at March 31, 2023	15,88,606	-	-	15,88,606
Borrowings and Trade payables	As at March 31, 2022	15,79,402	-	-	15,79,402

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.

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. 44,580,461 for the Period 1st April, 2022 to 31 March,2023 and, as of that date Company's current liabilities exceeded its total assets by Rs. 78,64,78,556 . 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 2023, 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 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.

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 Disclosure as per latest amendment in Schedule III:

(i) Ratios:-	31.03.2023			31.03.2022		
	Particular	Numerator	Denominator	Ratio	Numerator	Denominator
(a) Current Ratio,	3,887	16,30,639	0.002	4,106	16,14,460	0.003
(b) Debt-Equity Ratio,	15,35,707	(7,86,479)	-2.029	15,35,707	(7,41,898)	-2.070
(c) Debt Service Coverage Ratio,	(16,396)	-	0.000	(27,643)	-	0.000
(d) Return on Equity Ratio,	(44,580)	(7,64,188)	0.053	(56,079)	(7,13,858)	0.079
(e) Inventory turnover ratio,	-	-	0.000	-	-	0.000
(f) Trade Receivables turnover ratio,	-	-	0.000	-	-	0.000
(g) Trade payables turnover ratio,	-	48,296	0.000	-	26,127	0.000
(h) Net capital turnover ratio,	-	(16,26,752)	0.000	-	(16,10,355)	0.000
(i) Net profit ratio,	(44,580)	-	0.000	(56,079)	-	0.000
(j) Return on Capital employed,	(44,580)	(7,86,479)	0.053	(56,079)	(7,41,898)	0.042
(k) Return on investment.	-	-	0.000	-	-	0.000

(ii) Compliance with approved Scheme(s) of Arrangements

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 2023, 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 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.

Note 30 Approval of financial statements

The financial statements were approved by the Board of Directors on May 25, 2023.

**For M/S AJAY AGARWAL & CO.
Chartered Accountants
(Firm Registration No. 005972N)**

(CA AJAY KUMAR AGARWAL)

Partner

M.No.084812

Place of Signature: New Delhi

Date: 25/05/2023

For and on behalf of the Board

Director: Trusha D Shah

DIN- 08969726

Place of Signature: Mumbai

Date: 25/05/2023

Director: Konika Shah

DIN-09600137

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 an operational/financial creditor against Reliance Telecom Limited, Reliance Communications Limited ("the Holding Company"), Reliance Infratel Limited (ceased w.e.f December 22, 2022) 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 extent 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, 2023, 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, 2023, 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, 2023.
- b) We draw attention to Note no.2.18.01 of 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. 23,535lakhs for the year ended March 31, 2023&Rs.93,683lakhup 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 lossamounting to Rs.13,122lakh for the year ended March 31, 2023&foreign exchange loss of Rs.21,847lakhup to previous financial year, 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, 2023would have been higher by Rs. 36,657lakh and Net worth of the Company would have been lower by Rs.1,52,187lakh and Rs. 1,15,530lakh as on March 31, 2023 and as on March 31, 2022 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) & 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, 2023. 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, default in payment of regulatory and statutory duesand pending application of renewal of a Telecom License. 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

We draw attention to Note no 2.25 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.

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	
<p>The Company is involved as a party in legal 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.</p> <p>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 financial statements as a whole. Further reference is made to Note no. 2.23 Contingent liabilities and note no. 2.25 on provision of Licence fees and Spectrum Usage Charges.</p>	<p>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 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</p>

	<p>settlements were properly accounted for.</p> <p>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.</p> <p>We consider management's conclusion on the predicted outcome and estimation of potential impact reasonable and we assessed that the disclosures in Note no. 2.23, Contingent liabilities are reasonable.</p>
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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 2.40 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 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 Professional either 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.2.40 of 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 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 2.40 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, 2020 ("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, 2015 as 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 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 two directors of the Company as on March 31, 2023 taken on record by the Board of Directors, these two directors are not disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act. Further as mentioned in Note 2.39 of the financial statements one 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 comment whether this director is disqualified as on March 31, 2023 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;
 - 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.

iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Pursuant to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 01, 2023 to the Company which are companies incorporated in India and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Jigar T. Shah
Membership No.161851
UDIN:23161851BGSWYB8814

Date: May 27, 2023
Place: Mumbai

Reliance Telecom Limited

‘Annexure A’ to the Independent Auditor’s Report - March 31, 2023

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, 2023, we report the following:

- (i) (A) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (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 Equipment except to the extent of scrap value. The Management has physically verified some of its PPE 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 disclosed in Note 2.01 of the financial statements, are held in the name of the Company.
- (d) Based on the records examined by us and information and explanation given to us by the Company, the Company during the year has not revalued its Property, Plant and Equipment (including rights to use assets) or intangible assets, hence, the requirements of the said clause i(d) of paragraph 3 of the Order is not applicable to the Company.
- (e) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) Since the Company does not have any inventory. Accordingly, clause ii(a) of paragraph 3 of the Order is not applicable to the Company.
 - (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 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 or advance in nature of loans, , secured or unsecured, provided any guarantees or given securities or any investment made, to companies, firms, Limited liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, provisions of clauses (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of paragraph 3 of the Order are not applicable.
- (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, clause (iv) of paragraph 3 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, clause (v) of paragraph 3 of the Order is not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(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, 2023 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
The West Bengal Value added Tax Act,2003	WCT payable	18,752	2016-17	Various Dates	Unpaid
Professional Tax Act,1957 – Various States	Professional Tax payable	24,815	2017-18 onwards	Various Dates	Unpaid
Income Tax Act, 1961	Tax Deducted at Source	4,58,972	2017-18	Various Dates	Unpaid

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
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
Central Goods and Service Tax Act, 2017	Goods and Service Tax	14,37,750	2022-23	Various Dates	Unpaid
Madhya Pradesh State Goods and Service Tax Act, 2017	Goods and Service Tax	14,37,750	2022-23	Various Dates	Unpaid
Labour Welfare Fund	Labour Welfare Fund	488	2018-19 Onwards	Various Dates	Unpaid

(b) Details of statutory dues referred to in clause vii (a) above, which have not been deposited as on March 31, 2023 on account of disputes are given below:

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 to 2015-2016	Appellate Authority upto Commissioner's Level
		6.49	1997-1998 to 2007-08, 2010-2011	Tribunal
		0.09	2016-17	Deputy Commissioner, West Bengal Sales Tax
		0.15	2011-12, 2014-15 to 2016-17	Assistant Commissioner Of State Tax, Excise & Taxation Bhawan, Mohali
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 to 2016-2017	High Court

Name of the Statute	Nature of dues	Amount* (Rs. in Crore)	Period	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	1.14	2005-2006, 2006- 2007	Appellate Authority upto Commissioner's Level
		34.16	2005-2006 to 2008-2009	Tribunal
		55.41	2012-13 to June 2017	CGST & Central Excise Commissionerate Belapur
The Finance Act, 1994	Service Tax	278.49	October 2012 to June 2017	CGST & Central Excise Commissionerate Belapur
		229.43	April 2016 to June 2017	CGST & Central Excise Commissionerate Belapur
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) According to information and explanation given to us and representation given by the management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) 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.

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	2,192	2,191
2	Canara Bank	50.40	-	2,101	-
3	Central Bank of India	18.40	0.22	2,192	2,192
4	Corporation Bank (merged with Union Bank of India)	13.80	0.16	2,192	2,191
5	China Development Bank	863.67	26.7	2,028	2,214

6	Export Import Bank of China	215.92	6.67	2,028	2,214
7	IDBI Bank	276.00	3.78	2,192	2,191
8	IDBI Bank	54.92	-	2,205	-
9	Indian Overseas Bank	18.40	0.22	2,192	2,191
10	Oriental Bank of Commerce (merged with Punjab National Bank)	13.93	0.22	2,009	2,191
11	Punjab National Bank	187.60	-	2,217	-
12	State Bank of India	115.00	1.76	2,192	2,191
13	Syndicate Bank (merged with Canara Bank)	36.80	0.44	2,192	2,191
14	Union Bank of India	21.96	0.24	2,192	2,191
15	HSBC-France	261.47	4.46	2,136	2,136
16	Vishvakarma Equipment Finance Limited	118.00	-	1,216	-
	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. 23,535lakh and Rs. 1,15,530lakh for the year ended and up to March 31, 2023respectively and therefore it has not been disclosed above.

Installments amounting to Rs. 118,868lakh payable to Department of Telecommunications (DOT) as on March 31, 2023for spectrum acquired on deferred payment basis, has not been paid. (Refer note 2.06.01 of the financial statements).

- (b) According to the information and explanations given to us and on the basis of the audit procedures and representation received from management, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority. However the Company has received a show cause notice from the bank as to why the Company should not be declared willful defaulter (refer note 2.23).
- (c) In our opinion and information and explanation given to us and based on the examination of records of the Company, the Company has not raised term loans from any lender during the year and hence reporting under clause ix(c) of paragraph 3 of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long-term purposes.

- (e) In our opinion, and according to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Hence, the reporting requirements under clause (ix)(e) and (f) of paragraph 3 of the Order is not applicable.
- (x) (a) 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 hence the provision of clause x(a) of paragraph 3 of the order is not applicable to the Company.
 - (b) In our opinion and according to the information and explanation given to us, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause x(b) of paragraph 3 of the Order is not applicable to the Company.
- (xi) (a) Based on the audit procedures performed by us and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year. Also refer Note no. 2.23 of the financial statements.
 - (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 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) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (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, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
 - (b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As represented by the management, the Group does not have any Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

(xvii) Based on the examination of records, the Company has incurred cash losses of Rs. 1,35,417lakhs in the financial year 2022-23 and Rs. 1,12,564lakhs in immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, indicate that material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) Based on the examination of records of the Company and information and explanations given to us, due to losses incurred, the conditions and requirements of section 135 of the act is not applicable to the company hence, clause xx(a) and xx(b) of paragraph 3 of the Order is not applicable.

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

Jigar T. Shah
Partner
Membership No: 161851
UDIN:23161851BGSWYB8814

Date: May 27, 2023
Place: Mumbai

Reliance Telecom Limited**‘Annexure B’ to the Independent Auditor’s Report - March 31, 2023****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, 2023 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, 2023:

- 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 certain statutory dues and 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 opinion and 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, 2023, 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 the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2023 and these material weaknesses has affected our opinion on the said financial statements of the Company and we have expressed a qualified opinion on these financial statements of the Company.

ForPathak H.D. & Associates LLP
Chartered Accountants
Firm's Registration No: 107783W/W100593

JigarT. Shah
Partner
Membership No: 161851
UDIN:23161851BGSWYB8814

Date: May 27, 2023
Place: Mumbai

Reliance Telecom Limited
Financial Statements

2022-23

March 31, 2023

Reliance Telecom Limited

Balance Sheet as at March 31, 2023

(₹ in lakh)

Particulars	Notes	As at March 31, 2023		As at March 31, 2022		
ASSETS						
Non Current Assets						
(a) Property, Plant and Equipment	2.01	2	2			
(b) Income Tax Assets (net)	2.02	846	848	846		
Current Assets						
(a) Financial Assets						
(i) Trade Receivables	2.03	4,470	4,470			
(ii) Cash and Cash Equivalents	2.04	1,625	2,609			
(b) Other Current Assets	2.05	34,110	33,956			
(c) Assets Held for Sale	2.06	340,277	380,482	340,277		
				381,312		
	Total Assets		381,330	382,158		
EQUITY AND LIABILITIES						
Equity						
(a) Equity Share Capital	2.07	8,500	8,500			
(b) Other Equity	2.08	(1,280,315)	(1,271,815)	(1,180,190)		
LIABILITIES						
Non-Current Liabilities						
(a) Provisions	2.09	1	1	3		
Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	2.10	726,085	726,085			
(ii) Trade Payables	2.11					
Micro and Small Enterprises		1,347	1,347			
Creditors other than Micro and Small Enterprises		55,416	55,319			
(iii) Other Financial Liabilities	2.12	502,491	436,430			
(b) Other Current Liabilities	2.13	3,778	3,729			
(c) Provisions	2.14	-	2			
(d) Liabilities directly related to Assets Held for Sale	2.06	364,027	1,653,144	330,933		
				1,553,845		
	Total Equity and Liabilities		381,330	382,158		
Significant Accounting Policies						
Notes on Accounts		1	1			
		2	2			

Reliance Telecom Limited

Balance Sheet as at March 31, 2023

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

For Reliance Telecom Limited

Anish Niranjan Nanavaty

Resolution Professional

Jigar T. Shah

Partner

Membership No. 161851

Payal H Shah

Director

DIN 09284328

Mahesh Mungekar

Director

DIN 00778339

Sanjay K Agarwal

Chief Financial Officer

Jigar Joshi

Company Secretary & Manager

A57632

Place : Mumbai

Dated : May 27, 2023

Reliance Telecom Limited

Statement of Profit and Loss for the year ended March 31, 2023

(₹ in lakh)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I INCOME			
(a) Revenue from Operations		-	-
(b) Other Income	2.15	19	10
(c) Total Income ((a) +(b))		19	10
II EXPENSES			
(a) Access Charges, License Fees and Network Expenses	2.16	611	621
(b) Employee Benefits Expenses	2.17	76	52
(c) Finance Costs	2.18	34,299	31,042
(d) Depreciation and Amortisation ₹ 7,657 (Previous year ₹ 7,657)	2.01	-	-
(e) General Administration Expenses	2.19	1,861	974
(f) Total Expenses ((a) to (e))		36,847	32,689
III Profit /(Loss) before Exceptional items and Tax (I(c)- II(f))		(36,828)	(32,679)
IV Exceptional Items			
Provision for Liability on account of License and Spectrum Fees	2.25	63,294	54,661
V Profit / Loss before Tax (III- IV)		(100,122)	(87,340)
VI Tax Expense:			
(a) - Current Tax		-	-
(b) - Deferred Tax Charge/ (Credit)		-	-
VII Profit /Loss after Tax (V- VI)		(100,122)	(87,340)
VIII Other Comprehensive Income			
Remeasurement Gain/ (Loss) of the net defined employee benefit (Net of Tax)		(3)	1
IX Total Comprehensive Income / (Loss) for the year (VII + VIII)		(100,125)	(87,339)
X Earnings per Share of ₹ 10 each fully paid up	2.28		
- Before exceptional items (Basic and Diluted) (₹)		(43.33)	(38.45)
- After exceptional items (Basic and Diluted) (₹)		(117.79)	(102.75)
Significant Accounting Policies	1		
Notes on Accounts	2		

Reliance Telecom Limited

Statement of Profit and Loss for the year ended March 31, 2023

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

For Reliance Telecom Limited

Anish Niranjan Nanavaty

Resolution Professional

Jigar T. Shah

Partner

Membership No. 161851

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Director

DIN 00778339

Sanjay K Agarwal

Chief Financial Officer

Jigar Joshi

Company Secretary & Manager

A57632

Place : Mumbai

Dated : May 27, 2023

Reliance Telecom Limited

Statements of Change in Equity as at March 31, 2023

(a) Equity Share Capital (Refer Note 2.07)

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	8,500	8,500
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	8,500	8,500
Change in Equity Share Capital during the year	-	-
Balance at the end of the year	8,500	8,500

(b) Other Equity (Refer Note 2.08)

(₹ in lakh)

Particulars	Reserves and Surplus				Total
	Preference Share Redemption Reserve	Retained Earnings	Other Comprehensive Income		
Balance as at April 1, 2022	20,000	(1,200,178)	(12)	(1,180,190)	
Surplus/ (Deficit) of Statement of Profit and Loss	-	(100,122)	-	(100,122)	
Other Comprehensive Income	-	-	(3)	(3)	
Balance as at March 31, 2023	20,000	(1,300,300)	(15)	(1,280,315)	
Balance as at April 1, 2021	20,000	(1,112,838)	(13)	(1,092,851)	
Surplus/ (Deficit) of Statement of Profit and Loss	-	(87,340)	-	(87,340)	
Other Comprehensive Income	-	-	1	1	
Balance as at March 31, 2022	20,000	(1,200,178)	(12)	(1,180,190)	

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

For Reliance Telecom Limited

Firm Regn No. 107783W/W100593

Chartered Accountants

Anish Niranjan Nanavaty

Resolution Professional

Jigar T. Shah

Partner

Membership No. 161851

Payal H Shah

Director

DIN 09284328

Mahesh Munegkar

Director

DIN 00778339

Sanjay K Agarwal

Chief Financial Officer

Jigar Joshi

Company Secretary & Manager

A57632

Place : Mumbai

Dated : May 27, 2023

Reliance Telecom Limited

Statement of Cash Flow for the year ended March 31, 2023

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit /(Loss) before tax as per Statement of Profit and Loss	(100,122)	(87,340)
Adjusted for:		
Depreciation and Amortisation	-	-
₹ 7,657 (Previous year ₹ 7,657)	-	-
Effect of change in Foreign Exchange Rate (net)	1,362	549
Finance Costs	34,299	31,042
Interest Income	(15)	-
	35,646	31,591
Operating Profit / (Loss) before Working Capital Changes	(64,476)	(55,749)
Adjusted for:		
Receivables and Other Advances	(142)	(143)
Trade Payables and Other Liabilities	63,636	54,868
	63,494	54,725
Cash Generated from Operations	(982)	(1,024)
Tax Refund	-	2
Tax Paid	(2)	(2)
	(984)	(1,022)
Net Cash from Operating Activities		
B CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Property, Plant and Equipments, Intangible Assets and Capital Work in Progress/ Intangible under Development	-	-
Net Cash from/ (Used in) Investing Activities		
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from / (Repayment of) Short term Borrowings	-	-
Proceeds from Non-Current Borrowings	-	-
Repayment of Non-Current Borrowings	-	-
Finance Costs	-	(1)
Net Cash from/ (Used in) Financing Activities		
Net Increase/ (Decrease) in Cash and Cash Equivalents	(984)	(1,023)
Opening Balance of Cash and Cash Equivalents	(21,643)	(20,620)
Closing Balance of Cash and Cash Equivalents	(22,627)	(21,643)

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, 2023	As at March 31, 2022
(i) Cash and cash equivalent	1,625	2,609
(ii) Less: Bank overdraft	(24,252)	(24,252)
(iii) Cash and cash equivalent (net) as per Ind AS 7	(22,627)	(21,643)

Reliance Telecom Limited

Statement of Cash Flow for the year ended March 31, 2023

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

For Reliance Telecom Limited

Anish Niranjan Nanavaty

Resolution Professional

Jigar T. Shah

Partner

Membership No. 161851

Payal H Shah

Director

DIN 09284328

Mahesh Mungekar

Director

DIN 00778339

Sanjay K Agarwal

Chief Financial Officer

Jigar Joshi

Company Secretary & Manager
A57632

Place : Mumbai

Dated : May 27, 2023

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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, 2.25 and 2.26 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 also the functional currency of the Company. All amounts are rounded off to the lakh, 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.

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2023

- (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 method, 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 method, useful lives and residual values are reviewed periodically at each reporting date.

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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.

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2023

(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.

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2023

- (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.

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 Earnings per Share

In determining Earnings 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 earnings per share is the weighted average number of shares outstanding during the period. Dilutive earnings 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:

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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".

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 current 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.

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2023

(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.

1.18 Recent Accounting Developments

The Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023, resulted into amendments in the following Ind AS, applicable to company, effective from April 1, 2023:

- (i) Ind AS 107 – Financial Instruments Disclosures
- (ii) Ind AS 109 – Financial Instruments
- (iii) Ind AS 115 – Revenue from Contracts with Customers
- (iv) Ind AS 1 – Presentation of Financial Statements
- (v) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- (vi) Ind AS 12 – Income Taxes

Applicability of the above standards are not expected to have any significant impact on the company's financial statements.

Reliance Telecom Limited**Notes on Accounts to the Financial Statements as at March 31, 2023****Note: 2.01****Property, Plant and Equipment**

(₹ in lakh)

Particulars	Buildings
Gross carrying value	
As at April 1, 2021	4
Additions	-
Deductions	-
As at March 31, 2022	4
Additions	-
Deductions	-
As at March 31, 2023	4
Accumulated Depreciation	
As at April 1, 2021	2
Depreciation for the year ₹ 7,657	-
Deductions	-
As at March 31, 2022	2
Depreciation for the year ₹ 7,657	-
Deductions	-
As at March 31, 2023	2
Net Carrying Value	
As at March 31, 2022	2
As at March 31, 2023	2

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, 2023

Note: 2.02

(a) Income Tax Assets (net) (Refer Note 2.21)

(₹ in lakh)

Particulars	As at	
	March 31, 2023	March 31, 2022
Advance Income Tax and Tax Deducted at source (net of provision for tax)	846	844
	846	844

(b) Deferred Tax Assets (Net)

(₹ in lakh)

Particulars	As at	As at	For the year ended March 31,		
	March 31, 2023		March 31, 2022	2023	2022
(a) Amount recognised in Financial Statement					
(i) Deferred Tax Assets					
Relating to Carried forward losses and unabsorbed depreciation	224,871	203,845	21,026	21,883	
Disallowances under Income Tax Act, 1961	7,477	7,381	96	(197)	
MAT Credit Entitlement	-	-	-	(2,931)	
Relating to temporary difference on depreciation/ amortisation and Impairment of Assets	(25,990)	3,379	(29,369)	(11,723)	
	206,358	214,605	(8,247)	7,032	
(ii) Deferred Tax Liabilities					
Net Deferred Tax Assets	-	-	-	-	
(i)- (ii)	206,358	214,605	(8,247)	7,032	
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, 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, 2023

Sr. Year of Expiry	Amount of Loss (₹ in lakh)	
i. Financial Year 2024-25	68,856	
ii. Financial Year 2025-26	68,406	
iii. Financial Year 2026-27	54,268	
iv. Financial Year 2027-28	53,256	
v. Financial Year 2028-29	51,911	
vi. Financial Year 2029-30	55,271	
vii. Financial Year 2030-31	59,862	
viii. Unabsorbed Depreciation for unlimited period	308,910	
(b) Amounts recognised in profit and loss	(₹ in lakh)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
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	(100,122)	(87,340)
Applicable Tax Rate	31.20%	31.20%
Computed Tax Expenses (I)	(31,238)	(27,250)
Add/ (Less):		
DTA not recognised on account of		
Temporary differences	11,490	10,196
Provision for Impairment disallowed/ Others not allowed under Income Tax Act, 1961	19,748	17,054
Subtotal (II)	31,238	27,250
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, 2023

Note: 2.03

Trade Receivables (Refer Note 2.21 and 2.27.2)	(₹ in lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
Considered good	-	-
Which have significant increase in credit risk	4,470	4,470
Credit impaired	19,965	19,965
Less: Allowance for credit impaired	19,965	19,965
	4,470	4,470

2.03.01

Ageing Trade Receivables from the due date of payment as at March 31, 2023 and March 31, 2022

Particulars	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade						
Receivables-Which have significant increase in credit risk	-	-	-	-	4,470	4,470
Undisputed Trade	(-)	(-)	(-)	(-)	(4,470)	(4,470)
Receivables-Credit impaired						
					19,965	19,965
Total-A					24,435	24,435
	(-)	(-)	(-)	(-)	(24,435)	(24,435)
Less: Allowance for credit impaired - B					19,965	19,965
	(-)	(-)	(-)	(-)	(19,965)	(19,965)
Total (A-B)					4,470	4,470
	(-)	(-)	(-)	(-)	(4,470)	(4,470)

Note: 2.04

Cash and Cash Equivalents	(₹ in lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Banks	1,625	2,609
	1,625	2,609

Note: 2.05

Other Current Assets (Unsecured)*	(₹ in lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022
a) Advances and Receivables		
Considered good		
Related Parties (Refer Note 2. 30)	860	862
Others	17,392	17,392
	18,252	18,254
b) Others		
Deposits	3,594	3,580
Balance with GST Authorities etc.	12,095	11,953
Prepaid Expenses	169	169
	34,110	33,956

* Refer Note 2.21

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

Note: 2.06

Assets Held for Sale

(₹ in lakh)

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	
	2023	2022	2023	2022	2023	2022
Tangible						
Plant and Machinery	-	-	-	-	737	737
Capital Work in Progress	-	-	-	-	14	14
Subtotal	-	-	-	-	751	751
Intangible						
Telecom Licences	-	-	-	-	254,212	254,212
Intangible Assets under Development- Telecom Licences	-	-	-	-	85,314	85,314
Subtotal	-	-	-	-	339,526	339,526
Total	-	-	-	-	340,277	340,277
Liabilities directly related to Assets Held for Sale						(₹ in crore)
Particulars	As at March 31, 2023			As at March 31, 2022		
Deferred Payment Liabilities relating to Telecom Licences	192,148			192,148		
Interest accrued on Spectrum	171,879			138,785		
	364,027			330,933		

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.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

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 ₹ 258,457 lakh. RCOM has made upfront payment of ₹ 66,309 lakh on behalf of the Company, under the deferred payment option on April 8, 2015 and balance ₹ 475,472 lakh (including interest), was payable in 16 annual installment starting from Financial year 2018-19. The Installments of ₹ 29,717 lakh each aggregating to ₹ 118,868 lakh, due on April 9, 2019, April 9, 2020, April 9, 2021 and April 9, 2022 are yet to be paid and balance installments not due as at March 31, 2023 is aggregating to ₹ 326,887 lakh including interest @10% per annum. Further, an installment of ₹ 29,717 lakh due on April 9, 2023 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 ₹ 10,000,000 each, aggregating to ₹ 150,000 lakh (current outstanding ₹ 75,000 lakh), and 3,000, 11.20% Secured Redeemable, Non Convertible Debentures (NCDs) of the face value of ₹ 10,000,000 each, aggregating to ₹ 300,000 lakh. The NCD's, alongwith 6.5% Senior Secured Notes (SCN's), Foreign Currency Loans and Rupee Term Loans of ₹ 2,542,400 lakh availed by Reliance Communications Limited (RCOM), the Holding Company and Foreign Currency Loans of ₹ 162,300 lakh availed by Reliance Infratel Limited (RITL) 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 (Ceased to be fellow subsidiary and part of Borrower Group since December 22, 2022 upon implementation of approved resolution plan under CIRP) 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 ₹ 235,900 lakh availed by RCOM and ₹ 110,900 lakh availed by RITL have also been secured by second pari passu charge on the said assets. Rupee loans availed by RCOM also includes ₹ 546,300 lakh secured by current assets, movable and immovable assets including intangible, both present and future of the Borrower Group. Further, non fund based outstanding of ₹ 24,600 lakh availed by the Company, ₹ 136,100 lakh availed by RCOM and ₹ 400 lakh availed by RCIL have been secured by second pari passu charge on movable fixed assets of the Borrower Group.

2.06.03 The Company, during the year ending March 31, 2018, had discontinued Wireless business accordingly, Plant and Machinery, Capital Work-in-Progress and Intangible Assets under Development- Telecom Licences were classified as "Assets held for Sale" hence cost comparision and delay in project to original plan w.r.t. Capital Work-in-Progress and Intangible Assets under Development- Telecom Licences are not relevant.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

Note: 2.07

Equity Share Capital		(₹ in lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
Authorised			
40 00 00 000 Equity Shares of ₹ 10 each (40 00 00 000)	40,000	40,000	
10 00 00 000 Preference Shares of ₹ 10 each (10 00 00 000)	10,000	10,000	
	50,000	50,000	
Issued, Subscribed and Paid up			
8 50 00 000 Equity Shares of ₹ 10 each fully paid up (8 50 00 000)	8,500	8,500	
	8,500	8,500	

2.07.01 Equity Shares

(a) **Equity Shares held by Promoters**

Particulars	No of Shares	% of Total Shares	% Change during the year
Reliance Communications Limited, Holding Company and its nominees	6 69 80 100 (6 69 80 100)	78.80% (78.80%)	Nil (Nil)

(b) **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

(c) **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%

(d) 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 Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

(e) Reconciliation of Shares outstanding at beginning and at the end of the reporting period.

Particulars	March 31, 2023		March 31, 2022	
	No of Shares	(₹ in lakh)	No of Shares	(₹ in lakh)
Equity Shares				
At the beginning of the year	8 50 00 000	8,500	8 50 00 000	8,500
Add: Shares issued during the year	-	-	-	-
At the end of the year	8 50 00 000	8,500	8 50 00 000	8,500

Note: 2.08

Other Equity

(₹ in lakh)

Particulars	As at		As at	
	March 31, 2023		March 31, 2022	
Preference Share Redemption Reserve				
(i) Opening Balance	20,000		20,000	
(ii) Additions during the year	-	20,000	-	20,000
Surplus /(Deficit) in retained earnings				
(i) Opening Balance	(1,200,178)		(1,112,838)	
(ii) Add: Profit /(Loss) for the year	(100,122)	(1,300,300)	(87,340)	(1,200,178)
Other Comprehensive Income				
Remeasurement of defined employee benefit Plans				
(i) Opening Balance	(12)		(13)	
(ii) Additions / Deletion during the year (net)	(3)	(15)	1	(12)
		(1,280,315)		(1,180,190)

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 lakh)

Particulars	As at		As at	
	March 31, 2023		March 31, 2022	
Provision for Retirement Benefit (Refer Note 2.22 & 2.31)	1		3	
	1		3	

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

Note: 2.10

Borrowings- Current

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
From Banks (Refer Note 2.10.01)		
Foreign Currency Loans	134,106	134,106
Rupee Term Loan	3,680	3,680
Current Maturities of Long Term Debts		
Secured		
From Banks (Refer Note 2.10.01)		
Rupee Term Loan	57,389	57,389
Unsecured		
From Others		
Rupee Loans	11,800	11,800
Unsecured		
From Banks		
Rupee Loans	24,252	24,252
From Others (Refer Note 2.30)	120,000	-
From Related Parties (Refer Note 2.30)		
Borrowings	235,588	355,588
Preference Shares (Refer Note 2.10.06 & 2.10.07)	139,270	139,270
	726,085	726,085

2.10.01 Secured Loans

The Company, during earlier years, had availed Rupee Term Loan (Outstanding as on March 31, 2023 was ₹ 61,069 lakh) under consortium banking arrangement and Foreign Currency Loan (Secured Loans) (Outstanding as on March 31, 2023 was ₹ 134,106 lakh), 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, ceased to be fellow subsidiary and part of Borrower Group since December 22, 2022 upon implementation of approved resolution plan under CIRP) 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 (cancelled upon implementation of RITL's approved resolution plan under CIRP on December 22, 2022) 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.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

During the earlier year, lenders have invoked guarantees provided by Borrower group for outstanding Rupee loan of ₹ 61,069 lakh availed by the Company, ₹ 595,000 lakh availed by RCOM and ₹ 48,500 lakh 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 ₹ 137,786 lakh has classified as Short term as the Company is under CIRP.

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	
		Default as at March 31, 2023		Default as at March 31, 2023		Default as at March 31, 2022		Default as at March 31, 2022	
		Amount [₹ in lakh]	Period [Maximum days]						
1	Central Bank of India	1,840	2,192	22	2,192	1,840	1,827	22	1,827
2	Bank of India	4,600	2,192	61	2,191	4,600	1,827	61	1,826
3	Canara Bank	5,040	2,101	-	-	5,040	1,736	-	-
4	Indian Overseas Bank	1,840	2,192	22	2,191	1,840	1,827	22	1,826
5	Oriental Bank of Commerce (merged with Punjab National Bank)	1,393	2,009	22	2,191	1,393	1,644	22	1,826
6	State Bank of India	11,500	2,192	176	2,191	11,500	1,827	176	1,826
7	IDBI Bank Ltd	27,600	2,192	378	2,191	27,600	1,827	378	1,826
8	Union Bank of India	2,196	2,192	24	2,191	2,196	1,827	24	1,826
9	Corporation Bank (merged with Union Bank of India)	1,380	2,192	16	2,191	1,380	1,827	16	1,826
10	Syndicate Bank (merged with Canara Bank)*	3,680	2,192	44	2,191	3,680	1,827	44	1,826
11	Punjab National Bank	18,760	2,217	-	-	18,760	1,852	-	-
12	IDBI Bank Ltd	5,492	2,205	-	-	5,492	1,840	-	-
13	Vishvakarma Equipment Finance Ltd.	11,800	1,216	-	-	11,800	851	-	-
14	HSBC- France	26,147	2,136	446	2,136	26,147	1,771	446	1,771
15	China Development Bank*	86,367	2,028	2,670	2,214	86,367	1,663	2,670	1,849
16	Export Import Bank of China*	21,592	2,028	667	2,214	21,592	1,663	667	1,849
17	Total	231,227		4,548		231,227		4,548	

* Facilities recalled

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

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 ₹ 117,218 lakh upto March 31, 2023 (Previous year upto March 31, 2022 ₹ 93,683 lakh) calculated based on basic rate of interest as per terms of loan as at March 31, 2023 and therefore it has not been disclosed.

2.10.06 Preference Shares

(a) 1% Non Convertible, Non Cumulative, Redeemable Preference Shares

(i) Preference Shares held by Promoters and Holding Company

Particulars	No of shares	% of Total Shares	% Change during the year
Reliance Communications Limited, Holding Company	4 50 00 000 (4 50 00 000)	100 (100%)	Nil (Nil)

(ii) 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

(i) Preference Shares held by Fellow subsidiary

Particulars	No of shares	% of Total Shares	% Change during the year
Reliance Communications Tamilnadu Limited (RCTL)	1 34 77 000 (1 34 77 000)	100% (100%)	Nil (Nil)

(ii) 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)

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

Note: 2.11

Trade Payables (Refer Note 2.21 & 2.29)	(₹ in lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022
Due to Micro and Small Enterprises	1,347	1,347
Due to Creditors other than Micro and Small Enterprises		
Related Parties (Refer Note 2.30)	2	17,327
Others	<u>55,414</u>	<u>37,992</u>
	<u>56,763</u>	<u>56,666</u>

Note: 2.12

Other Financial Liabilities	(₹ in lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued and due on borrowings	4,548	4,548
Capital Creditors	18,255	16,991
Other Liabilities*		
-From Related Parties* (Refer Note 2.30)	6,785	6,785
-Others** (Refer Note 2.21 & 2.25)	<u>472,903</u>	<u>408,106</u>
	<u>502,491</u>	<u>436,430</u>

* 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 lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022
Income received in advance	1,325	1,325
Other Liabilities*	<u>2,453</u>	<u>2,404</u>
	<u>3,778</u>	<u>3,729</u>

* Includes amounts due towards security deposit, advance from customers and statutory dues.

Note: 2.14

Provisions	(₹ in lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022
Employee Benefits (Refer Note 2.22 & 2.31) ₹ 21,449	<u>-</u>	<u>2</u>
	<u>-</u>	<u>2</u>

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

Note: 2.15

Other Income	(₹ in lakh)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income	19	-
Miscellaneous Income / Liabilities written back	-	10
	19	10

Note: 2.16

Access Charges, License Fees and Network Expenses	(₹ in lakh)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
License Fees	599	599
Rent, Rates and Taxes	-	1
Repairs and Maintenance	-	8
Power, Fuel and Utilities	12	13
	611	621

Note: 2.17

Employee Benefits Expenses*	(₹ in lakh)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Wages	73	49
Contribution to Provident and Other Funds (Refer Note 2.31)	2	2
Employee Welfare and Other Amenities	1	1
	76	52

*Including Managerial Remuneration (Refer Note 2.30)

Note: 2.18**Finance Costs**

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Financial Liabilities	33,094	30,085
Other Financial Cost	1,205	957
	34,299	31,042

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 ₹ 23,535 lakh calculated based on basic rate of interest as per terms of loan and foreign exchange variation loss of ₹ 13,122 lakh for the year ended March 31, 2023. Had the Company provided Interest and foreign exchange variation, the Loss would have been higher by ₹ 36,657 lakh for the year ended March 31, 2023. The Net worth as on March 31, 2023 and as on March 31, 2022 would have been lower by ₹ 152,187 lakh and ₹ 115,530 lakh respectively. During the previous years, Interest of ₹ 93,683 lakh and foreign exchange variation loss to ₹ 21,847 lakh was not provided during the financial year ended March 31, 2018, March 31, 2019, March 31, 2020, March 31, 2021 and March 31, 2022. 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 lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Professional Fees	6	29
CIRP Cost	180	199
Net loss on Foreign currency transactions and translation	1,362	549
Other General and Administration Expenses	309	193
Payment to Auditors		970
- Audit Fees	3	3
- Certification Fees	1	4
	1,861	974

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

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 lakh, 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 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, 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 earlier 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.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

The Company had filed applications with the Department of Telecommunication (DoT) for migration of Telecom License for Kolkata Circle from Unified Access Service License (UASL) to the Unified License regime (UL) on July 16, 2021 (which was supposed to expire on September 26, 2021). On August 9, 2021, the DoT has issued a letter to the Corporate Debtor requiring payments of various categories of certain amounts such as 10% of the Adjusted Gross Revenue (AGR) dues, deferred spectrum installments falling due within the CIRP period, etc. against the telecom licenses, stating such dues to be in the nature of "current dues" and prescribing such payment as a pre-condition to the consideration/processing of the migration applications ("DoT Letter"). On August 18, 2021, the Company has issued a letter to DoT clarifying that the various categories of dues stipulated by the DoT are not in the nature of the "current dues" and are to be resolved within the framework of the Code (being dues that pertain to the period prior to May 7, 2019) and/ or are not payable at present, and requesting that making payments against the said dues should not be mandated as a pre-condition for further processing of the migration applications filed by the Company.

In light of the urgency of the matter, the RP had filed an application before the Hon'ble NCLT praying that the DoT inter alia be restrained from taking any action which may interfere with the continued holding of the telecom spectrum of the Company.

The issue under consideration by the Hon'ble NCLT relates to whether the dues being claimed by DoT in its letter of August 9, 2021 for the purposes of processing the license renewal/ migration applications of the Company are in the nature of "current dues" (within the meaning of the Explanation to Section 14(1) of the Code) and therefore, payable during the CIRP period.

Simultaneously, a petition has been filed before the TDSAT seeking directions for migration of its Kolkata Circle telecom license, in view of the Guidelines for Grant of Unified License dated March 28, 2016 issued by the DoT, not prescribing pre-condition for any payment to be made prior to the migration of the telecom licenses.

Similarly, Reliance Communications Limited (RCOM), the holding company, had filed applications with DoT for migration of its various telecom licenses to UL wherein the DoT has sought for payment of certain dues as "current dues" (being dues that pertain to the period prior to May 7, 2019 and are not payable at present) as a pre-condition for consideration of the application. The RP has filed an application in the Hon'ble NCLT and a petition before the Hon'ble TDSAT in this regard (The Company matter's are also heard together with RCOM license migration matters). On September 23, 2021, the Hon'ble TDSAT has directed that "Since the matters are similar in nature, in the interest of justice and uniformity the interim order of status quo as operating in TP No. 31 of 2021 shall operate in this matter also till the next date. It will be in the interest of petitioner to expedite the proceeding pending before the Hon'ble NCLT and try its best to produce the orders passed by that Tribunal by the next date. On March 15, 2022, the DOT has been granted six weeks' time by Hon'ble TDSAT to file the reply, rejoinder is to be filed before the next date of hearing. The Hon'ble TDSAT granted time for filing rejoinder and continued the interim order dated September 23, 2021. The matter is currently sub judice. .

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 statements continue to be prepared on going concern basis. However, since the Company continues to incur losses, current liabilities exceed current assets and Company has defaulted in repayment of borrowings, payment of regulatory and statutory dues and pending application of renewal of a Telecom License, 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 lakh)

Particulars	Current		Non Current	
	For the year ended	March 31, 2023	For the year ended	March 31, 2023
Provision for Retirement Benefits (Refer Note 2.31)				
Balances at the beginning of the year	2	2	3	3
Additional Provision/(Reduction)	(2)	-	(2)	-
Balances at the close of the year	-	2	1	3

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

Note: 2.23

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

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
(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*	171,900	171,830
<p>* These includes demands received from Sales Tax/ Service Tax/ Entry Tax/ Goods and Service 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.</p> <p>The Company has deposited ₹ 3,156 lakh (Previous year ₹ 3,150 lakh) 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").</p>		
(iii) Guarantees given including on behalf of other companies for business purpose	8	8
(iv) Spectrum Charges		
Department of Telecommunication (DoT) had, during the earlier year, issued demand on the Company for ₹ 470 lakh 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 ₹ 16,877 lakh 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.		

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

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, where counsels of various parties have made arguments. On 12 May 2023, the Hon'ble Delhi High Court in light of the judgment dated March 27, 2023 in SBI vs. Rajesh Agarwal [2023 SCC OnLine SC 342] has disposed of the said petitions filed by Punit Garg, setting aside the actions taken against the petitioners under the Master circular on Fraud. The Supreme Court has held that since the Master Directions on Frauds do not expressly provide an opportunity of hearing to the borrowers before classifying their account as fraud, audi alteram partem has to be read into the provisions of the directions to save them from the vice of arbitrariness.

Following the SC judgment, these petitions are disposed off setting aside the actions taken against the petitioners in the Master Circular. It is made clear that if any FIR has been lodged, proceedings proceeded thereto will remain unaffected by this order. It will be open to concerned banks to proceed in accordance with law in light of the judgment of the Supreme Court. SBI has filed an application for clarification to the aforesaid judgment with the Supreme Court which was dismissed by an order passed on May 12, 2023 with clarification that Supreme Court has not indicated that a personal hearing is to be given.

(viii) During the earlier years, Certain banks had issued show cause notices to the Company, its holding Company and its fellow subsidiaries and certain directors seeking reasons as to why the Company, its holding company and its fellow subsidiaries should not be classified as willful defaulter. The Company has responded to the show cause notices. 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 banks to withdraw the notices. Further, certain banks had issued notices seeking personal hearing by the authorized representative of the Company, its holding company and its fellow subsidiaries in respect of the aforesaid matter. Hearings were attended to and necessary submissions were made in accordance with the submissions made earlier in the responses to the show cause notices. No further response has been received from the banks since then.

Note: 2.24

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: 2.25

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.

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Notes on Accounts to the Financial Statements as at March 31, 2023

The RP of the Company had 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 the 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. On August 2, 2021, the appeals were listed when the bench issued notice in the matter and tagged the same with Civil Appeal No 1810 of 2021 (being the appeal filed by the COC of Aircel companies) and also allowed the application seeking permission to file the civil appeal. On February 22, 2022, the Hon'ble Supreme Court has granted a period of six weeks to the DoT to file counter affidavit. The matter was listed on May 2, 2022 wherein the SC directed the matter to be tentatively listed in the third week of July 2022. The matter was mentioned on August 5, 2022, for early listing for arguments, but the Supreme Court directed the matter to be listed after eight weeks. The matter was thereafter listed on October 11, 2022, on which date, the Supreme Court directed that the matter be listed after six weeks. Further, the Supreme Court stated that the parties were to file a common compilation post discussion with each other, and file brief written submissions within a period of six weeks. Next date of hearing in the matter is July 18, 2023 (tentative).

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 ₹ 403,472 lakh upto the previous year ended March 31, 2022 and has provided additional charge of ₹ 63,294 lakh during the year ended March 31, 2023 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).

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

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.

Since the Company is under CIRP, fair valuation of financial instruments has not been carried out. The carrying value of financial instruments by categories are as follows:

Particulars	(₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.04)	1,625	2,609
Trade receivables (Refer Note 2.03)	4,470	4,470
Total	6,095	7,079
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)	56,763	56,666
Other financial liabilities (Refer Note 2.12)	502,491	436,430
Borrowings (Refer Note 2.10) and Deferred payment liabilities (Refer Note 2.06)	1,090,112	1,057,018
Total	1,649,366	1,550,114
Financial liabilities at fair value through Profit and Loss:	Nil	Nil
Financial Liabilities at fair value through other Comprehensive Income:	Nil	Nil

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

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 risk 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 lakh)

Particulars	March 31,2023			March 31,2022		
	U.S. dollars	Other Currency	Total	U.S. dollars	Other Currency	Total
Trade Receivables	-	-	-	-	-	-
Borrowings	(134,106)	-	(134,106)	(134,106)	-	(134,106)
Trade payables and Other Liabilities	(20,856)	(586)	(21,442)	(19,532)	(551)	(20,083)
Net assets/ (liabilities)	(154,962)	(586)	(155,548)	(153,638)	(551)	(154,189)

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.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

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. Since the Company is under going CIRP, any impairment relating to Trade receivables will be reviewed and recognised upon completion and implementation of resolution plan.

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, 2023	For the year ended March 31, 2022
Basic and Diluted EPS (before Exceptional Items)		
(a) Profit/ (Loss) attributable to Equity Shareholders (₹ in lakh) (used as numerator for calculating Basic and Diluted EPS)	(36,828)	(32,679)
(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 (₹)	(43.33)	(38.45)
Basic and Diluted EPS (after Exceptional Items)		
(a) Profit attributable to Equity Shareholders (₹ in lakh) (used as numerator for calculating Basic and Diluted EPS)	(100,122)	(87,340)
(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 (₹)	(117.79)	(102.75)

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Notes on Accounts to the Financial Statements as at March 31, 2023

Note: 2.29

2.29.01 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	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Principal amount due to any supplier as at the year end	1,459	1,459
(ii) Interest due to suppliers and remaining unpaid as at year end	1,486	1,190
(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	1	2
(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 ₹ 14,570 (Previous year ₹ 13,058)	-	-
(vi) Amount of interest accrued and remaining unpaid at the end of each accounting year	1,486	1,190
(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	1,115	859

2.29.02 Trade Payables Ageing Schedule

(₹ in lakh)

Outstanding for following periods from due date of payment

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) MSME	-	-	-	-	1,396	1,396	
	(-)	(-)	(-)	(26)	(1,372)	(1,398)	
(ii) Others	-	2	5	4	55,356	55,367	
	(-)	(9)	(9)	(224)	(55,026)	(55,268)	
(iii) Disputed dues – MSME	-	-	-	-	-	-	
	(-)	(-)	(-)	(-)	(-)	(-)	
(iv) Disputed dues - Others	-	-	-	-	-	-	
	(-)	(-)	(-)	(-)	(-)	(-)	
Total	-	2	5	4	56,752	56,763	
	(-)	(9)	(9)	(250)	(56,398)	(56,666)	

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

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 parties

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)	
4	Reliance Webstore Limited (RWSL)	
5	Reliance Realty Limited (RRL)	
6	Reliance Communications Tamilnadu Limited (RCTL)	
7	Reliance Tech Services Limited (RTSL)	
8	Globalcom IDC Limited (GIDC)	
9	Reliance Infratel Limited (RITL)	
10	Reliance Capital Limited	
11	Reliance General Insurance Company Limited	
12	Reliance Telecom Ltd. Employees Group Gratuity Assurance Scheme	Enterprises over which Promoter of Holding Company having control
13	Reliance Telecom Ltd. Employees Superannuation Scheme	
14	Shri Vinay Soni - Company Secretary and Manager (upto December 21, 2022)	Employee Benefits Trust
15	Shri Jigar Joshi - Company Secretary and Manager (from February 16, 2023)	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.)

Particulars	Holding Company	Fellow Subsidiaries	Enterprises over which Promoter of Holding Company having control	Employee Benefits Trust	KMP	Total
(i) Advances/ Other Receivables						
	24	806	-	30	-	860
	(24)	(806)	-	(32)	-	(862)
(ii) Trade Payable						
	-	2	-	-	-	2
	-	(17,327)	-	-	-	(17,327)
(iii) Other Financial Liabilities						
	-	6,785	-	-	-	6,785
	-	(6,785)	-	-	-	(6,785)

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

(₹ in lakh)

Particulars	Holding Company	Fellow Subsidiaries	Enterprises over which Promoter of Holding Company having control	Employee Benefits Trust	KMP	Total
(iv) Loans Taken						
Opening Balance as on April 1, 2022						
235,588	120,000		-	-	-	355,588
(235,588)	(120,000)		-	-	-	(355,588)
Add: Taken/Adjusted during the year						
-	-		-	-	-	-
-	-		-	-	-	-
Less: Repayment/ Adjusted during the year						
-	120,000		-	-	-	120,000.00
Balance as on March 31, 2023						
235,588	-		-	-	-	235,588
(235,588)	(120,000)		-	-	-	(355,588)
(v) Preference Shares including Share Premium						
	4,500	134,770		-	-	139,270
	(4,500)	(134,770)		-	-	(139,270)
(vi) Corporate Guarantee on behalf of the Company						
207,346	-		-	-	-	207,346
(194,223)			-	-	-	(194,223)
(vii) Managerial Remuneration						
Shri Vinay Soni	-	-	-	-	6	6
	-	-	-	-	(5)	(5)
Shri Jigar Joshi	-	-	-	-	1	1
	-	-	-	-	-	-

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, 2023	For the year ended March 31, 2022
Salaries and other benefits	7	4
Contributions to defined benefit plans	-	-
₹ 26,229 (Previous year ₹ 19,383)		
Contributions to defined contribution plans	-	-
₹ 10,512 (Previous year ₹ 7,770)		
Total	7	5

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

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, 2023 and March 31, 2022, 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 logevity 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".

Particulars	As at	
	March 31, 2023	March 31, 2022
(i) Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Obligation at beginning of the year	14	13
Service cost (₹ 20,553)	-	1
Interest cost	1	1
Actuarial (Gain)/ Loss	1	(1)
Benefits paid	(13)	-
Obligation at year end	3	14
*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	46	44
Expected return on plan assets	2	2
Actuarial Gain/ (Loss) Previous Year (₹ 4,255)	(2)	-
Contributions	-	-
Benefits	(13)	-
Plan assets at year end, at fair value	33	46

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

(₹ in lakh)

Particulars	As at	
	March 31, 2023	March 31, 2022
(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	33	46
Present value of the defined benefit obligations at the end of the year	3	14
Liability/ (Advance) recognised in the Balance Sheet	(30)	(32)
(iv) Expense Recognised in Profit or Loss		
Service Cost	-	1
Interest Cost	(1)	(1)
Total	(1)	-
(V) Amount Recognised in Other Comprehensive Income		
Actuarial (Gain)/Loss on Obligation	1	(1)
Actuarial (Gain)/ Loss on Plan Assets	2	-
Total	3	(1)
(vi) Investment details of plan assets - 100% of the plan assets are invested in balanced Fund Instruments		
(vii) Actual return on plan assets	-	2
(viii) Assumptions		
Interest rate	7.16%	4.97%
Estimated return on plan assets	7.16%	4.97%
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,				
	2023	2022	2021	2020	2019
Present Value of benefit obligation	3	14	13	13	13
Fair value of plan assets	33	46	44	42	37
Excess of (obligation over plan assets) / plan assets over obligation	30	32	31	29	24

The expected contribution is based on the same assumptions used to measure the company's gratuity obligations as of March 31, 2023.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

(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 lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate (+1% movement) { ₹ (2,136) (Previous year ₹ (20,386))}	-	-
Discount rate (-1% movement) { ₹ 2,182 (Previous year ₹ 20,732)}	-	-
Future Salary growth (+1% movement)	-	-
Future Salary growth (-1% movement)	-	-
Employee Turnover (+1% movement) { ₹ (19) (Previous year ₹ (17))}	-	-
Employee Turnover (-1% movement) { ₹ 23 (Previous year ₹ 24)}	-	-
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	259,852	708,692
2nd following year	23,800	357,498
3rd following year	15,830	176,187
4th following year	10,521	161,020
5th following year	6,985	4,690
Sum of 6 years and above	13,674	4,572

2.31.02 Defined contribution plan: -Provident Fund :

Provident Fund contribution of ₹ 2 lakh (Previous year ₹ 2 lakh) is recognised as an expense and included in "Employee Benefit Expenses" (Refer Note 2.17) to Statement of Profit and Loss.

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 .

Reliance Telecom Limited**Notes on Accounts to the Financial Statements as at March 31, 2023****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.

(₹ in lakh)

Particulars	As at		As at
	March 31, 2023	March 31, 2022	
(a) Equity		(1,271,815)	(1,171,690)
(b) Debt		726,085	726,085
(c) Equity+ Debt (a+b)		(545,730)	(445,605)
(d) Capital Gearing Ratio (b/c)		-133%	-163%

Capital gearing ratio reflects reduction in equity on account of net losses incurred during the year.

Note: 2.34**Accounting Ratios**

Sr.	Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
1.	Current Ratio (in times)	Current Assets	Current Liabilities	0.23	0.25	-8.00%
2.	Debt-Equity Ratio (in times)	Total Debt	Equity	(0.57)	(0.62)	-8.06%

3. The Company is under going CIRP and does not have any Turnover, Inventory, Purchases and positive Net worth during the year and previous year accordingly other ratio i.e. Debt Service coverage, Return on equity, Inventory turnover, Trade receivable turnover, Trade payable turnover, Net capital turnover, Net profit, Return on capital employed and Return on investment are not applicable.

There is no significant change (i.e. more than 25%) in the above mentioned ratios during the year in comparison to Previous year.

Note: 2.35

During the year, the Company has not surrendered or disclosed any income, previously unrecorded transaction in the books of account as income, in the tax assessments under the Income Tax Act, 1961.

Note: 2.36

During the year, the Company has not received as well as given advances (excluding transactions in the normal course of business) or loans or invested funds or provided any guarantee, security or the like from/ to any other person(s) or entity(ies), directly or indirectly, including any foreign entity(ies).

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

Note: 2.37

Transaction with Struck off Companies

The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Note: 2.38

Post Reporting Events

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

Note: 2.39

Director's disqualification

During an earlier year, one of the directors has resigned from the position of the Director, however his resignation has 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: 2.40

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, 2023, 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, 2023 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.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2023

After review, the Directors of the Corporate Debtor have approved the financial statements at their meeting held on May 27, 2023 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

For Reliance Telecom Limited

Anish Niranjan Nanavaty
Resolution Professional

Jigar T. Shah

Partner
Membership No. 161851

Payal H Shah
Director
DIN 09284328

Mahesh Mungekar
Director
DIN 00778339

Sanjay K Agarwal
Chief Financial Officer

Place : Mumbai
Dated : May 27, 2023

Jigar Joshi
Company Secretary
A57632

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, 2023, 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.

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, 2023 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. 2.12 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 loss for the year ended March 31, 2023.
- b) We draw attention to Note no. 2.29 of 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. 1,167 lakhs for year ended March 31, 2023 and Rs. 12,957 lakhs 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, 2023 would have been higher by Rs. 1,167 lakh and the Net worth of the Company would have been lower by Rs. 14,124 lakhs and Rs. 12,957 lakhs for the year ended March 31, 2023 and March 31, 2022 respectively. Non provision of interest is not in compliance with Ind AS 23 "Borrowing Costs".

- c) We draw attention to Note no. 2.27 of the financial statements, regarding pending comprehensive review of carrying amount of all other assets (including investments and balances lying under Goods & Service Tax) & 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 loss for the year ended March 2023. 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 2.33 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 2.27 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.
- f) We draw attention to Note No 2.28 of 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. 3,279 lakhs as at March 31, 2023. 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.

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.

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. 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 2.50 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. 2.50 of 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 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.

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) and Reliance Telecom Limited (Fellow Subsidiary) 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 ongoing 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, 2020 (“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, 2023 taken on record by the Board of Directors, two of the directors of the Company are not disqualified as on March 31, 2023 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 2.43 of the financial statements), accordingly we are unable to comment whether this director is disqualified as on March 31, 2023 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 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;
 - 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.
 - iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year.
- vi. Pursuant to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 01, 2023 to the Company which are companies incorporated in India and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Jigar .T. Shah
Partner
Membership No: 161851
UDIN: 23161851BGSWYE2945

Date: May 27, 2023
Place: Mumbai

Reliance Communications Infrastructure Limited

‘Annexure A’ to the Independent Auditor’s Report for the year ended March 31, 2023

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, 2023, we report the following:

- i. (A) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The Company is maintaining proper records showing full particulars of Intangible 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, 2.12 & 2.46 to the financial statements, are held in the name of the Company.
 - (d) Based on the records examined by us and information and explanation given to us by the Company, the Company during the year has not revalued its Property, Plant and Equipment (including rights to use assets) or intangible assets, hence, the requirements of the said clause i(d) of paragraph 3 of the Order is not applicable to the Company.
 - (e) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) Since the Company does not have any inventory. Accordingly, clause ii (a) of paragraph 3 of the Order is not applicable to the Company.
 - (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii. (a) According to information and explanations given to us and books of accounts and records examined by us, during the year the Company has not given any loans or advances and guarantees or security to subsidiaries, joint ventures, associates and others. Hence, the reporting requirements under clause (iii)(a)(A) and (B) of paragraph 3 of the Order is not applicable.
 - (b) In our opinion and according to information and explanations given us and on the basis of our audit procedures, the Company has not made any investments or provided any guarantees or given security and has not granted loans or any advances in the nature of loans during the year. Accordingly the reporting requirements under clause (iii)(b) of paragraph 3 of the Order is not applicable.

- (c) According to the information and explanation and records examined by us in respect of the loans and advances in nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated or are not available for our verification, hence we are unable to comment whether the repayment or receipts are regular.
- (d) According to the information and explanation and records examined by us in respect of the loans and advances in nature of loans, the schedule of repayment of interest has not been stipulated or are not available for our verification, hence we are unable to comment whether total amount is overdue for more than ninety days. In absence of sufficient and appropriate evidence, we are unable to comment on reasonable steps have been taken by the Company for recovery of the principal and Interest thereon.
- (d) According to information and explanations given to us and books of accounts and records examined by us, the Company has not renewed the loans granted to various parties as on March 31, 2019.
- (e) Based on our verification of records of the Company and information and explanation given to us, the Company has granted loans or advance in nature of loans either repayable on demand or without specifying any terms or period of repayment are as follows:

(Rs. in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans	96,435	-	96,435
- Repayable on demand (A)			
- Agreement does not specify any terms or period of repayment (B)			
Total (A+B)	96,435	-	96,435
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

- 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, clause (iv) of paragraph 3 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, clause (v) of paragraph 3 of the Order is not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- vi. According to information & explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act. Hence, the reporting requirements under paragraph 3(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. 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, 2023 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	33,42,155	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

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Labour Welfare Fund – Various States	Labour Welfare Fund	1,22,149	Prior to Mar-19	Various Dates	Unpaid
Employees Provident Fund Act	Employee Provident and Pension Fund	68,49,821	Prior to Mar-19	Various Dates	Unpaid

(b) Details of statutory dues referred to in clause vii (a) above, which have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount* (Rs. in lakh)
Entry Tax	Sales Tax Officer	2001-02	16
	Assessing Authority	2000-01 (Rs. 21,527/-)	0
	Addl. Commissioner (Appeals)	2009-10	1
	Dy. Commissioner (Appeals)	2010-11 (Rs. 1,000/-)	0
	Jt. Commissioner (Appeals)	2005-06, 2006-07, 2007-08, 2011-12, 2013-14	22
	Tribunal	2000-01, 2002-03, 2003-04, 2004-05, 2006-07	6
	Tax Board	2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10	121
	High Court	2002-03, 2003-04, 2004-05, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15	101
	Supreme Court of India	2012-13 (Rs. 13,510/-)	0
Entry Tax Total			267
Sales Tax	Sales Tax Officer	2001-02	215
	Addl. Commissioner (Appeals)	2007-08	32
	Jt. Commissioner (Appeals)	2005-06, 2006-07, 2007-08	2
	Tribunal	2000-01, 2004-05	45
	Sales Tax Total		294
VAT/CST	Commercial Tax Officer	2014-15	56
	Addl. Commissioner (Appeals)	2012-13	26
	Commissioner	2009-10, 2010-11, 2011-12	16
	Jt. Commissioner (Appeals)	2003-04, 2004-05, 2006-07, 2007-08, 2008-09, 2009-10, 2011-12, 2012-13, 2013-14	4,081
	Tribunal	2005-06, 2007-08, 2008-09	64
	High Court	2007-08	229
	Appellate Authority	2010-11, 2011-12, 2012-13	103
	Asst. Commissioner	2012-13 to 2017-18	814
	Revisonal Board	2012-13, 2014-15	43
	Dy. Commissioner of Sales Tax	2009-10, 2010-11, 2012-13, 2013-14	130

Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount* (Rs. in lakh)
	VAT Total		5,562
Service Tax / CENVAT	CESTAT	2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2014-15, 2008-2012, 2008-2018	13,864
	Comm. Appeals	01/09/2006 to 30/10/2010, 01/05/2008 to 31/03/2011	146
	Commissioner of CGST	2009-10, 2014-15 to 2016-17	1,925
	Service Tax Total		15,935
Income Tax Act, 1961	Income Tax Appellate Tribunal	2008-09, 2009-10, 2010-11, 2011-12	36,899
	Commissioner of Income Tax (Appeals)	2014-15, 2016-17 & 2017-18	29,871
	Income Tax Total		66,770

*Net of amounts paid under protest.

viii. According to information and explanation given to us and representation given by the management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) 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.

Sr. No	Name of Lender	Borrowings		Interest	
		Amount (Rs. In Lakh)	Period (No. of days)	Amount (Rs. In Lakh)	Period (No. of days)
I	Loan From banks				
1.	Corporation bank (merged with union bank of india)	11,060	2 170	797	2 170
2.	IDBI bank	374	2 195	46	2 195
	Total	11,434		843	

(Refer Note no 2.16.01 of the financial statements)

The Company has not provided interest of Rs. 1,167 lakhs and Rs. 14,124 lakh for the year and upto March 31, 2023 respectively and therefore it has not been disclosed above.

(b) According to the information and explanations given to us and on the basis of the audit procedures and representation received from management, we report that the Company has been declared wilful defaulter by any bank or financial institution or government or any government authority. The Company has received a show cause notice from the bank as to why the Company should not be declared willful defaulter (refer note 2.42).

- (c) In our opinion and information and explanation given to us and based on the examination of records of the Company, the Company has not raised term loans from any lender during the year and hence reporting under clause ix(c) of paragraph 3 of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long-term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) 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 hence the provision of clause (ix) of the order is not applicable to the Company.

(b) In our opinion and according to the information and explanation given to us, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause x(b) of paragraph 3 of the Order is not applicable to the Company.

xi. (a) Based on the audit procedures performed by us and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.

(d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii. Based on the examination of records, the Company has incurred cash losses of Rs. 754 lakhs in the financial year 2022-23 and Rs. 1,173 lakhs in immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, indicate that material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. Based on the examination of records of the Company and information and explanations given to us, due to losses incurred in previous years, the conditions and requirements of section 135 of the act is not applicable to the Company hence, clause (xx) (a) and (xx) (b) of paragraph 3 of the Order is not applicable.

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

Jigar .T. Shah
Partner
Membership No: 161851
UDIN: 23161851BGSWYE2945

Date: May 27, 2023
Place: Mumbai

Reliance Communications Infrastructure Limited

‘Annexure B’ to the Independent Auditor’s Report - March 31, 2023

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, 2023 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, 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 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, 2023.

- i. Balances of trade receivable, trade payable, other liabilities and loan & advances are subject to confirmations. (Refer Note No. 2.27)
- ii. 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.
- iii. The Company's Internal control process in respect of outstanding entries in bank Reconciliation Statements which are pending to be reconciled.

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, 2023, 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, 2023 and these material weaknesses has affected our opinion on financial statements of the Company for the year ended March 31, 2023 (our audit report dated May 27, 2023, which expressed a qualified opinion on those financial statements of the Company.

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

Jigar .T. Shah
Partner
Membership No: 161851
UDIN: 23161851BGSWYE2945

Date: May 27, 2023
Place: Mumbai

Annual Report

FY 2022-23

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Balance Sheet as at March 31, 2023			(₹ in lakh)	
Particulars	Notes		As at March 31,2023	As at March 31,2022
ASSETS				
Non Current Assets				
(a) Property, Plant and Equipment	2.01	-	-	
(b) Intangible Assets	2.02	-	-	
(c) Financial Assets				
Investments	2.03	24	31,830	
(d) Income Tax Assets	2.04	6,992	6,613	
(e) Deferred Tax Asset (net)	2.05	467	7,483	467
				38,910
Current Assets				
(a) Financial Assets				
(i) Trade Receivables	2.06	1,598	1,752	
(ii) Cash and Cash Equivalents	2.07	255	636	
(iii) Bank Balances other than (ii) above	2.08	13,054	12,576	
(iv) Loan	2.09	96,435	99,455	
(v) Other Financial Assets	2.10	286	206	
(b) Other Current Assets	2.11	21,992	22,077	
(c) Assets held for sale	2.12	2,19,050	3,52,670	2,19,050
				3,55,752
Total Assets			3,60,153	3,94,662
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	2.13	93,800	93,800	
(b) Other Equity	2.14	(3,57,444)	(2,63,644)	(3,22,874)
				(2,29,074)
LIABILITIES				
Non-Current Liabilities				
Provisions	2.15	347	347	347
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2.16	5,78,369	5,78,369	
(ii) Trade Payables	2.17			
Due to Micro and Small Enterprises		298	298	
Due to Others		22,656	22,609	
(iii) Other Financial Liabilities	2.18	3,050	3,017	
(b) Other Current Liabilities	2.19	17,777	17,796	
(c) Provisions	2.20	1,300	6,23,450	1,300
				6,23,389
Total Equity and Liabilities			3,60,153	3,94,662

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

Jigar T. Shah
Partner
Membership No. 161851

Anish Niranjan Nanavaty
Resolution Professional

Mahesh Mungekar
Director
DIN:- 00778339

Dolly Dhandhresha
Director
DIN:- 07746698

Rakesh Gupta
Company Secretary
CS:F5951

Place : Mumbai
Date : May 27, 2023

Place : Mumbai
Date : May 27, 2023

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Statement of Profit and Loss for the year ended March 31,2023

(₹ in lakh)

Particulars	Notes	For the Year ended March 31,2023	For the Year ended March 31, 2022
Discontinued Operations			
INCOME			
Revenue from Operations	2.21	-	38
Other Income	2.22	958	537
Total Revenue		958	575
EXPENDITURE			
Network Operating Expenses	2.23	7	47
Finance Costs	2.24	62	43
Other Expenses	2.25	476	384
Total Expenses		545	474
Profit/ (Loss) before Exceptional Items and Tax			
		413	101
Exceptional Items			
Loss on de-subsidiarisation (Including Provisions)	2.39	(34,983)	-
Profit/ (Loss) before Tax		(34,570)	101
Tax Expenses			
Current Tax		-	-
Profit/ (Loss) after tax		(34,570)	101
Other Comprehensive Income			
Total Comprehensive Income / (Loss) for the year		(34,570)	101
Earning per Share of ₹ 1 each	2.38		
Basic		(0.369)	0.001
Diluted		(0.369)	0.001
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

Jigar T. Shah
Partner
Membership No. 161851

For Reliance Communications Infrastructure Limited

Anish Niranjan Nanavaty
Resolution Professional

Mahesh Mungekar
Director
DIN:- 00778339

Place : Mumbai
Date : May 27, 2023

Dolly Dhandhresha
Director
DIN:- 07746698

Rakesh Gupta
Company Secretary
CS:F5951

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Statements of Change in Equity as at March 31, 2023

(a) Equity Share Capital (Refer Note 2.13)		(₹ in lakh)		
Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022	
Balance at the beginning of the year		93,800		93,800
Change in equity share capital during the year		-		-
Balance at the end of the year		93,800		93,800

B. Other Equity (Refer Note 2.14)		(₹ in lakh)		
Reserves and Surplus				
Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total
i) For the year ended March 31, 2023				
Balance as at April 01, 2022	52,994	78,357	(4,54,225)	(3,22,874)
Surplus/ (Deficit) in statement of profit and Loss	-	-	(34,570)	(34,570)
Balance as at March 31, 2023	52,994	78,357	(4,88,795)	(3,57,444)
ii) For the year ended March 31, 2022				
Balance as at April 01, 2021	52,994	78,357	(4,54,326)	(3,22,975)
Surplus/ (Deficit) in statement of profit and Loss	-	-	101	101
Balance as at March 31, 2022	52,994	78,357	(4,54,225)	(3,22,874)

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

Jigar T. Shah
Partner
Membership No. 161851

Anish Niranjan Nanavaty **Mahesh Mungekar**
Resolution Professional Director
DIN:- 00778339

Dolly Dhandhresha
Director
DIN:- 07746698

Rakesh Gupta
Company Secretary
CS:F5951

Place : Mumbai
Date : May 27, 2023

Place : Mumbai
Date : May 27, 2023

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Cash Flow Statement for the year ended March 31, 2023

Particulars	(₹ in lakh)	
	For the period ended March 31, 2023	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax as per Statement of Profit and Loss from Discontinued Operations:	(34,570)	101
Adjusted for:		
Finance Costs	62	43
Loss on de-subsidiarisation	34,983	-
Write back of Provision for Liabilities no longer required	-	(3)
Interest Income	<u>(935)</u>	(479)
	<u>34,110</u>	<u>(439)</u>
Operating Profit / (Loss) before Working Capital Changes	(459)	(338)
Adjusted for:		
Receivables and Other Advances	79	74
Trade Payables and Other Liabilities	<u>64</u>	(249)
	<u>142</u>	<u>(175)</u>
Cash Generated from Operations	(317)	(513)
Income Tax Refund	(379)	588
Income Tax Paid	<u>-</u>	<u>(379)</u>
Net Cash from Operating Activities	<u>(696)</u>	<u>75</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Additions of PPE, Intangible Assets & CWIP (Including Assets held for sale)	-	(31)
Interest received	855	273
Investment in Bank Deposit	<u>(478)</u>	<u>(5,399)</u>
Net Cash from/ (Used in) Investing Activities	<u>377</u>	<u>(5,157)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Finance Costs	<u>(62)</u>	<u>(43)</u>
Net Cash from/ (used in) Financing Activities	<u>(62)</u>	<u>(43)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents	(381)	(5,124)
Opening Balance of Cash and Cash Equivalents	636	5,760
Effect of Exchange Loss (Gain)/ Provision for write off on Cash and Cash Equivalents	-	-
Closing Balance of Cash and Cash Equivalents (Refer Note 2.07)	<u>255</u>	<u>636</u>

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 Accounting Standard 3 " Cash Flow Statements".
- (iii) Figures in brackets indicates cash outgo.

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 Regn No. 107783W/W100593

For Reliance Communications Infrastructure Limited

Jigar T. Shah
Partner
Membership No. 161851

Anish Niranjan Nanavaty
Resolution Professional

Mahesh Mungekar
Director
DIN:- 00778339

Dolly Dhandhresha
Director
DIN:- 07746698

Rakesh Gupta
Company Secretary
CS:F5951

Place : Mumbai
Date : May 27, 2023

Place : Mumbai
Date : May 27, 2023

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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") has been initiated in case of the Company and 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 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 2.27 , 2.28 , 2.29 & 2.33, 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).

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 lakh, 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.

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 iSoftware is 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.

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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.

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 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.

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 2.34.1) 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

(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:

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2023

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

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 loss.

Also, Comapny 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 fincial 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 lossess associated with its assets carried at amortised cost. The impairment methodology applied depends on whether thers 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 histocically observed dafult 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.

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2023

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

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.

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 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 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 2.05). 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.
- ix Determination of net realisable value for Assets held for sale and related liabilities.

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2023

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

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.

1.20 Recent Accounting Pronouncements

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023

- i Ind AS 101 – First-time Adoption of Indian Accounting Standards
- ii Ind AS 102 – Share-based Payment
- iii Ind AS 103 – Business Combinations
- iv Ind AS 107 – Financial Instruments Disclosures
- v Ind AS 109 – Financial Instruments
- vi Ind AS 115 – Revenue from Contracts with Customers
- vii Ind AS 1 – Presentation of Financial Statements
- viii Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix Ind AS 12 – Income Taxes
- x Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Note 2.01

Property, Plant and Equipment

(₹ in lakh)

Particulars	Leasehold Land	Total
Gross carrying value		
As at April 01, 2021	38	38
Additions	-	-
Disposals	-	-
Transferred to Assets held for Sale	-	-
As at March 31, 2022	38	38
Additions	-	-
Disposals	-	-
As at March 31, 2023	38	38
Accumulated Depreciation		
As at April 01, 2021	38	38
Depreciation for the year	-	-
Disposals	-	-
Transferred to Assets held for Sale	-	-
As at March 31, 2022	38	38
Depreciation for the year	-	-
Disposals	-	-
Transferred to Assets held for Sale	-	-
As at March 31, 2023	38	38
Net Carrying Value		
As at March 31, 2022	-	-
As at March 31, 2023	-	-

Note:

2.01.01 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 ₹10,00,00,000 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) [ceased to be a subsidiary w.e.f December 22, 2022 upon implementation of the approved resolution plan] were secured by a first pari passu charge on the whole of the movable plant and machinery, 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 RITL[ceased to be a subsidiary w.e.f December 22, 2022 upon implementation of the approved resolution plan] 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 RITL [ceased to be a subsidiary w.e.f December 22, 2022 upon implementation of the approved resolution plan] 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 Borrower Group*. During the previous year, the said loan was also secured by pledge of equity shares of RITL held by the Company and during the year, the equity shares of RITL have been cancelled consequent to implementation of resolution plan of RITL on December 22, 2022. 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 pari passu charges on movable fixed assets of Borrower Group*.

*RITL has ceased to be a subsidiary of the Company w.e.f December 22, 2022 upon implementation of the approved resolution plan.

** Since, RITL is part of the Borrower Group, Foreign Currency Loans include Rs 1,623 crore of RITL which ceased to be a subsidiary w.e.f December 22, 2022 upon implementation of the approved resolution plan.

2.01.02 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, 2023

Note 2.02

Other Intangible Assets

(₹ in lakh)

Particulars	Software Non-embedded	Software	Total
Gross carrying value			
As at April 01, 2021	15	58	73
Additions	-	-	-
As at March 31, 2022	15	58	73
Additions	-	-	-
As at March 31, 2023	15	58	73
Accumulated amortisation			
As at April 01, 2021	15	58	73
Amortisation for the year	-	-	-
As at March 31, 2022	15	58	73
Amortisation for the year	-	-	-
As at March 31, 2023	15	58	73
Net Carrying Value			
As at March 31, 2022	-	-	-
As at March 31, 2023	-	-	-

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 2.03		
INVESTMENTS IN SUBSIDIARIES (valued at cost unless otherwise stated)		
Trade Investment		
In Equity Shares of Subsidiary Companies		
Unquoted, fully Paidup		
- Reliance Infratel Limited of ₹ 10 each	-	31,806
(222 64 15 796)		
1 50 700 Internet Exchangetech.com Limited of ₹ 10 each	15	15
(150 700)		
10 000 Reliance BPO Private Limited ₹ 10 each	1	1
(10 000)		
10 000 Worldtel Tamilnadu Private Limited ₹ 10 each	1	1
(10 000)		
10 000 Realsoft Cyber Systems Private Limited ₹ 10 each	1	1
(10 000)		
50 000 Globalcom Realty Limited (Formerly Reliance Infra Realty Limited) of ₹ 10 (50 000) each	5	5
	23	31,829
In Equity Shares of Fellow Subsidiary (valued at cost unless otherwise stated)		
Unquoted, fully Paidup		
1,750 Reliance Globalcom BV, the Netherlands EURO 100 each	99	99
(1 750) Less: Provision of Impairment	(99)	(99)
Government Securities (valued at cost unless otherwise stated)		
Unquoted		
6 Year National Savings Certificates (Lodged with Sales Tax Department)	1	1
Total	24	31,830
Aggregate Book Value of Investments		
Unquoted	24	31,830
Quoted	-	-

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Particulars	(₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
Note 2.04		
Income Tax Assets		
Advance Income Tax (net of provision for tax) (Refer note 2.27)	6,992	6,613
	6,992	6,613

Particulars	(₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
Note 2.05		
Deferred Tax Assets (Net)		
MAT Credit Entitlement	467	467
	467	467

Particulars	(₹ in lakh)		For the year ended March 31,	
	As at March 31, 2023	As at March 31, 2022	2023	2022
(a) Amount recognised in Financial Statement				
(i) Deferred Tax Assets				
Relating to Carried forward losses and unabsorbed depreciation	46,966	44,660	2,306	2,928
Disallowances under Income Tax Act, 1961	5,101	5,101	-	-
MAT Credit Entitlement	1,919	1,919	-	(2,486)
Relating to temporary difference on depreciation / amortisation and Impairment of Assets	14,058	16,537	(2,479)	(2,918)
	68,044	68,217	(173)	(2,476)
(ii) Deferred Tax Liabilities	-	-	-	-
Net Deferred Tax Assets (i)- (ii)	68,044	68,217	(173)	(2,476)
Deferred Tax Assets recognised/ restricted	467	467	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. 467 lakh (Previous year Rs. 467 lakh) due to non existence of reasonable certainty. Year wise expiry of total Losses are as under:

Year of Expiry	(₹ in lakh)	
	Amount of Loss	For the year ended March 31, 2022
Financial Year 2028-29	631	
Financial Year 2029-30	253	
Unabsorbed Depreciation for unlimited period	1,33,520	

Particulars	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current income tax	-	-
Deferred income tax liability / (asset), net	-	-
Earlier year tax	-	-
Tax expense for the year	-	-

(c) Amounts recognised in Other Comprehensive Income	(₹ in lakh)	
	Nil	Nil

(d) Reconciliation of Tax Expenses	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/ (Loss) before Tax	(34,570)	101
Applicable Tax Rate	34.94%	34.94%
Computed Tax Expenses (I)	(12,080)	35
Add/ (Less):		
DTA not recognised on account of :		
Expenses not allowed under Income Tax Act, 1961 & Deferred Tax on carry forward loss	(12,080)	35
Subtotal (II)	(12,080)	35
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I+II)	-	-

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Particulars	As at March 31, 2023	(₹ in lakh)	As at March 31, 2022
Note 2.06			
Trade Receivables			
Unsecured			
Considered Good (Refer Note:2.27 & 2.39)	1,598		1,752
Credit Impaired	13,000	13,000	
Less: Provision for Doubtful Debts	(13,000)	(13,000)	
	1,598	1,752	
Outstanding for following periods from due date of payment			
Sr Particulars	Less than 6 months	6 months - 1 year	1-2 years
			2-3 years
			More than 3 years
			Total
(i) Undisputed Trade receivables – considered good	-	-	-
	(-)	(-)	(-)
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-
	(-)	(-)	(-)
(iii) Undisputed Trade Receivables – credit impaired	-	-	13,000
	(-)	(-)	(-)
(iv) Disputed Trade Receivables- considered good	-	-	-
	(-)	(-)	(-)
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-
	(-)	(-)	(-)
(vi) Disputed Trade Receivables – credit impaired	-	-	-
	(-)	(-)	(-)
Total- A	-	-	14,598
	(-)	(-)	(-)
			14,598
Allowance for Credit Impaired (B)	-	-	13,000
	(-)	(-)	(-)
			13,000
Total-(A-B)	-	-	1,598
	(-)	(-)	(-)
			1,598
			(1,752)
Note 2.07			
Cash and Cash Equivalents			
Balance with Banks	255		636
	255	636	
Note 2.08			
Bank Balances other than Cash and Cash Equivalent			
Bank deposits with less than 12 months' maturity (Refer note: 2.28)	13,054	12,576	
	13,054	12,576	
Note 2.09			
Loans			
Unsecured, Considered good			
Loans to Related Party (Refer Note: 2.39 & 2.40)	96,435	99,455	
Considered doubtful	3,020	-	
Less: Provision for doubtful loans	(3,020)	-	
	96,435	99,455	
Note 2.10			
Other Financial Assets			
Interest accrued on Investment, Fixed deposit and Loans (Refer note: 2.28)	286	206	
	286	206	
Note 2.11			
Other Current Assets			
Advances and Receivables (Unsecured)			
Other Loans and Advances			
Considered good Others	12,704	12,704	
Related Party (Refer Note: 2.40)	174	328	
Considered doubtful - Related Party (Refer Note: 2.39 & 2.40)	157	-	
Less: Provision for doubtful advances	(157)	-	
Unsecured, Doubtful			
Considered doubtful	6,771	6,771	
Less: Provision for doubtful advances	(6,771)	(6,771)	
	12,878	13,032	
Balance with GST, Customs, Central Excise Authorities etc. (refer note 2.27)	7,664	7,595	
Deposits	1,450	1,450	
	21,992	22,077	

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Note 2.12

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:

Particulars	For the year ended March 31, 2023								(₹ in lakh)	
	Net Block Reclassified from PPE		Provision for Impairment		Addition		Assets Held for Sale (Net)			
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022		
	2023	2022	2023	2022	2023	2022	2023	2022		
Free Hold Land	-	-	-	-	-	-	2,296	2,296		
Building	-	-	-	-	-	-	1,254	1,254		
Plant and Machinery	-	-	-	-	-	-	2,15,232	2,15,232		
Electric Installation	-	-	-	-	-	-	27	27		
Office Equipment	-	-	-	-	-	-	76	76		
Furniture & Fixture	-	-	-	-	-	-	68	68		
Vehicle	-	-	-	-	-	-	97	97		
Total	-	-	-	-	-	-	2,19,050	2,19,050		

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

(` in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022			
Note 2.13					
Equity Share Capital					
Authorised					
940 00 00 000 Equity Shares of ₹ 1 each (940 00 00 000)	94,000	94,000			
1 00 00 000 Preference Shares of ₹ 10 each fully paid up (1 00 00 000)	1,000	1,000			
	95,000	95,000			
Issued, Subscribed and Paid up					
938 00 00 000 Equity Shares of ₹ 1 each fully paid up (938 00 00 000)	93,800	93,800			
	93,800	93,800			
2.13.01 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 2.16)	20 000	20 000			
2.13.02 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	
2.13.03 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.					
2.13.04 Terms/rights attached to Preference Shares					
The Company has 20,000, 8% Cumulative Preference Shares of ₹ 10/- each to be redeemed at par on or before July 29, 2022.					
The Preference Shares are redeemable on July 29, 2022 and the same could not be redeemed, since the Company is undergoing CIRP. Also, refer note 2.27					
2.13.05 Details of Shares held by Promoters at the end of the year					
Equity Shares	% of holding	No of Shares	%	No of Shares	% change during the year
Reliance Communications Limited and its nominees	100%	9,38,00,00,000	100%	9,38,00,00,000	NIL
Preference Shares					
Reliance Communications Limited	100%	20,000	100%	20,000	NIL
2.13.06 Reconciliation of shares outstanding at the beginning and at the end of the reporting period					
Particulars	As at March 31, 2023		As at March 31, 2022		
	Number	(` in lakh)	Number	(` in lakh)	
(i) Equity shares					
At the beginning of the Year	938 00 00 000	93,800	938 00 00 000	93,800	
Add : Issued during the year	-	-	-	-	
At the end of the Year	938 00 00 000	93800	938 00 00 000	93800	
(ii) Preference Shares					
At the beginning of the Year	20 000.00	2	20 000.00	2	
Add/(Less) : Changes during the year	-	-	-	-	
At the end of the Year	20 000.00	2	20 000.00	2	

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

(₹ in lakh)

Particulars	As at March 31, 2023		As at March 31, 2022	
Note 2.14				
OTHER EQUITY				
Security Premium				
(i) Opening Balance	52,994		52,994	
(ii) Additions during the year	-	52,994	-	52,994
General Reserve				
(i) Opening Balance	78,357		78,357	
(ii) Add: Profit / (Loss) for the year	-	78,357	-	78,357
Surplus/ (Deficit) in Statement of Profit and Loss				
(i) Opening Balance	(4,54,225)		(4,54,326)	
(ii) Add: Profit / (Loss) for the year	(34,570)	(4,88,795)	101	(4,54,225)
		(3,57,444)		(3,22,874)

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 ₹ 6,583 lakh 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.

Note 2.15

Provisions

Provision for Retirement Benefit	347		347	
	347		347	

Note 2.16

Borrowings

Unsecured

From Banks				
Rupee Loans	11,433		11,433	
From Related Parties (Refer Note: 2.29 and 2.40)	4,57,015		5,66,934	
From Others	1,09,919		-	
20 000 8% Non Convertible Cumulative Preference Shares of ₹ 10 each fully paid up (20 000) (Refer Note: 2.13)	2		2	
	5,78,369		5,78,369	

Note 2.16.01

Delay/ Default in repayment of Borrowing and Interest

	Corporation Bank (merged with Union Bank of India)	IDBI Bank	Preference Share (Holding Company)	Total
Default as at March 31, 2023				
Borrowings				
Amount (Rs. in lakh)	11,060	374	2	11,436
Period (Maximum Days)	2,170	2,195	246	
Interest				
Amount (Rs. in lakh)	797	46	-	843
Period (Maximum Days)	2,170	2,195	-	
Default as at March 31, 2022				
Borrowings				
Amount (Rs. in lakh)	11,060	374	-	11,434
Period (Maximum Days)	1,805	1,830	-	
Interest				
Amount (Rs. in lakh)	797	46	-	843
Period (Maximum Days)	1,805	1,830	-	

Note 2.16.02

Apart from above outstanding of Interest, the Company has not provided Interest Expenses of ₹ 14,124 lakh upto March 31, 2023 (Previous year upto March 31, 2022 ₹ 12,957 lakh) calculated based on basic rate of interest as per terms of loan as at March 31, 2023 and therefore it has not been disclosed.

Note 2.16.03

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, 2023

Note 2.17	As at March 31, 2023	(` in lakh)	
		As at March 31, 2022	
Trade Payables (refer note 2.27)			
Due to Micro and Small Enterprises	298		298
Others	22,656		22,609
	22,954		22,907

Note 2.17.01

Ageing of Trade payables from the due date of payment as at March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	298	298
	(-)	(-)	(-)	(298)	(298)
(ii) Others	47	161	208	22,240	22,656
	(161)	(208)	(460)	(21,780)	(22,609)
(iii) Disputed dues – MSME	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
(iv) Disputed dues - Others	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Total	47	161	208	22,538	22,954
	(161)	(208)	(460)	(22,078)	(22,907)

Note 2.17.02

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 MSMED. 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.

Sr. Particulars	As at March 31, 2023	As at March 31, 2022
a. Principal amount due to any supplier as at the year end	298	298
b. Interest due on the principal amount unpaid at the year end to any supplier	312	252
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	5
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
f. The amount of interest accrued and remaining unpaid at the end of each accounting year	313	252
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.	290	233

Note 2.18

Other Financial Liabilities (refer note 2.27)

Interest Accured on Borrowings (Refer Note: 2.27 and 2.40)	2,213	2,213
Others Financial Liabilities*	837	804
	3,050	3,017

* Includes Bank OD, Provision for Expenses and Salary Payable

Note 2.19

Other Current Liabilities (refer note 2.27)

Statutory Dues	11,232	11,193
Other Payables*	6,545	6,603
	17,777	17,796

* Includes Advance from Customer, Security deposits, Collection payable and Income received in advance

Note 2.20

Provisions (refer note 2.27)

Provision for Employee Benefits

Employee Benefits	1,216	1,216
Others		
Wealth Tax	84	84
	1,300	1,300

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Particulars	(₹ in lakh)	
	For the Year ended March 31, 2023	For the year ended March 31, 2022
	-	38
Note 2.21		
Revenue from Operations		
Service Revenue		
Income From Internet and Telecommunication Services	-	38
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	-	38

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.

Note 2.22

Other Income

Interest Income (Refer note: 2.28)	935	479
Miscellaneous Income	23	58
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	958	537

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Particulars	For the Year ended March 31, 2023	(₹ in lakh)		
		For the year ended March 31, 2022		
Note 2.23				
Network Operating Expenses				
Repairs and Maintenance - Plant and Machinery	5	17		
Rent	2	-		
Other Network Expenses	-	30		
	<hr/> <hr/> 7	<hr/> <hr/> 47		

Note 2.24

Finance Cost

Other Financial Cost	62	43
	<hr/> <hr/> 62	<hr/> <hr/> 43

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Particulars	For the Year ended March 31, 2023	(₹ in lakh)		
		For the year ended March 31, 2022	For the year ended March 31, 2022	
Note 2.25				
Other Expenses				
General Administration Expenses				
Business Centre Expenses and IT Services	-	3		
Rent, Rates & Taxes	26	10		
Professional Fees	28	15		
CIRP Process Cost	393	314		
Insurance	2	4		
Interest on TDS & GST	22	22		
Other Administration, Telephone expenses and Miscellaneous expenses	3	14		
Telephone expenses	<u>-</u>	474	<u>-</u> 382	
Payment to Auditors		<u>2</u>	<u>2</u>	
Total	<u>476</u>	<u>2</u>	<u>384</u>	

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED**Notes on Accounts to Financial Statements as at March 31, 2023****Note : 2.26****Previous Year**

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.

Note : 2.27**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. In the meeting held on August 05, 2021, the CoC with 67.97% votes in favour, approved the resolution plan submitted by Reliance Projects & Property Management Services Limited, and in accordance with the Sec 30(6) of the Insolvency and Bankruptcy Code, 2016, on August 31, 2021, the plan was submitted to Hon'ble NCLT for its due consideration and approval. The matter is currently sub-judice.

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 earlier 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 : 2.28**Fixed Deposit balance confirmation from ICBC (Industrial and Commercial Bank of China) and transfer of money to designated account**

The Company has written to ICBC requesting for balance confirmation of Rs. 3,279 lakh as at March 31, 2023 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 the Company. The Auditors and the Company have not received balance confirmation from ICBC for the year ended March 31, 2023. An application bearing IA no. 1943 of 2020 has been filed against ICBC seeking removal of lien marked by it over the fixed deposit of the Company (being Rs 31 crore as on September 30, 2019) and release of amounts held under the FD. Notice has been issued to ICBC, with a direction to file Reply. ICBC has filed reply and RP has filed a rejoinder. Next date of Hearing is June 22, 2023.

Note : 2.29**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. 1,167 lakh for the year ended March 31, 2023. Had the Company provided Interest, the loss would have been higher by Rs 1,167 lakh for the year ended March 31, 2023. The Net worth of the Company would have been lower by Rs. 14,124 lakh and Rs. 12,957 lakh as on March 31, 2023 and as on March 31, 2022 respectively. During the previous years, Interest of Rs 12,957 lakh were not provided.

Note : 2.30**Employee Benefits**

Since there were no employees at the reporting period, the Company is being managed by Resolution Professional and their team, hence the disclosure as required under Indian Accounting Standard ("Ind AS") 19 "Employee Benefits" is not applicable.

Note : 2.31**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 2.32**Contingent Liabilities and Capital Commitment (as represented by the Management)**

Particulars	(₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
(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	6,188	5,326
- Custom, Excise and Service Tax	17,709	17,709
- Entry Tax and Octroi	668	668
- Income Tax	66,770	65,734
- Other Litigations	263	725
(iii) Arrears of Dividend on 8% Cumulative Preference Shares of ₹ 10 each ₹ 2,08,000/-	2	2
(iv) Guarantees given including on behalf of other companies for business purpose	1,967	1,814

Note 2.33**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.

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Note 2.34

2.34.1 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 as of March 31, 2023 and as of March 31, 2022 were as follows:

Particulars	₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.07)	255	636
Trade receivables (Refer Note 2.06)	1,598	1,752
Bank Balance (Refer Note 2.08)	13,054	12,576
Loans (Refer Note 2.09)	96,435	99,455
Other Financial Assets (Refer Note 2.10)	286	206
Total	1,11,628	1,14,625
Financial assets at fair value through Profit and Loss:		
Financial assets at fair value through other Comprehensive Income:		
Investments (Refer Note 2.03)	24	31,830
Total	24	31,830

Particulars	₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
Financial liabilities at amortised cost:		
Trade payables (Refer note 2.17)	22,954	22,907
Other financial liabilities (Refer Note 2.18)	3,050	3,017
Borrowings (Refer Note 2.16)	5,78,369	5,78,369
Total	6,04,373	6,04,293

2.34.2 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 individual	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 results of the Company's operations are adversely affected as the 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.

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Foreign Currency Risk from financial instruments as of :

Particulars	March 31, 2023				(₹ in lakh)
	U.S. dollars	GB Pound	Other Currency	Total	
Trade Receivables	2,247	-	76	2,323	
Trade Payables	(10,333)	-	-	(10,333)	
Net assets / (liabilities)	(8,086)	-	76	(8,010)	
Particulars	March 31, 2022				
	U.S. dollars	GB Pound	Other Currency	Total	
Trade Receivables	2,247	-	76	2,323	
Trade payables	(10,333)	-	-	(10,333)	
Net assets / (liabilities)	(8,086)	-	76	(8,010)	

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. 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.

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 international credit rating agencies and historical experience for customers. The Company did not have any revenue from operations during the year and is undergoing CIR process. Any impairment relating to Trade receivables will be reviewed and recognised upon completion and implementation of resolution plan.

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 2.35 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 2.36 Post Reporting Event

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

Note 2.37 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.

Particulars	As at		(₹ in lakh)
	March 31, 2023	As at	
		March 31, 2022	
(a) Equity	(2,63,644)		(2,29,074)
(b) Debt	5,78,369		5,78,369
(c) Equity and Debt (a+b)	3,14,725		3,49,295
(d) Capital Gearing Ratio (b/c)	(184%)		(166%)

Note 2.38 Earnings per Share (EPS)

Particulars	For the year ended		For the year ended	
	March 31, 2023	March 31, 2022		
Basic and Diluted EPS				
(a) Profit/(Loss) attributable to Equity Shareholders (' in lakh) (used as numerator for calculating Basic and diluted EPS)	(34,570)		101	
(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 (₹)	(0.369)		0.001	

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Note 2.39 Exceptional Notes

- a) During the year, Investment in equity shares of RITL have been written off consequent to implementation of the approved resolution plan of RITL on December 22, 2022. Accordingly, RITL has ceased to be a subsidiary of Reliance Communications Infrastructure Limited with effect from December 22, 2022. During the year ended March 31, 2023, Loss on de-subsidiarisation is Rs 31,806 lakhs and is shown as Exceptional Items.
- b) During earlier year ended March 31, 2021, Reliance Tech Services Limited (RTSL), a fellow subsidiary of the Company Debtor, had been admitted by NCLT on August 04, 2020 for corporate insolvency resolution process under the Code and Mr. Anjan Bhattacharya had been appointed as the Interim Resolution Professional (IRP) and subsequently as the Resolution Professional (RP) by the Hon'ble NCLT. During the previous year, the resolution professional of RTSL had filed an application with NCLT on May 04, 2021 for initiation of liquidation proceedings in respect of RTSL. During the year, NCLT vide order dated March 03, 2023 has ordered the liquidation of RTSL and appointed Mr. Ashok Mittal as Liquidator. Since there are no fixed assets, ongoing operations, or any employees in RTSL, therefore RTSL may not be capable of being liquidation as a going concern in terms of the Code and accordingly Receivable from RTSL of Rs.3,177 Lakh has been fully provided for and shown as exceptional items.

Note 2.40

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 parties

- 1 Reliance Communications Limited
- 2 Reliance Infratel Limited (Ceased w.e.f December 22, 2022)
- 3 Globalcom Realty Limited (formerly Reliance Infra Realty Limited)
- 4 Realsoft Cyber Systems Private Limited
- 5 Internet Exchangenext.Com Limited
- 6 Worldtel Tamilnadu Private Limited
- 7 Reliance BPO Private Limited
- 8 Reliance Wirmax Limited
- 9 Reliance Webstore Limited
- 10 Globalcom IDC Limited (Formerly Reliance IDC Limited) (Ceased w.e.f December 12, 2022)
- 11 Reliance Communications International Inc.
- 12 Reliance Communications Inc.
- 13 Reliance Communications Hongkong Limited
- 14 Reliance Globalcom Limited, Bermuda and its Subsidiaries
- 15 Reliance Communications Canada Inc.
- 16 Reliance Communications U.K. Limited
- 17 Reliance Communications Australia Pty Limited
- 18 Reliance Telecom Limited
- 19 Gateway Net Trading Pte. Limited Singapore
- 20 Reliance Tech Services Limited (Ceased w.e.f March 03, 2023)
- 21 Reliance Bhutan Limited (Ceased w.e.f December 22, 2022)
- 22 Globalcom Mobile Commerce Limited
- 23 Reliance Realty Limited
- 24 Campion Properties Limited
- 25 Reliance Communications New Zealand Pte Limited
- 26 Reliance Globalcom B.V. The Netherlands
- 27 Reliance Communications Tamilnadu Limited
- 28 Reliance Capital Limited
- 29 Reliance General Insurance Company Limited
- 30 Reliance Nippon Life Insurance Company Limited
- 31 Reliance Corporate Advisory Services Limited
- 32 Reliance Power Limited
- 33 Reliance Infrastructure Limited
- 34 BSES Rajdhani Power Limited
- 35 BSES Yamuna Power Limited
- 36 Reliance Infocom Ltd Employees
- 37 Shri Anil D. Ambani
- Key Managerial Personnel**
- 38 Rakesh M Gupta

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED
Notes on Accounts to Financial Statements as at March 31, 2023

B Transactions during the year with related parties

(Figures in bracket represent Previous year)

(₹ in lakh)

	Holding Company	Subsidiaries	Fellow Subsidiaries	Enterprise over which Promoter of Holding Company having control	Employee Benefit Trust	Total
(A) Investments						
Balance as at April 1, 2022	-	31,829	-	-	-	31,829
Less : Loss on de-subsidiarisation	-	(31,829)	(99)	-	-	(31,928)
	-	31,806	-	-	-	31,806
Balance as at March 31, 2023	-	23	-	-	-	23
Less : Provision for impairment	-	-	-	-	-	-
	-	-	(99)	-	-	(99)
Net Investment as at March 31, 2023	-	23	-	-	-	23
	-	(31,829)	-	-	-	(31,829)
(B) Trade Receivables	-	-	329	14	-	343
	-	-	(345)	(62)	-	(407)
(C) Loans						
Balance as at April 1, 2022	-	10,000	89,455	-	-	99,455
	-	(10,000)	(89,455)	-	-	(99,455)
Given during the year	-	-	-	-	-	-
Refund during the year	-	-	3,020	-	-	3,020
Balance as at March 31, 2023	-	10,000	86,435	-	-	96,435
	-	(10,000)	(89,455)	-	-	(99,455)
(D) Other Current Assets - Advances/Receivables	0	709	7,852	46	-	8,607
	(0)	(709)	(7,997)	(46)	(8)	(8,759)
(E) Borrowings (Refer Note 2.16.3)						
Balance as at April 1, 2022	3,46,108	-	1,10,907	-	-	4,57,015
	(3,46,108)	(1,09,919)	(1,10,907)	-	-	(5,66,934)
Taken /adjusted during the year	-	-	-	-	-	-
Repaid/Adjusted during the year	-	-	-	-	-	-
Balance as at March 31, 2023	3,46,108	-	1,10,907	-	-	4,57,015
	(3,46,108)	(1,09,919)	(1,10,907)	-	-	(5,66,934)
(F) Trade Payables	(0)	-	9,232	870	-	10,102
	-	-	(9,228)	(870)	-	(10,098)
(G) Other Financial Liabilities						
Interest Accured on Borrowings	1,769	-	-	-	-	1,769
	(1,769)	-	-	-	-	(1,769)
(H) Other Liabilities	-	-	192	32	-	224
	-	-	(192)	(32)	-	(224)
(I) Expenses including Sharing and Recovering of Expenses	2	-	-	-	-	2
	(3)	-	-	-	-	(3)
(J) Managerial Remuneration	-	-	-	-	-	-
Shri Rakesh M Gupta (w.e.f 1st September 2021)	-	-	-	-	-	-
(K) Corporate guarantee on behalf of the Company	18,017	-	-	-	-	18,017
	(18,017)	-	-	-	-	(18,017)

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, 2023	For the year ended March 31, 2022
Salaries and other benefits	-	-
Contribution to Provident fund/ Superannuation fund	-	-
Provision of Gratuity	-	-
Total	—	—

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Note 2.41

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 2.42

Notice as Wilful Defaulter

During the earlier year, a bank had issued show cause notices to the Company, its holding company, its subsidiary and its fellow subsidiary and certain directors seeking reasons as to why the Company, its ultimate holding company, its holding company and its fellow subsidiary should not be classified as willful defaulter. The Company, its holding company, its subsidiary and its fellow subsidiary have responded to the show cause notices. 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 banks to withdraw the notices. Further, the bank had issued notice seeking personal hearing by the authorized representative of the Company, its holding company, its subsidiary and its fellow subsidiary in respect of the aforesaid matter. Hearings were attended to and necessary submissions were made in accordance with the submissions made earlier in the responses to the show cause notices. No further response has been received from the banks since then. Currently, there is no impact of such notices issued by banks, in the financial statements.

Note 2.43

Note on Disqualification 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 2.44

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 2.45

During the year, the Company has not surrendered or disclosed any income, previously unrecorded transaction in the books of account as income, in the tax assessments under the Income Tax Act, 1961.

Note 2.46

- The title deeds of immovable properties, as disclosed in Note 2.01 & 2.12 to the financial statements, are held in the name of the Company.
- No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.

Note 2.47 Accounting Ratios

Sr.no	Name of the Ratio	Numerator	Denominator	March'23	March'22	% Variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.5657	0.5707	(1%)
2	Debt Equity ratio (in times)	Total Debt	Equity	(2.19)	(2.52)	13%
3	Return on equity (%)***	Net Profit	Equity	(13%)	(0.0004)	(29979%)
4	Trade receivable turnover ratio (in times)**	Net Sales	Average Trade Receivables	-	0.02	(100%)
5	Trade payable turnover ratio (in times)**	Net Purchases	Average Trade Payables	-	0.0021	(100%)
6	Net Capital Turnover ratio (in times) **	Net sales	Working Capital	-	(0.01%)	100%
7	Net Profit ratio (%) **	Net Profit	Net sales	-	2.67	(100%)
8	Return on Capital employed (%)***	EBIT	Equity	(13%)	(0.0004)	(29979%)
9	Return on investment (%)	Income from investments	Average investments	0%	0%	0%

Remarks for major variance:-

- *There are no Principal repayments made during the year as the Company is under CIRP, hence Debt Service Coverage Ratio is not applicable.
- ** Trade Receivable and Payable ratio, Net Capital Turnover ratio and Net Profit ratio are Nil because there is no turnover during the year.
- ***Return on Equity and Return on Capital Employed ratio have decreased due to write off of shares of RITL as an exceptional item.
- iv) The Company does not have inventory, hence Inventory Turnover Ratio is not applicable.

Note 2.48

During the year, the Company has not received as well as given advances (excluding transactions in the normal course of business) or loans or invested funds or provided any guarantee, security or the like from/ to any other person(s) or entity(ies), directly or indirectly, including any foreign entity(ies).

Note 2.49

Transaction with Struck off Companies

Balance Outstanding with Companies struck off under section 248 of the Companies Act, 2013, or section 560 of Companies Act, 1956 are as follows :

Name of struck off company	Nature of transactions with struck-off Company	Balance outstanding (₹ In Lakh)	Relationship with the Struck off company, if any, to be disclosed
ESPN Softwar India Pvt Ltd	Receivables	1.58	External Customer
TNS India Pvt Ltd	Receivables	0.14	External Customer

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2023

Note 2.50

Authorisation of Financial Statements

After review, the Directors of the Company have approved the financial statements at their meeting held on May 27, 2023 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, 2023, 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, 2023 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 initiated and the RP may be required to accordingly act on the results of such review in terms of the provisions of the Code.

As per our report of even date

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

Jigar T. Shah
Partner
Membership No. 161851

Place: Mumbai
Date : May 27, 2023

For Reliance Communications Infrastructure Limited

Anish Niranjan Nanavaty
Resolution Professional

Mahesh Mungekar
Director
DIN:- 00778339

Dolly Dhandhresha
Director
DIN:- 07746698

Rakesh Gupta
Company Secretary
CS:F5951

Place: Mumbai
Date : May 27, 2023

Independent Auditor's Report

To the Members of GlobalcomMobileCommerce Limited

(Formerly Reliance Mobile Commerce Limited)

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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' .
- 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 does not have any pending litigations as at March 31,2023

- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLI5965

Place: Mumbai
Date: 26/05/2023

Globalcom Mobile Commerce Limited(Formerly Reliance Mobile Commerce Limited)Annexure A to Independent Auditor's Report - 31stMarch 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)**('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a),(b) and (c) of the orders are not applicable to the company.

(b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii) (a)The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.

iii) (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.

iii).According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c)of the order are not applicable to the Company.

iv).During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.

v).The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2615 with regard to the deposits accepted from the public are not applicable.

vi).As per information &explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act,2013.

vii).According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March,2023 for a period of more than six months from the date they became payable.

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited) Annexure A to Independent Auditor's Report - 31stMarch 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.
- viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.
- x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- xii). The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
- xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.
- xv).The company has not entered into noncash transactions with directors or persons connected with him.
- xvi). (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934.
(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited) Annexure A to Independent Auditor's Report - 31st March 2023

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii). There has been no instance of any resignation of the statutory auditors occurred during

xix). No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx). There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi). The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLI5965

Place: Mumbai
Date: 26/05/2023

Annexure B to Independent Auditor's Report - 31stMarch 2023 on the Financial Statements of Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce 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 Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)** ('the Company') as of March 31, 2023 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 ("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 Companies Act, 2013.

Auditor's 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 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 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 2023 on the
Financial Statements of Globalcom Mobile Commerce Limited
(Formerly Reliance Mobile Commerce 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, 2023, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLI5965

Place: Mumbai
Date: 26/05/2023

**Globalcom Mobile Commerce Limited
(Formerly Reliance Mobile Commerce Limited)**

Financial Statements

March 31, 2023

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Balance Sheet as at March 31, 2023

	Notes	As at March 31, 2023		(₹) in thousand As at March 31, 2022					
ASSETS									
Current Assets									
(a) Financial Assets									
(i) Other Receivables	2.01	9	-	-					
(ii) Cash and Cash Equivalents	2.02	584	593	584	584				
TOTAL			593		584				
EQUITY AND LIABILITIES									
Equity									
(a) Equity Share Capital	2.03	20 000	20 000						
(b) Other Equity	2.04	(22 166)	(2 166)	(22 086)	(2 086)				
Liabilities									
Current Liabilities									
(a) Financial Liabilities									
Other Financial Liabilities	2.05	2 750	2 750	2 670					
(b) Other Current Liabilities	2.06		9	-					
TOTAL			593		584				
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

Priti V Mehta

Proprietor

Membership No. 130514

Vishwanath D Rao

Director

DIN No :- 08607657

Konika Shah

Director

DIN No :-09600137

Place : Mumbai

Date : May 26, 2023

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Statement of Profit and Loss for the year ended March 31, 2023

	Notes	For the year ended March 31, 2023	(₹) in thousand For the year ended March 31, 2022
I INCOME			
Other Income		-	-
Total Income (I)		-	-
II EXPENDITURE			
General Administration Expenses	2.07	<u>80</u>	49
Total Expenses (II)		<u>80</u>	49
III Loss before Tax (I- II)		(80)	(49)
IV Tax expense:			
Current Tax		-	-
Short/ (Excess) provision of earlier years		-	-
V Loss after Tax		(80)	(49)
VI Other Comprehensive Income		-	-
VII Total Comprehensive Income / (Loss) during the year		<u>(80)</u>	<u>(49)</u>
VIII Earning per share of face value of ₹ 10 each for fully Paid	2.09		
Basic (₹)		(0.00)	(0.00)
Diluted (₹)		(0.00)	(0.00)

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.

For and on behalf of the Board

Chartered Accountants

Firm Registration No 129568W

Priti V Mehta

Partner

Membership No. 130514

Vishwanath D Rao

Director

DIN No :- 08607657

Konika Shah

Director

DIN No :-09600137

Place : Mumbai

Date : May 26, 2023

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Statement of Change in Equity for the year ended March 31, 2023

(₹) in thousand

A: Equity	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	20 000	20 000
Change in equity share capital during the year	-	-
Balance at the end of the year	20 000	20 000

B: Other Equity

Surplus/ (Deficit) in Statement of Profit and Loss

Particular	Retained Earnings
Balance as at April 01, 2021	(22 037)
Add : Loss during the year	(49)
Balance as at March 31, 2022	(22 086)
Add : Loss during the year	(80)
Balance as at March 31, 2023	(22 166)

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 Priti V Mehta & Co.

Chartered Accountants

Firm Registration No 129568W

For and on behalf of the Board

Priti V Mehta

Partner

Membership No. 130514

Vishwanath D Rao

Director

DIN No :- 08607657

Konika Shah

Director

DIN No :-09600137

Place : Mumbai

Date : May 26, 2023

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Statement of Cash Flow for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023	(₹) in thousand	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES			
Loss before tax as per Statement of Profit and Loss	(80)		(49)
Operating Profit/(Loss) before Working Capital Changes	(80)		(49)
Adjusted for:			
Receivables and Other Advances	-		
Other Current Liabilities	89	89	49
Cash (Used in) Operations	9		-
Tax Refund	-		-
Tax Paid	-		-
Net Cash (used in) / Generated from Operating Activities	9		-
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		-
Opening Balance of Cash and Cash Equivalents	584		584
Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)	593		584

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 Priti V Mehta & Co.

Chartered Accountants

Firm Registration No 129568W

For and on behalf of the Board

Priti V Mehta

Partner

Membership No. 130514

Vishwanath D Rao

Director

DIN No :- 08607657

Konika Shah

Director

DIN No :-09600137

Place : Mumbai

Date : May 26, 2023

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2023

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.

Notes on accounts to the Financial Statements as at March 31, 2023

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 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.

Notes on accounts to the Financial Statements as at March 31, 2023

(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.

Notes on accounts to the Financial Statements as at March 31, 2023

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, 2023

	As at March 31, 2023	(₹) in thousand As at March 31, 2022	
2.01 Other Receivables			
GST Recoverable	9	-	
	9	-	
2.02 Cash and Cash Equivalents			
Balance with Banks	584	584	
	584	584	
2.03 Equity Share Capital			
Authorised			
20 00 000 (20 00 000) Equity Shares of ₹ 10 each	20 000	20 000	
	20 000	20 000	
Issued, Subscribed and Paid up			
20 00 000 (20 00 000) Equity Shares of ₹ 10 each fully paid up	20 000	20 000	
	20 000	20 000	
2.03.01 Equity Shares held by Promoters	No. of Shares	% of Total Shares	% Change during the year
Reliance Communications Limited, the Holding Company & its nominees.	20,00,000 (20,00,000)	100% (100%)	Nil (Nil)
2.03.02 Shares held by Holding Company	As at March 31, 2023	As at March 31, 2022	
Reliance Communications Limited, the Holding Company & its nominees.	No. of Shares	No. of Shares	
	50 000	100%	
	20,00,000	100%	
Equity Shares			
a) All the 20 00 000 shares are held by Reliance Communications Limited, the Holding Company & its nominees.			
	As at March 31, 2023	As at March 31, 2022	
	No. of Shares	No. of Shares	
	(₹) in thousand	(₹) in thousand	
b) Equity Shares			
At the beginning of the year	20 00 000	20 000	
Add/(Less): Changes during the year	-	-	
	20 00 000	20 000	
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, 2023	As at March 31, 2022	
2.04 Other Equity			
Surplus/(Deficit) in the Statement of Profit and Loss			
As per last Balance Sheet	(22 086)	(22 037)	
Add: Loss during the year	(80)	(49)	
Closing Balance	(22 166)	(22 086)	
2.05 Other Financial Liabilities			
Provision for Expenses	70	84	
Other Payables	34	20	
Payable to Related Parties (Refer Note 2.13)	2 646	2 566	
	2 750	2 670	
2.06 Other Current Liabilities			
GST Payable	9	-	
	9	-	

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2023

	For the year ended March 31, 2023	(₹) in thousand For the year ended March 31, 2022
2.07 General administration Expenses		
Professional Fees	16	15
Payment to Auditors - Audit Fees	14	14
Interest on TDS FY 2020-21	-	-
Director's Sitting Fees	50	20
	80	49

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.

2.09 Earnings per Share (EPS)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Numerator - Profit after tax (₹)	(80)	(49)
Denominator - Weighted number of equity shares	20 00 000	20 00 000
Basic as well as diluted, earning per equity share (₹)	(0.00)	(0.00)

2.10 Deferred Tax Assets (net)

	(₹) in thousand	
	As at	As at
	March 31, 2023	March 31, 2022
(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, 2023	For the year ended March 31, 2022
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	(80)	(49)
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expenses (I)	(21)	(13)
Add: Tax on Expenses disallowed under Income Tax Act	21	13

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2023

2.11 Segment Reporting

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

2.12 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.

2.13 Post Reporting Events

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

2.14 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 L	Fellow Subsidiary Company
iii Globalcomm IDC Limited	Fellow Subsidiary Company
iv Reliance Comm Tamil Nadu Ltd	Fellow Subsidiary Company
v Reliance Infra Projects Ltd	Fellow Subsidiary Company
vi Reliance Realty Ltd (TFIL)	Fellow Subsidiary Company

b) Transactions during the year with related parties :

(₹) in thousand			
Sr. No.	Nature of Transactions	Fellow Subsidiary Company	Total
1	Other Financial Liabilities	2 646 -(2 566)	2 646 -(2 566)

c) Details of Material Transaction with Related Party

(₹) in thousand

Particulars	March 31, 2023	March 31, 2022
Transaction during the year		
Reimbursement of expenses (net)		
Globalcom IDC Limited	46	43
Reliance Comm Tamil Nadu Ltd	9	-
Reliance Infra ProjectsLtd	14	-
Reliance Realty Ltd (TFIL)	11	-
Balance Sheet (Closing Balance)		
Other Financial Liabilities		
Reliance Communications Infrastructure Limited	2 504	2 504
Globalcom IDC Limited	108	62
Reliance Comm Tamil Nadu Ltd	9	-
Reliance Infra Projects Ltd	14	-
Reliance Realty Ltd (TFIL)	11	-

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 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:

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2023

(₹) in thousand

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	584	584
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	2 750	2 670
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.

Note : 2.16

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity

Note : 2.17

Accounting Ratio

Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	0.2125	0.2189	-0.029%

The Company does not have business operations, Turnover, Inventory, Purchases and also having negative Net worth, during the year and previous year. Accordingly, ratios (i.e. Debt-Equity Debt Service coverage, Return on equity, Inventory turnover, Trade receivable turnover, Trade payable turnover, Net capital turnover, Net profit, Return on capital employed and Return on investment) are not applicable.

There is no significant change (i.e. more than 25%) in the above mentioned ratios during the year in comparison to Previous year.

Note : 2.18

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2023 are approved by the Board of Directors on May 26, 2023.

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

Director

DIN No :- 08607657

Priti V Mehta

Partner

Membership No. 130514

Vishwanath D Rao

Director

DIN No :- 08607657

Konika Shah

Director

DIN No :-09600137

Place : Mumbai

Date : May 26, 2023

Independent Auditor's Report

To the Members of Reliance BPO Private Limited Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Reliance BPO Private Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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’.
- 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 does not have any pending litigations as at March 31,2023

- ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLL9191

Place: Mumbai
Date: 24/05/2023

Reliance BPO Private Limited

Annexure A to Independent Auditor's Report - 31stMarch 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Reliance BPO Private Limited**('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

- i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.
- (b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a)The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.
ii) (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii).According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c)of the order are not applicable to the Company.
- iv).During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.
- v).The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2615 with regard to the deposits accepted from the public are not applicable.
- vi).As per information &explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act,2013.
- vii).According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March,2023 for a period of more than six months from the date they became payable.

Reliance BPO Private Limited

Annexure A to Independent Auditor's Report - 31st March 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

Reliance BPO Private Limited

Annexure A to Independent Auditor's Report -31stMarch 2023

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii).There has been no instance of any resignation of the statutory auditors occurred during

xix).No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx).There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi).The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLL9191

Place: Mumbai
Date: 24.05.2023

Annexure B to Independent Auditor's Report - 31st March 2023 on the Financial Statements of Reliance BPO 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 **Reliance BPO Private Limited** ('the Company') as of March 31, 2023 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 ("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 Companies Act, 2013.

Auditor's 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 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 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 2023 on the Financial Statements of Reliance BPO 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, 2022, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLL9191

Place: Mumbai
Date: 24/05/2023

Reliance BPO Private Limited

**Financial Statements
as at March 31, 2023**

Reliance BPO Private Limited

Balance Sheet as at March 31, 2023

	Notes	As at March 31, 2023	₹ in lakh As at March 31, 2022
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2.01	-	-
(b) Deferred Tax Assets	2.02	-	-
Current Assets			
Financial Assets			
(a) Cash and Cash Equivalents	2.03	0.02	0.02
(b) Other Financial Assets	2.04	39.35	39.35
		39.37	39.37
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.05	1.00	1.00
(b) Other Equity	2.06	<u>(1,034.64)</u>	<u>(1,033.64)</u> <u>(951.22)</u> <u>(950.22)</u>
LIABILITIES			
Current Liabilities			
(a) Other Current Liabilities	2.07	1,073.01	989.59
		39.37	39.37
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 Priti V Mehta & Co

Chartered Accountants

Firm Registration No 129568W

For and on behalf of the Board

Vineeta P Patel

Director

DIN: 07151087

Priti V Mehta

Proprietor

Membership No. 130514

Vijay V Ahuja

Director

DIN: 08717328

Place: Mumbai

Dated : May 24, 2023

Reliance BPO Private Limited

Statement of Profit and Loss for the year ended March 31, 2023

	Notes	For the year ended March 31, 2023	₹ in lakh For the year ended March 31, 2022
INCOME			
I Other Income	2.08	-	-
Total Income		<hr/>	<hr/>
II EXPENSES			
Other Expenses	2.09	83.42	35.71
Total Expenses		<hr/>	<hr/>
III Profit / (Loss) Before Tax (I-II)		(83.42)	(35.71)
IV Tax expense:			
- Current Tax		-	-
- Deferred Tax Charge/ (Credit) (net)	2.02	-	-
V Profit / (Loss) After Tax (III - IV)		<hr/> (83.42)	<hr/> (35.71)
VI Other Comprehensive Income		<hr/> -	<hr/> -
VII Total Comprehensive Income (V + VI)		<hr/> (83.42)	<hr/> (35.71)
VIII Earnings per Share of ₹ 10 each fully paid up	2.13		
- Basic (₹)		(834.20)	(357.10)
- Diluted (₹)		(834.20)	(357.10)

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 Priti V Mehta & Co

For and on behalf of the Board

Chartered Accountants

Firm Registration No 129568W

Vineeta P Patel

Director

DIN: 07151087

Priti V Mehta

Proprietor

Membership No. 130514

Vijay V Ahuja

Director

DIN: 08717328

Place: Mumbai

Dated : May 24, 2023

Reliance BPO Private Limited

Statements of Change in Equity for the year ended March 31, 2023

(a) Equity share capital

	₹ in lakh	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	1.00	1.00
Change in equity share capital during the year	-	-
Balance at the end of the period	1.00	1.00

(b) Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at April 1, 2021	1,00,848.52	(1,01,764.01)	(915.49)
Surplus/ (Deficit) of Statement of Profit and Loss	-	(35.71)	(35.71)
Other Comprehensive Income	-	-	-
Balance as at March 31, 2022	1,00,848.52	(1,01,799.72)	(951.20)
Surplus/ (Deficit) of Statement of Profit and Loss	-	(83.42)	(83.42)
Other Comprehensive Income	-	-	-
Balance as at March 31, 2023	1,00,848.52	(1,01,883.14)	(1,034.62)

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

Vineeta P Patel

Director

DIN: 07151087

Priti V Mehta

Proprietor

Membership No. 130514

Place: Mumbai

Dated : May 24, 2023

Vijay V Ahuja

Director

DIN: 08717328

Statement of Cash Flow for the year ended March 31, 2023

	₹ in Lakh	For the year ended March 31, 2023	For the year ended March 31, 2022
A: CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit / (Loss) before tax as per Statement of Profit and Loss		(83.42)	(35.71)
Adjusted for:			
Loss on Cancellation of Land	-	-	-
Unrealised Exchange Loss/ (Gain)	83.03	34.93	34.93
Operating Profit / (Loss) before Working Capital Changes		<u>83.03</u>	<u>34.93</u>
		(0.39)	(0.78)
Adjusted for:			
Receivables and other Advances	-	-	-
Trade Payables and Other liabilities	0.39	0.78	0.78
Net Cash from /(Used in) Operating Activities		<u>0.39</u>	<u>0.00</u>
B: CASH FLOW FROM INVESTING ACTIVITIES:			
Deletion of Fixed Assets	-	-	-
Net Cash from /(Used in) Investing Activities		<u>-</u>	<u>-</u>
C: CASH FLOW FROM FINANCING ACTIVITIES:			
Net Cash Used in Financing Activities		<u>-</u>	<u>-</u>
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		-	-
Opening Balance of Cash and Cash Equivalents	0.02	0.02	0.02
Closing Balance of Cash and Cash Equivalents	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>

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 Priti V Mehta & Co

Chartered Accountants

Firm Registration No 129568W

For and on behalf of the Board

Vineeta P Patel

Director

DIN: 07151087

Priti V Mehta

Proprietor

Membership No. 130514

Vijay V Ahuja

Director

DIN: 08717328

Place: Mumbai

Dated : May 24, 2023

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.

Reliance BPO Private Limited

Notes to the Financial Statements

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 financial 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.

Reliance BPO Private Limited

Notes to the Financial Statements

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.

Reliance BPO Private Limited

Notes to the Financial Statements

(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

Particulars	Freehold Land	₹ in lakh Capital Work in Progress
Gross carrying value		
As at April 1, 2021	-	-
Additions	-	-
Deletion	-	-
As at March 31, 2022	-	-
Additions	-	-
Deletion	-	-
As at March 31, 2023	-	-
Accumulated Depreciation		
As at April 1, 2021	-	-
Depreciation for the period	-	-
Disposals	-	-
As at March 31, 2022	-	-
Depreciation for the period	-	-
Disposals	-	-
As at March 31, 2023	-	-
Net Carrying value		
As at March 31, 2022	-	-
As at March 31, 2023	-	-

Reliance BPO Private Limited

Notes to the Financial Statements

2.02 Deferred Tax Assets

Particulars	As at	As at	For the year	For the year
	March 31, 2023	March 31, 2022	ended	ended
			March 31, 2023	March 31, 2022
(i) Deferred Tax Assets				
Related to timing difference on Indexed Cost of PPE	-	-	-	-
(ii) Deferred Tax Liabilities	-	-	-	-
Net Deferred Tax Assets	-	-	-	-

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, 2023	For the year ended March 31, 2022
Current income tax		-	-
Deferred income tax liability / (asset), net		-	-
Tax expense for the year		-	-
(b) Amounts recognised in other comprehensive income		Nil	Nil
(c) Reconciliation of Tax Expenses			
Profit/ (Loss) before Tax		(83.42)	(35.71)
Applicable Tax Rate		26.00%	26.00%
Computed Tax Expenses (I)		(21.69)	(9.28)
Expenses not allowed in Taxable Income		21.69	9.28
Reversal of relating to Indexed Cost of PPE		-	-
Subtotal (II)		21.69	9.28
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I+II)		-	-

2.03 Cash and Cash Equivalents

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Balance with Banks		
-In Current accounts	0.02	0.02
	0.02	0.02

2.04 Other Financial Assets

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Advances to Related Parties (Refer Note 2.12)	39.35	39.35
	39.35	39.35

Reliance BPO Private Limited

Notes to the Financial Statements

2.05 Share Capital	₹ in lakh	
Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
1,00,000 Equity Shares of ₹ 10 each	10.00	10.00
(1,00,000)		
1,05,00,000 Preference Shares of ₹ 10 each	1,050.00	1,050.00
(1,05,00,000)		
	1,060.00	1,060.00
Issued, Subscribed and Paid up		
10,000 Equity Shares of ₹ 10 each fully paid-Up	1.00	1.00
(10,000)		
	1.00	1.00

2.05.01 Equity Shares held by Promoters

	No of Shares	% of Total Shares	% Change during the year
Reliance Communications Infrastructure Limited, the Holding Company and its nominees	10,000 (10,000)	100% (100%)	NIL (Nil)

2.05.02 Share held by Holding Company

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

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	No of Shares	%	No of Shares	%
Reliance Communications Infrastructure Limited, the Holding Company and its nominees	10,000 10,000	100% 100%	10,000 10,000	100% 100%

2.05.03 Reconciliation of shares outstanding at the beginning and at the end of the year:

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	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, 2023	As at March 31, 2022
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	(1,01,799.74)	(1,01,764.03)
(ii) Add: Profit /(Loss) for the year	(83.42)	(35.71)
(iii) Add: Other Comprehensive Income	-	-
	(1,01,883.16)	(1,01,799.74)
	(1,034.64)	(951.22)
2.07 Other Current Liabilities		₹ in lakh
Particulars	As at March 31, 2023	As at March 31, 2022
Creditors for Capital goods	1,069.86	986.83
Advance from Related Party (Ref Note No.2.12)	1.90	1.14
Other Liabilities	1.25	1.62
	1,073.01	989.59

Reliance BPO Private Limited

Notes to the Financial Statements

2.08 Other Income

₹ in lakh

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gain on Foreign currency transactions and translation	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

2.09 Other Expenses

₹ in lakh

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Professional Fee	0.09	0.08
Loss on Foreign currency transactions and translation	83.03	34.93
Loss on Cancellation of Land	-	-
Director Sitting Fee	-	0.40
Interest on TDS (2020-21)	-	-
Payment to Auditors		
-Statutory Audit Fee	0.30	0.30
	<hr/>	<hr/>
	83.42	35.71
	<hr/>	<hr/>

Reliance BPO Private Limited

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, 2023	As at March 31, 2022
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	39.35	
Total	39.37	39.37	
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 from	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 seem 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 :

	As at March 31, 2023	₹ in lakh	As at March 31, 2022	₹ in lakh
Creditors for Capital goods	₹ in lakh 1,069.86		986.83	
	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:

	For the year ended March 31, 2023	₹ in lakh	For the year ended March 31, 2022	₹ in lakh
Impact of 2% increase in exchange rate of USD INR	21.40		19.74	
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
Reliance Comm Tamil Nadu Ltd (RCTNL)	Fellow Subsidiary
Reliance Infra Projects Ltd (RIPL)	Fellow Subsidiary

Sr.	Nature of Transactions	Holding Company	Holding Company	Fellow Subsidiary Company	Fellow Subsidiary Company
		RCIL	GIDCL	RCTNL	RIPL
		₹ in Lakh	₹ in Lakh	₹ in Lakh	₹ in Lakh
a)	Other Current Liabilities	0	1.22	0.38	0.30
		(-)	(1.14)	(-)	(-)
b)	Advances	39.35	-	-	-
		(39.35)	(-)	(-)	(-)

2.13 Earning per Share

	For the year ended March 31, 2023	₹ in lakh	For the year ended March 31, 2022	₹ in lakh
(a) Net Profit/(Loss) attributable to Equity Share Holders (₹ in Lakh)	(83.42)		(35.71)	
(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)	(834.20)		(357.10)	

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 Accounting Ratio

Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	3.67	3.98	(0.78%)

The Company does not have business operations, Turnover, Inventory, Purchases and also having negative Net worth, during the year and previous year. Accordingly, ratios (i.e. Debt-Equity Debt Service coverage, Return on equity, Inventory turnover, Trade receivable turnover, Trade payable turnover, Net capital turnover, Net profit, Return on capital employed and Return on investment) are not applicable.

There is no significant change (i.e. more than 25%) in the above mentioned ratios during the year in comparison to Previous year.

2.17 During the year, the Company has not surrendered or disclosed any income, previously unrecorded in the books of account as income, in the tax assessments under the Income Tax Act, 1961.

2.18 During the year, the Company has not received as well as given advances (excluding transactions in the normal course of business) or loans or invested funds or provided any guarantee, security or the like from/ to any other person(s) or entity(ies), directly or indirectly, including any foreign entity(ies)

2.19 The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

2.20 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.

2.21 Post Reporting Events

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

2.22 Authorisation of Financial Statements

The financial statements for the year ended March 31, 2023 are approved by the Board of Directors on May 24, 2023.

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

Vineeta P Patel
Director
DIN: 07151087

Priti V Mehta
Proprietor
Membership No. 130514

Place: Mumbai
Dated : May 24, 2023

Vijay V Ahuja
Director
DIN: 08717328

Independent Auditor's Report

To the Members of Reliance Communications Tamil Nadu Limited Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Reliance Communications Tamilnadu Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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’.
- 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 does not have any pending litigations as at March 31,2023

- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLM3206

Place: Mumbai
Date: 24/05/2023

Reliance Communications Tamil Nadu Limited
Annexure A to Independent Auditor's Report - 31stMarch 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Reliance Communications Tamil Nadu Limited** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

- i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.
- (b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a)The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.
- iii) (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii).According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c)of the order are not applicable to the Company.
- iv).During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.
- v).The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi).As per information &explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act,2013.
- vii).According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March,2023 for a period of more than six months from the date they became payable.

Reliance Communications Tamil Nadu Limited

Annexure A to Independent Auditor's Report - 31st March 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

Reliance Communications Tamil Nadu Limited

Annexure A to Independent Auditor's Report –31stMarch 2023

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.

(d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii).There has been no instance of any resignation of the statutory auditors occurred during

xix).No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx).There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi).The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN:23130514BGXSLM3206

Place: Mumbai
Date: 24/05/2023

Annexure B to Independent Auditor's Report - 31st March 2023 on the Financial Statements of Reliance Communications Tamil Nadu 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 console over financial reporting of **Reliance Communications Tamil Nadu Limited** ('the Company') as of March 31, 2023 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 ("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 Companies Act, 2013.

Auditor's 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 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 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 2023 on the Financial Statements of Reliance Communications Tamil Nadu 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, 2023, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLM3206

Place: Mumbai
Date: 24/05/2023

Reliance Communications Tamil Nadu Limited

Financial Statements

March 31, 2023

Reliance Communications Tamil Nadu Limited
Balance Sheet as at March 31, 2023

(₹) in thousand

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non Current Assets			
Investments	2.01	26 00 000	26 00 000
Current Assets			
Financial Assets			
Other Receivables	2.02	279	-
Cash and Cash Equivalent	2.03	90	389
	TOTAL	<u>26 00 369</u>	<u>26 00 389</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.04	500	500
(b) Other Equity	2.05	<u>(17 130)</u>	<u>(17 007)</u>
			(16 507)
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.06	26 16 724	26 16 724
(b) Other Current Liabilities	2.07	<u>275</u>	<u>172</u>
			26 16 896
	TOTAL	<u>26 00 369</u>	<u>26 00 389</u>

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 : May 24, 2023

For and on Behalf of the Board

Konika Shah	}
DIN-09600137	}
	}
	Directors
	}
Dolly Dhandhresha	}
DIN-07746698	}

Reliance Communications Tamil Nadu Limited
Statement of Profit and Loss for the year ended March 31, 2023

(₹) in thousand

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I INCOME			
Other Income		-	-
Total Income		-	-
II EXPENSES			
Other Expenses	2.08	124	81
Total Expenses		124	81
III Profit/ (Loss) Before Tax (I - II)		(124)	(81)
IV Tax expense:			
- Current Tax		-	-
V Profit/ (Loss) After Tax		(124)	(81)
Earning Per Share of face value ₹10 each fully paid up			
Basic & Diluted (₹)	2.11	(0.00)	(0.00)

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 : May 24, 2023

For and on Behalf of the Board

Konika Shah	}
DIN-09600137	}
	}
	} Directors
Dolly Dhandhresha	}
DIN-07746698	}

Reliance Communications Tamil Nadu Limited

Statement of Change in Equity for the year ended March 31, 2023

		(₹) in thousand
(A) Equity (Refer Note - 2.03)		
Balance at April 1, 2021		500
Change in equity share capital during the year		-
Balance at March 31, 2022		500
Change in equity share capital during the period		-
Balance at March 31, 2023		500

(B) Other Equity (Refer Note - 2.04)

Attributable to Equity holder

Particulars

Retained Earnings

Balance at April 1, 2021	(16 925)
Add : Profit/ (Loss) for the year	(81)
Balance at March 31, 2022	<u><u>(17 006)</u></u>
Add : Profit/ (Loss) for the period	(124)
Balance at March 31, 2023	<u><u>(17 130)</u></u>

As per our Report of even date

For Priti V Mehta & Co

Chartered Accountants

Chartered Accountants
Firm Registration No 129568W

For and on Behalf of the Board

Priti V Mehta

Proprietor

Proprietor
Membership No 130514

Place: Mumbai
Dated : May 24, 2023

Konica Shah }
DIN-09600137 }
} } } } Directors
Dolly Dhandhresha }
DIN-07746698 }

Reliance Communications Tamil Nadu Limited

Statement of Cash Flow for the year ended March 31, 2023

(₹) in thousand

	For the year ended March 31, 2023	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax as per Statement of Profit and Loss	(124)	(82)
Loss on Impairment of Investment	-	-
Operating Profit/(Loss) before Working Capital Changes	(124)	(82)
Working Capital Changes:		
Current assets	(279)	-
Current Liabilities	103	(176)
Cash Generated from Operations	(300)	82
Tax Refund	-	-
Tax Adjustment	-	-
Net Cash from / (used in) Operating Activities	(300)	82
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)	-	-
Net Cash from / (used in) Financing Activities	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(300)	-
Opening Balance of Cash and Cash Equivalents	389	389
Closing Balance of Cash and Cash Equivalents	89	389

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 Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No.130514

Place: Mumbai
Dated : May 24, 2023

For and on Behalf of the Board

Konika Shah }
DIN-09600137 }
} Directors
Dolly Dhandhresha }
DIN-07746698 }

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 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

1.05 Functional Currency and Presentation Currency

These financial 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.

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(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

(₹) in thousand

	As at March 31, 2023	As at March 31, 2022
2.01 Investments		
Trade Investments		
In Preference Shares		
Unquoted, fully Paid up, At Cost		
1 34 77 000 1% Redeemable Non Cumulative Non Convertible (1 34 77 000) Preference Shares of Reliance Telecom Limited of ₹ 10 each	26 00 000	26 00 000
	26 00 000	26 00 000
Aggregate Amount of Investments		
Unquoted	26 00 000	26 00 000
Quoted	-	-
	26 00 000	26 00 000
2.02 Other Receivables		
Loans & advances given	261	-
GST Recoverable	18	-
	279	-
2.03 Cash and Cash Equivalent		
Balances with Banks in Current Account	90	389
	90	389

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(₹) in thousand

	As at March 31, 2023	As at March 31, 2022		
2.04 Share Capital				
Authorised				
50 000 Equity Shares of ₹ 10 each	500	500		
(50 000)	<u>500</u>	<u>500</u>		
Issued, Subscribed and Paid up				
50 000 Equity Shares of ₹ 10 each fully paid up	500	500		
(50 000)	<u>500</u>	<u>500</u>		
a) Equity Shares held by Promoters	No. of Shares	% of Total Shares		
Reliance Webstore Limited and its nominees	50 000	100%		
(50 000)	(100%)	Nil (Nil)		
b) Shares held by Holding Company	No. of Shares	% of Total Shares		
Reliance Webstore Limited and its nominees	50 000	100%		
(50 000)	(100%)	Nil (Nil)		
b) Shares held by Holding Company	No. of Shares	%	No. of Shares	%
Reliance Webstore Limited and its nominees	50 000	100%	50 000	100%
c) 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%
d) Reconciliation of shares outstanding at the beginning and at the end of the year	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	(₹) in thousand	No. of Shares	(₹) in thousand
Equity Shares				
At the beginning of the year	50 000	500	50 000	500
Add : Changes during the year	-	-	-	-
At the end of the year	<u>50 000</u>	<u>500</u>	<u>50 000</u>	<u>500</u>

2.05 Other Equity

Surplus/(Deficit) in the Statement of Profit and Loss

As per last Balance Sheet	(17 006)	(16 925)
Add: Profit/(Loss) for the year	<u>(124)</u>	<u>(81)</u>
Balance Carried Forward	(17 130)	(17 006)
	<u>(17 130)</u>	<u>(17 006)</u>

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(₹) in thousand

	As at March 31, 2023	As at March 31, 2022
2.06 Borrowings		
Unsecured		
Loan from Body Corporate (Refer Note 2.17) (Repayable on demand)	26 16 724	26 16 724
	<u>26 16 724</u>	<u>26 16 724</u>
2.07 Other Current Liabilities		
Audit Fees Payable	42	57
Others Payable	2	2
GST Payable	18	-
Other Payable (Related Party Ref Note.2.17)	213	113
	<u>275</u>	<u>172</u>

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(₹) in thousand

For the year ended
March 31, 2023 For the year ended
March 31, 2022

Note 2.08 Other Expenses

Bank Charges	-	-
Professional Fees	10	7
Payment to Auditors		
- Audit Fees	14	14
Interest paid (Int on ST & TDS)	-	-
Director's Sitting Fees	100	60
	124	81

Note 2.09 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 2.10

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 2.11

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, 2023	As at March 31, 2022
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	90	389
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	Nil	Nil
Financial liabilities at amortised cost:		
Borrowings	26 16 724	26 16 724
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.

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(₹) in thousand

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 2.12 Earnings per Share (EPS)

	As at March 31, 2023	As at March 31, 2022
Numerator - Profit /(Loss) after tax (₹)	(124)	(81)
Denominator - Weighted number of equity shares	50 000	50 000
Basic as well as diluted, earning per equity share (₹)	(0.00)	(0.00)

Note 2.13 Segment Reporting

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

Note 2.14 Deferred Tax

The Company does not have any items on which deferred tax should be recognised.

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 funding requirement is met through a mixture of equity, internal accruals and financial support extended by the other body corporate.

Note 2.16 Accounting Ratio

Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	0.000134	0.000148	-0.09717%
Debt Equity Ratio (in times)	Total Debt	Equity	(157.619)	(158.53)	-0.00576%

The Company does not have business operations, Turnover, Inventory, Purchases and also having negative Net worth, during the year and previous year. Accordingly, ratios (i.e. Debt-Equity Debt Service coverage, Return on equity, Inventory turnover, Trade receivable turnover , Trade payable turnover, Net capital turnover, Net profit, Return on capital employed and Return on investment) are not applicable.

There is no significant change (i.e. more than 25%) in the above mentioned ratios during the year in comparison to Previous year.

Note 2.17 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 2.18 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 2.19 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)
 6. Globalcom Mobile Commerce Ltd
 7. Globalcom Realty Ltd
 8. Internet ExchangeNext.Com Ltd
 9. Realsoft Cyber Systems Pvt Ltd
 10. Reliance Bhutan Ltd
 11. Reliance BPO Limited
 12. Reliance Infra Projects Ltd
 13. Worldtel Tamil Nadu Pvt Ltd
 14. Reliance Realty Ltd (TFIL)

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)

(₹) in thousand

Sr. Nature of Transactions	Ultimate Holding	Holding	Fellow Subsidiary	Total
A Equity Shares				
Balance as at April 1, 2022	-	500	-	500
	(-)	(500)	(-)	(500)
Shares issued during the year	-	-	-	-
	(-)	(-)	(-)	(-)
Shares transferred during the year	-	-	-	-
	(-)	(-)	(-)	(-)
Balance as at March 31, 2023	-	500	-	500
	(-)	(500)	(-)	(500)
B Borrowings - Current				
Balance as at April 1, 2022	56	-	26 16 668	26 16 724
	(56)	(-)	(26 16 668)	(26 16 724)
Unsecured Loan taken during the year	-	-	-	-
	(-)	(-)	(-)	(-)
Repayment/Adjustment of Loan	-	-	-	-
	(-)	(-)	(-)	(-)
Balance as at March 31, 2023	56	(-)	26 16 668	26 16 724
	(56)	(-)	(26 16 668)	(26 16 724)
C Non Current Investments	-	-	26 00 000	26 00 000
	(-)	(-)	(26 00 000)	(26 00 000)
D Other Current Liabilities	-	19	195	214
	(-)	(19)	(87)	(106)
E Other Receivables	-	-	279	279
	(-)	(-)	(-)	(-)

Note 2.20 Authorisation of Financial Statements

The financial statements for the period ended March 31, 2023 are approved by the Board of Directors on May 24, 2023.

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

Konika Shah }

DIN-09600137 }

}

}

} Directors

}

Dolly Dhandhresha }

DIN-07746698 }

}

Priti V Mehta

Proprietor

Membership No.130514

Place: Mumbai

Dated : May 24, 2023

Independent Auditor's Report

To the Members of Globalcom Realty Limited

(Formerly Reliance Infra Realty Limited)

Report on the Standalone Financial Statements

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, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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’.
- 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 does not have any pending litigations as at March 31,2023

- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

PritiV. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLE5318

Place: Mumbai
Date: 25/05/2023

GlobalcomRealty Limited (Formerly Reliance Infra Realty Limited)
Annexure A to Independent Auditor's Report - 31st March 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **GlobalcomRealty Limited (Formerly Reliance Infra Realty Limited)** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

- i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.
- (b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a) The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.
- ii) (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii). According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv). During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.
- v). The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi). As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii). According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2023 for a period of more than six months from the date they became payable.

GlobalcomRealty Limited (Formerly Reliance Infra Realty Limited)

Annexure A to Independent Auditor's Report - 31st March 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

GlobalcomRealty Limited (Formerly Reliance Infra Realty Limited)

Annexure A to Independent Auditor's Report - 31st March 2023

- (b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii). There has been no instance of any resignation of the statutory auditors occurred during

xix). No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx). There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi). The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

PritiV. Mehta
(Proprietor)
M No. : 130514
UUIN: 23130514BGXSLE5318

Place: Mumbai
Date: 25/05/2023

Annexure B to Independent Auditor's Report - 31st March 2023 on the Financial Statements of GlobalcomRealty Limited (Formerly Reliance Infra 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 GlobalcomRealty Limited (Formerly Reliance Infra Realty Limited) ('the Company') as of March 31, 2023 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 ("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 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 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 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-31 "March 2023 on the
Financial Statements of Globalcom Realty Limited (Formerly Reliance
Infra 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, 2023, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLE5318

Place: Mumbai
Date: 25/05/2023

Globalcom Realty Limited

Financial Statements

March 31, 2023

Globalcom Realty Limited

Balance Sheet as at March 31, 2023

	Note	As at March 31, 2023		(₹) in thousand	As at March 31, 2022
ASSETS					
Current Assets					
(a) Financial Assets					
(i) Other Receivables	2.01		9		-
(ii) Cash and Cash Equivalents	2.02		409		409
				418	409
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	2.03	500		500	
(b) Other Equity	2.04	(369)		131	(295)
				418	205
Liabilities					
Current Liabilities					
(a) Other Current Liabilities	2.05		287		204
				418	409
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

For and on behalf of the Board

Sandeep Garg
DIN: 09513285

}

}

} Directors

}

Priti V Mehta

Proprietor

Membership No. 130514

Vijay V Ahuja
DIN: 08717328

}

}

Place : Mumbai

Date : May 25, 2023

Globalcom Realty Limited

Statement of Profit and Loss for the year ended March 31, 2023

	Note	For the year ended March 31, 2023	(₹) in thousand For the year ended March 31, 2022
INCOME			
I Other Income		-	-
II Total Income		<hr/> <hr/>	<hr/> <hr/>
III EXPENSES			
General and Administration Expenses	2.05	74	71
IV Total Expenses		<hr/> <hr/>	<hr/> <hr/>
V Profit (Loss) Before Tax (II -IV)		<hr/> <hr/>	<hr/> <hr/>
VI Tax expense:			
- Current Tax		-	-
VII Profit After Tax		<hr/> <hr/>	<hr/> <hr/>
Earning per Share of face value of ₹ 10 each fully paid up			
Basic and Diluted (₹)	2.09	(0.00)	(0.00)
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

For and on Behalf of the Board

Priti V Mehta

Proprietor

Membership No. 130514

Sandeep Garg }
DIN: 09513285 }

}

}

} Directors

Vijay V Ahuja }
DIN: 08717328 }

Place : Mumbai

Date : May 25, 2023

Globalcom Realty Limited

Statement of Change in Equity for the year ended March 31, 2023

(₹) in thousand

A Equity (Refer Note.2.02)

Balance at April 1, 2021	500
Change in equity share capital during the year	-
Balance at March 31, 2022	500
Change in equity share capital during the year	-
Balance at March 31, 2023	500

B Other Equity (Refer Note.2.03)

Particular	Retained Earnings
Balance at April 1, 2021	(224)
Add : (Loss) for the year	(71)
Balance at March 31, 2022	(295)
Add : (Loss) during the year	(74)
Balance at March 31, 2023	(369)

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

Sandeep Garg

DIN: 09513285

}

}

} Directors

}

}

Vijay V Ahuja

DIN: 08717328

}

}

Priti V Mehta

Proprietor

Membership No. 130514

Place : Mumbai

Date : May 25, 2023

Globalcom Realty Limited

Statement of Cash Flow for the year ended March 31, 2023

(₹) in thousand

	For the year ended March 31, 2023	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax as per Statement of Profit and Loss	(74)	(71)
Adjusted for:		
Write back of Provision for Liabilities no longer required	-	-
Operating Profit/(Loss) before Working Capital Changes	(74)	(71)
Adjusted for:		
Receivables and other Advances	-	-
Trade Payable and Other Liabilities	83	71
Cash Used in Operations	9	-
Tax Paid	-	-
Net Cash from/(Used In) Operating Activities	9	-
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	9	-
Opening Balance of Cash and Cash Equivalents	409	409
Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)	418	409

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 Priti V Mehta & Co.
Chartered Accountants
Firm Registration No 129568

For and on Behalf of the Board

Sandeep Garg }
DIN: 09513285 }
} Directors
Vijay V Ahuja }
DIN: 08717328 }

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : May 25, 2023

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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.

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 financial 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.

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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.

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2023

(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, 2023

(₹) in thousand

Particulars	As at March 31, 2023	As at March 31, 2022		
Note 2.01 Other Receivables				
GST Recoverable	9	-		
	9	-		
Note 2.02 Cash And Cash Equivalents				
Balances with Banks- In current account	409	409		
	409	409		
Note 2.03 Equity Share Capital				
Authorised				
50 000 Equity Shares of ₹ 10 each (50 000)	500	500		
	500	500		
Issued, Subscribed and Paid up				
50 000 Equity Shares of ₹ 10 each fully paid up (50 000)	500	500		
	500	500		
a) Equity Shares held by Promoters				
Particulars	No. of Shares	% of Total Shares	% Change during the year	
Reliance Communication Infrastructure Ltd and its nominees	50 000 (50 000)	100% (100%)	Nil (Nil)	
b) Shares held by Holding Company				
Particulars	No. of Shares	%	No. of Shares	%
Reliance Communication Infrastructure Ltd and its nominees	50 000	100%	50 000	100%
c) Details of Shareholders holding more than 5% shares in the Company				
Particulars	No. of Shares	%	No. of Shares	%
Reliance Communication Infrastructure Ltd and its nominees	50 000	100%	50 000	100%
d) Reconciliation of shares outstanding at the beginning and at the end of the reporting year				
Particulars	No of Shares	(₹) in thousand	No of Shares	(₹) in thousand
Equity Shares				
At the beginning of the year	50 000	500	50 000	500
Add/ (Less) : Changes during the period	-	-	-	-
At the end of the period	50 000	500	50 000	500

e) 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, 2023

(₹) in thousand

Particulars	As at March 31, 2023	As at March 31, 2022
Note 2.04 Other Equity		
Balance carried from last balance sheet	(295)	(224)
Add : Profit / (Loss) during the year	(74)	(71)
Balance at the end of the year	(369)	(295)

Note 2.05 Other Current Liabilities

Audit Fees Payable	14	15
GST Payable	9	-
Other payable	32	39
Other payable Related Party (Ref Note.2.15)	232	150
	287	204

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 2.06 Other Expenses		
Audit Fees	12	14
Professional Fees	10	7
Director's Sitting Fees	50	50
Interest on TDS (2021-22)	2	-
	74	71

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2023

Note 2.07 Previous Year

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

Note : 2.08

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	March 31, 2023	(₹) in thousand March 31, 2022
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.)	409	409
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.

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 2.09 Earning per share :

(₹) in thousand

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Numerator - Profit /(Loss) after tax (₹)	(74)	(71)
Denominator - Weighted number of equity shares	50 000	50 000
Basic as well as Diluted, earning per equity share (₹)	(0.00)	(0.00)

Note 2.10 Segment Reporting

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

Note 2.11 Deferred Tax

The Company does not have any items on which deferred tax should be recognised.

Note 2.12 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 2.13 Accounting Ratio

Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	1.4245	2.0015	-0.2883%

The Company does not have business operations, Turnover, Inventory, Purchases and also having negative Net worth, during the year and previous year. Accordingly, ratios (i.e. Debt-Equity Debt Service coverage, Return on equity, Inventory turnover, Trade receivable turnover , Trade payable turnover, Net capital turnover, Net profit, Return on capital employed and Return on investment) are not applicable.

There is no significant change (i.e. more than 25%) in the above mentioned ratios during the year in comparison to Previous year.

Note 2.14 Post Reporting Events

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

Note 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:

A. List of related parties and relationships :

1. Reliance Communications Infrastructure Limited (RCIL)	Holding Company
2. Reliance IDC Limited (RIDC)	Holding Company
3. Reliance Comm Tamil Nadu limited (RCTNL)	Fellow Subsidiary
4. Reliance Infra Projects Limited (RIPL)	Fellow Subsidiary
5. Reliance Realty Limited (TFIL)	Fellow Subsidiary

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)

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2023

(₹) in thousand

Sr.	Nature of Transactions	Fellow Subsidiary	Holding Company
Equity Shares			
01.	Reliance Communication Infrastructure Ltd		
	Balance as at April 1, 2022	500	
		(500)	
	Shares issued during the year	-	(-)
			(-)
	Balance as at March 31, 2023	500	
Other Payables			
02.	Reliance IDC Limited		
	Balance as at April 1, 2022	150	
		(46)	
	Acquired during the year	48	
		(104)	
	Balance as at March 31, 2023	198	
		(150)	
03.	Fellow Subsidiary	RCTNL + RIPL + TFIL	
	Balance as at April 1, 2022	-	(-)
	Acquired during the year	35	
		(-)	
	Balance as at March 31, 2023	35	
		(-)	

Note 2.16 Authorisation of Financial Statements

The financial statements for the period ended March 31, 2023 are approved by the Board of Directors on May 25, 2023.

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

Sandeep Garg

DIN: 09513285

}

}

}

} Directors

}

Priti V Mehta

Proprietor

Membership No. 130514

Vijay V Ahuja

DIN: 08717328

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Place : Mumbai

Date : May 25, 2023

Independent Auditor's Report

To the Members of Internet Exchangenext.ComLimited

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Internet Exchangenext.Com Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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'.
- 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 does not have any pending litigations as at March 31,2023

- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

PritiV. Mehta
(Proprietor)
M No.130514
UDIN:23130514BGXSLG1907

Place: Mumbai
Date: 25/05/2023

Internet ExchangeNext.com Limited

Annexure A to Independent Auditor's Report - 31st March 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Internet ExchangeNext.com Limited** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

- i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.
- (b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a) The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.
(b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii). According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv). During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.
- v). The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi). As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii). According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2022 for a period of more than six months from the date they became payable.

Internet ExchangeNext.com Limited

Annexure A to Independent Auditor's Report - 31st March 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

Internet ExchangeNext.com Limited

Annexure A to Independent Auditor's Report -31st March 2023

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii). There has been no instance of any resignation of the statutory auditors occurred during

xix). No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx). There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi). The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

PritiV. Mehta
(Proprietor)
M No.130514
UDIN:23130514BGXSLG1907

Place: Mumbai
Date: 25/05/202

Annexure B to Independent Auditor's Report –31stMarch 2023on the Financial Statements of Internet ExchangeNext.com 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 **Internet ExchangeNext.com Limited** ('the Company') as of March 31, 2023 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 ("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 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 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 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 2023 on the Financial Statements of Internet ExchangeNext.com 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, 2022, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLG1907

Place: Mumbai
Date: 25/05/2023

Internet Exchangenext.com Limited
Financial Statements

March 31, 2023

Internet Exchangetext.com Limited

Balance Sheet as at March 31, 2023

(₹) in thousand

	Notes	As at March 31, 2023		As at March 31, 2022					
ASSETS									
Non Current Assets									
Property, Plant and Equipment	2.01		-	-	-				
Current Assets									
Financial Assets									
(i) Cash and Cash Equivalents	2.02	276		276					
(ii) Other Financial Assets	2.03	6 256	6 532	6 233	6 509				
Total Assets			6 532		6 509				
EQUITY AND LIABILITIES									
Equity									
(a) Equity Share Capital	2.04	1 507		1 507					
(b) Other Equity	2.05	(1 270)	237	(1 121)	386				
LIABILITIES									
Current Liabilities									
Other Current Liabilities	2.06		6 295		6 123				
Total Equity and Liabilities			6 532		6 509				
Significant Accounting Policies	1		-						
Notes on Accounts	2								

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

Priti V Mehta

Proprietor

Membership No.130514

Place: Mumbai

Dated: May 25, 2023

Dolly Dhandhresha

DIN-07746698

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}

} Directors

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Trusha D Shah

DIN-08969726

}

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Statement of Profit and Loss for the year ended March 31, 2023

(₹) in thousand

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
I Other Income		-	-
Total Income		-	-
II EXPENSES			
Sales and General Administration Expenses	2.07	149	111
Total Expenses		149	111
III Profit/ (Loss) before Tax (I-II)		(149)	(111)
IV Tax expense:		-	-
- Current Tax			
V Profit/ (Loss) After Tax (III-IV)		(149)	(111)
Earnings per Share of ₹ 10 each fully paid up	2.10		
Basic and Diluted (₹)		(0.00)	(0.00)
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

For and on behalf of the Board

Priti V Mehta
Proprietor
Membership No.130514

Place: Mumbai
Dated: May 25, 2023

Dolly Dhandhresha }
DIN-07746698 }
} Directors
} }
Trusha D Shah }
DIN-08969726 }

Internet ExchanGenext.com Limited

Statement of Change in Equity for the year ended March 31, 2023

(₹) in thousand

(A) Equity (Refer Note - 2.04)	
Balance at April 1, 2021	1 507
Change in equity share capital during the year	-
Balance at March 31, 2022	1 507
Change in equity share capital during the year	-
Balance at March 31, 2023	1 507

(B) Other Equity (Refer Note - 2.05)

Attributable to Equity holder

Particular

Retained Earnings

Balance at April 1, 2021	(1 009)
Add : Profit / (Loss) for the year	(112)
Balance at March 31, 2022	(1 121)
Add : Profit / (Loss) for the year	(149)
Balance at March 31, 2023	(1 270)

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

Priti V Mehta

Proprietor

Membership No.130514

Place: Mumbai

Dated: May 25, 2023

Dolly Dhandhresha

DIN-07746698

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Internet Exchangenext.com Limited

Statement of Cash Flow for the year ended March 31, 2023

(₹) in thousand

	For the year ended March 31, 2023	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax as per Statement of Profit and Loss	(149)	(112)
Adjusted for:		
Write back of Provision for Liabilities no longer required	-	-
	(149)	(112)
Operating Profit/(Loss) before Working Capital Changes	(149)	(112)
Working Capital Changes:		
Current Assets	(23)	
Current Liabilities	172	112
	149	112
Cash Generated from Operations		
Tax paid	-	-
Net Cash from/(Used In) Operating Activities	149	112
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)	276	276
Opening Balance of Cash and Cash Equivalents	276	276
Closing Balance of Cash and Cash Equivalents	276	276

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 Priti V Mehta & Co

Chartered Accountants

Firm Registration No 129568W

For and on behalf of the Board

Priti V Mehta

Proprietor

Membership No.130514

Place: Mumbai

Dated: May 25, 2023

Dolly Dhandhresha }
DIN-07746698 }
} }
} } Directors
Trusha D Shah }
DIN-08969726 }

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 financial 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.

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.

Notes on Accounts to Financial Statements

(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

(₹) in thousand

Particulars	Computer	Office Equipment	Total
Gross carrying value			
As at April 01, 2021	19 401	305	19 706
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2022	19 401	305	19 706
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2023	19 401	305	19 706
Accumulated Depreciation			
As at April 01, 2021	19 401	305	19 706
Depreciation for the year	-	-	-
Disposals	-	-	-
As at March 31, 2022	19 401	305	19 706
Depreciation for the year	-	-	-
Disposals	-	-	-
As at March 31, 2023	19 401	305	19 706
Closing net carrying value as at March 31, 2023			
Closing net carrying value as at March 31, 2022	-	-	-

Internet ExchanGenext.com Limited
Notes on Accounts to the Financial Statements

2.02 Cash and Cash Equivalents

Particulars	(₹) in thousand	
	As at March 31, 2023	As at March 31, 2022
Balance with Banks in Current Account	276	276
	276	276

2.03 Other Financial Assets

Particulars	(₹) in thousand	
	As at March 31, 2023	As at March 31, 2022
GST Recoverable	23	-
Loans and Advances to body corporate	6 233	6 233
	6 256	6 233

Internet Exchangenext.com Limited
Notes on Accounts to the Financial Statements

(₹) in thousand

Particulars	As at March 31, 2023	As at March 31, 2022
2.04 Equity Share Capital		
Authorised		
10 00 000 Equity Shares of ₹ 10 each (10 00 000)	10 000 10 000	10 000 10 000
Issued, Subscribed and Paid up		
1 50 700 Equity Shares of ₹10 each fully paid up (1 50 700)	1 507 1 507	1 507 1 507
2.04.1 Equity Share held by Promoters		
Particulars	No of Shares	% of Total Shares
		% change during the year
Reliance Communication Infrastructure Limited the Holding Company and its nominees	1 50 700 (1 50 700)	100% (100%)
2.04.2 Equity Share held by Holding Company		
Reliance Communication Infrastructure Limited the Holding Company and its nominees	1 50 700	No. of shares 1 50 700
2.04.3 Details of Shareholders Holding more than 5% shares in the Company		
Particulars	As at March 31, 2023	As at March 31, 2022
	No of Shares	%
Reliance Communications Infrastructure Limited	1 50 700 1 50 700	100% 100%
2.04.4 Reconciliation of shares outstanding at the beginning and at the end of the year		
Particulars	As at March 31, 2023	As at March 31, 2022
Equity Shares		
At the beginning of the year	1 507	1 507
Add / (Less) : Changes during the year	-	-
At the end of the year	1 507	1 507
2.04.5 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		
Particulars	As at March 31, 2023	As at March 31, 2022
Surplus/(Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(1 121)	(1 009)
Add: Profit/ (Loss) for the year	(149) (1 270)	(112) (1 121)
	(1 270)	(1 121)
2.06 Other Current Liabilities		
Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Expenses	113	134
GST Payable	23	-
Other Payables to Related Party (Refer Note 2.15)	6 159 6 295	5 989 6 123

Notes on Accounts to the Financial Statements

2.07 General Administration Expenses	(₹) in thousand	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Professional Fees	10	7
Director's Sitting Fees	125	90
Payment to Auditors	14	14
Interest on TDS (2020-21)	-	
	149	111

2.08 Previous Year

The figures for the previous year have been regrouped and reclassified, 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, 2023	As at March 31, 2022
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	276	276
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	Nil	Nil
Financial liabilities at amortised cost:		
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.

Notes on Accounts to the Financial Statements

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.

2.10 Earnings per Share (EPS)	As at		As at March 31, 2022
	March 31, 2023		
Numerator - Profit /(Loss) after tax (₹)		(149)	(111)
Denominator - Weighted number of equity shares		1 50 700	1 50 700
Basic and Diluted, earning per equity share (₹)		(0.00)	(0.00)

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 shareholders value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Company monitors on regular basis.

2.14 Accounting Ratio

Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	1.04	1.06	-0.024

The Company does not have business operations, Turnover, Inventory, Purchases and also having negative Net worth, during the year and previous year. Accordingly, ratios (i.e. Debt-Equity Debt Service coverage, Return on equity, Inventory turnover, Trade receivable turnover , Trade payable turnover, Net capital turnover, Net profit, Return on capital employed and Return on investment) are not applicable.

There is no significant change (i.e. more than 25%) in the above mentioned ratios during the year in comparison to Previous year.

2.15 Post Reporting Events

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

2.16 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:

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

c) Subsidiary Company

1. Reliance Comm.Tamilnadu Limited
2. Reliance Infra Projects Limited
3. Reliance Realty Limited (TFIL)

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)

(₹) in thousand

Nature of Transaction	Subsidiary Company	Holding Company
a) Equity Shares		
Balance as at April 1, 2022		1 507
		(1 507)
Taken during the year		-
		(-)
Repayment/Adjustment during the year		-
		(-)
Balance as at March 31, 2023		1 507
		(1 507)
b) Other Payables		
Balance as at April 1, 2022		5 988
		(-)
Taken during the year		60
		110
Repayment/Adjustment		(-)
		(100)
Balance as at March 31, 2023		60
		(-)
		6 098
		(5 988)

2.17 Authorisation of Financial Statements

The financial statements for the year ended March 31, 2023 are approved by the Board of Directors on May 25, 2023.

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

Priti V Mehta

Proprietor

Membership No.130514

Place: Mumbai

Dated: May 25, 2023

Dolly Dhandhresha }
DIN-07746698 }
} } Directors
} }
Trusha D Shah }
DIN-08969726 }

Independent Auditor's Report

To the Members of Realsoft Cyber Systems Private Limited Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Realsoft Cyber Systems Private Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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’.
- 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 does not have any pending litigations as at March 31,2023

- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN:23130514BGXSLK7774

Place: Mumbai
Date: 24/05/2023

Realsoft Cyber Systems Private Limited
Annexure A to Independent Auditor's Report - 31stMarch 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Realsoft Cyber Systems Private Limited** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

- i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.
- (b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a)The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.
- iii) (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii).According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c)of the order are not applicable to the Company.
- iv).During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.
- v).The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi).As per information &explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act,2013.
- vii).According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March,2023 for a period of more than six months from the date they became payable.

Realsoft Cyber Systems Private Limited

Annexure A to Independent Auditor's Report - 31st March 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

Realsoft Cyber Systems Private Limited
Annexure A to Independent Auditor's Report -31st March 2023

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii).There has been no instance of any resignation of the statutory auditors occurred during

xix).No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx).There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi).The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLK7774

Place: Mumbai
Date: 24/05/2023

Annexure B to Independent Auditor's Report - 31st March 2023 on the Financial Statements of Realsoft Cyber Systems 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 **Realsoft Cyber Systems Private Limited** ('the Company') as of March 31, 2023 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 ("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 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 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 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 2023 on the Financial Statements of Realsoft Cyber Systems 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, 2023, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLK7774

Place: Mumbai
Date: 24/05/2023

Realsoft Cyber Systems Private Limited

Financial Statements

March 31, 2023

Realsoft Cyber Systems Private Limited

Balance Sheet as at March 31, 2023

(₹) in thousand

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
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ASSETS

Current Assets

(a) Financial Assets

Cash and Cash Equivalents	2.01	430	430
Total Assets		430	430

EQUITY AND LIABILITIES

Equity

(a) Equity Share Capital	2.02	100	100
(b) Other Equity	2.03	(9 573)	(9 541)

LIABILITIES

Current Liabilities

(a) Financial Liabilities			
(i) Borrowings	2.04	9 206	9 207
(ii) Other Financial Liabilities	2.05	697	664
(b) Other Current Liabilities	2.06	-	9 871

Total Equity and Liabilities		430	430
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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

For and on behalf of the Board

Priti V Mehta

Proprietor

Membership No. 130514

Konika Shah

Director

DIN:09600137

Vineeta P Patel

Director

DIN:07151087

Place : Mumbai

Dated : May 24, 2023

Realsoft Cyber Systems Private Limited

Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Notes	For the year ended March 31, 2023	(₹) in thousand For the year ended March 31, 2022
I INCOME		-	-
Total Income		<u><u>-</u></u>	<u><u>-</u></u>
II EXPENSES			
General and Administration Expenses	2.07	<u><u>32</u></u>	<u><u>99</u></u>
Total Expenses		<u><u>32</u></u>	<u><u>99</u></u>
III Loss before Tax (I-II)		<u><u>(32)</u></u>	<u><u>(99)</u></u>
IV Tax expense:		<u><u>-</u></u>	<u><u>-</u></u>
- Current Tax			
V Loss after Tax (III - IV)		<u><u>(32)</u></u>	<u><u>(99)</u></u>
VI Other Comprehensive Income		<u><u>-</u></u>	<u><u>-</u></u>
VII Total Comprehensive Income / (Loss) during the year		<u><u>(32)</u></u>	<u><u>(99)</u></u>
VIII Earnings per Share of ₹ 10 each fully paid up	2.14		
- Basic (₹)		(0.0)	(0.0)
- Diluted (₹)		(0.0)	(0.0)
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

Priti V Mehta

Proprietor

Membership No. 130514

Konika Shah

Director

DIN:09600137

Vineeta P Patel

Director

DIN:07151087

Place : Mumbai

Dated : May 24, 2023

Realsoft Cyber Systems Private Limited

Statement of Change in Equity for the year ended March 31, 2023

		(₹) in thousand
	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	100	100
Change in equity share capital during the year	-	-
Balance at the end of the year	100	100

(b) Other Equity

Surplus/ (Deficit) in statement of Profit and Loss

Particular	Retained Earnings
Balance as at April 1,2021	(9 442)
Add : Loss for the year	(99)
Balance as at March 31, 2022	(9 541)
Add : Loss for the year	(32)
Balance as at March 31, 2023	(9 573)

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 Priti V Mehta & Co.

Chartered Accountants

Firm Registration No 129568W

For and on behalf of the Board

Priti V Mehta

Proprietor

Membership No. 130514

Konika Shah

Director

DIN:09600137

Vineeta P Patel

Director

DIN:07151087

Place : Mumbai

Dated : May 24, 2023

Realsoft Cyber Systems Private Limited

Statement of Cash Flow for the year ended March 31, 2023

	For the year ended March 31, 2023	(₹) in thousand For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before tax as per Statement of Profit and Loss	(32)	(99)
Operating Profit/(Loss) before Working Capital Changes	<u>(32)</u>	<u>(99)</u>
Adjusted for :		
Other Receivables	-	-
Trade Payables and other Liabilities	<u>33</u>	<u>99</u>
Cash (used in) / Generated from Operations	<u>1</u>	<u>()</u>
Tax Refund	-	-
Tax paid	-	-
Net Cash Used in Operating Activities	<u>1</u>	<u>()</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash Flow from Investing Activities	<u>-</u>	<u>-</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds Current Borrowings (net)	<u>(1)</u>	<u>-</u>
Net Cash used in Financing Activities	<u>(1)</u>	<u>-</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents		()
Opening Balance of Cash and Cash Equivalents	<u>430</u>	<u>430</u>
Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)	<u>430</u>	<u>430</u>

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 Priti V Mehta & Co.

Chartered Accountants

Firm Registration No 129568W

For and on behalf of the Board

Priti V Mehta

Proprietor

Membership No. 130514

Konika Shah

Director

DIN:09600137

Vineeta P Patel

Director

DIN:07151087

Place : Mumbai

Dated : May 24, 2023

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2023

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.

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2023

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 financial 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.

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2023

(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.

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2023

(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, 2023

(₹) in thousand

**As at
March 31, 2023**

**As at
March 31, 2022**

2.01 Cash and Cash Equivalents

Balances with Banks in Current Account	430	430
	430	430

2.02 Share Capital

Authorised

50 00 000 (50 00 000) Equity Shares of ₹ 10 each	50 000	50 000
	50 000	50 000

Issued, Subscribed and Paid up

10 000 (10 000) Equity Shares of ₹ 10 each fully paid up	100	100
	100	100

a) Equity Shares held by Promoters

	No. of Shares	% of Total Shares	% Change during the year
Reliance Communication Infrastructure Limited	10,000 (10,000)	100% (100%)	Nil (Nil)

b) Equity Shares held by Promoters

	No. of Shares	% of Total Shares	% Change during the year
Reliance Communication Infrastructure Limited	10,000 (10,000)	100% (100%)	Nil (Nil)

c) Shares held by Holding Company

Reliance Communication Infrastructure Limited

	No. of Shares	%	No. of Shares	%
	10 000	100	10 000	100
	10 000	100	10 000	100

d) 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

e) Equity Shares

At the beginning of the year

Add/(Less): Changes during the year

	No. of Shares	(₹) in thousand	No. of Shares	(₹) in thousand
	10 000	100	10 000	100
	-	-	-	-
	10 000	100	10 000	100

f) 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, 2023

2.03 Other Equity

(₹) in thousand

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at April 1, 2021	(9 442)	(9 442)
Add : Loss for the year	(99)	(99)
Balance as at March 31, 2022	(9 541)	(9 541)
Add : Loss for the year	(32)	(32)
Balance as at March 31, 2023	(9 573)	(9 573)

2.04 Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
-------------	-------------------------	-------------------------

Unsecured

Loan repayable on demand

Loan from Related Parties (Refer Note 2.09)	8 976	8 977
Others	230	230
	9 206	9 207

2.05 Other Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Expenses	314	314
Payable to Related Party (Refer Note 2.09)	198	158
Other Payables	185	192
	697	664

2.06 Other Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Payable to Tax Authorities	-	-
	-	-

Realsoft Cyber Systems Private Limited**Notes on accounts to Financials Statements as at March 31, 2023****2.07 General Administration Expenses**

(₹) in thousand

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
General and Administrative Expenses		
Director's Sitting Fees	-	60
Interest on TDS (2020-21)	-	-
Professional Charges	8	15
Payment to Auditors	24	24
	32	99

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2023

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
iv	Reliance Comm Tamil Nadu Ltd	Fellow Subsidiary
v	Reliance Infra Projects Ltd	Fellow Subsidiary

(₹) in thousand

b) Transaction with the related parties :-

Sr. No.	Nature of Transactions	Fellow Subsidiary	Holding Company	Ultimate Holding Company	Total
A	Current Borrowings				
	Balance as at April 1, 2022	-	9 135	-	9 135
		(-)	(9 042)	(-)	(9 042)
	Taken during the year	32	8	-	40
		(-)	(93)	(-)	(93)
	Repaid during the year	-	-	-	-
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2023	32	9 143	-	9 175
		(-)	(9 042)	(-)	(9 042)

c) Details of Material Transaction with Related Party

(₹) in thousand

Particulars	March 31, 2023	March 31, 2022
Transaction during the year		
Reimbursement of expenses (net)		
Globalcom IDC Limited	8	93
Reliance Comm Tamil Nadu Ltd	8	-
Reliance Infra Projects Ltd	24	-
Balance Sheet (Closing Balance)		
Current Borrowings		
Reliance Communications Infrastructure Limited	8 977	8 977
Other Financial Liabilities		
Globalcom IDC Limited	166	158
Reliance Comm Tamil Nadu Ltd	8	-
Reliance Infra Projects Ltd	24	-

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, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	430	430
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)	9 206	9 207
Other Financial Liabilities (Refer Note 2.06)	697	664
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.

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

Accounting Ratio

Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	0.0435	0.0436	-0.003%
Debt Equity Ratio (in times)	Total Debt	Equity	-0.9719	-0.9752	-0.003%

The Company does not have business operations, Turnover, Inventory, Purchases and also having negative Net worth, during the year and previous year. Accordingly, ratios (i.e. Debt-Equity Debt Service coverage, Return on equity, Inventory turnover, Trade receivable turnover, Trade payable turnover, Net capital turnover, Net profit, Return on capital employed and Return on investment) are not applicable.

There is no significant change (i.e. more than 25%) in the above mentioned ratios during the year in comparison to Previous year.

Notes : 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.

Assessment Year	Year of Expiry	Loss (₹) in thousand
I) 2013 - 2014*	NA	30
II) 2014 - 2015*	NA	36
III) 2016 - 2017	2023-2024	289

*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, 2023	For the year ended March 31, 2022
Current income tax	-	-
Deferred income tax liability / (asset), net	-	-
Tax expense for the year	-	-

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2023

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

(c) Reconciliation of Tax Expenses

Profit/ (Loss) before Tax	(32)	(99)
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expenses (I)	(8)	(26)
Add: Tax on Expenses disallowed under Income Tax Act	8	26
Less: Setoff from brought forward losses from earlier years	-	-
Subtotal (II)	8	26

Income Tax Expenses charge/ (credit) to Statement of Profit and Loss

Notes : 2.14

Earning per share :

	(₹) in thousand	(₹) in thousand
	For the year ended	
	March 31, 2023	March 31, 2022
Numerator - Loss after tax (₹)	(32)	(99)
Denominator - Weighted number of equity shares	10 000	10 000
Basic as well as diluted, earning per equity share (₹)	(0.0)	(0.0)

Notes : 2.15

Segment Reporting

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

Notes : 2.16

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.

Notes : 2.17

There is no transaction during the year, hence bank balances reflected are same as previous year.

Notes : 2.18

Post Reporting Events

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

Notes : 2.19

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2023 are approved by the Board of Directors on May 24, 2023.

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

Priti V Mehta

Proprietor

Membership No. 130514

Konika Shah

Director

DIN:09600137

Vineeta P Patel

Director

DIN:07151087

Place : Mumbai

Dated : May 24, 2023

Independent Auditor's Report

To the Members of WorldtelTamilnaduPrivate Limited.

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **WorldtelTamilnaduPrivate Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.

- no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
- Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.

f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

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, during the year the remuneration is not paid by the Company to its directors.

i. 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'.

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 does not have any pending litigations as at March 31, 2023
- ii. The Company did not have any long-term contracts including derivative contracts as at 31 March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLH4561

Place: Mumbai
Date: 25/05/2023

WorldtelTamilnadu Private Limited

Annexure A to Independent Auditor's Report - 31stMarch 2023

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, 2023, we report the following:

We report that

- i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a),
(b) and (c) of the orders are not applicable to the company.
- (b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a)The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.
ii) (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii).According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c)of the order are not applicable to the Company.
- iv).During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.
- v).The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2615 with regard to the deposits accepted from the public are not applicable.
- vi).As per information &explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act,2013.
- vii).According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March,2023 for a period of more than six months from the date they became payable.

WorldtelTamilnadu Private Limited Annexure A to Independent Auditor's Report - 31stMarch 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

WorldtelTamilnadu Private Limited
Annexure A to Independent Auditor's Report -31stMarch 2023

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii).There has been no instance of any resignation of the statutory auditors occurred during

xix).No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx).There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi).The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLH4561

Place: Mumbai
Date: 25.05.2023

Annexure B to Independent Auditor's Report - 31stMarch 2023 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, **2023**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 ("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 CompaniesAct, 2013.

Auditor'sResponsibility

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 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 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 operatingeffectiveness.

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 2023 on the
Financial Statements of Worldtel Tamilnadu 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, 2023, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLH4561

Place: Mumbai
Date: 25/05/2023

Worldtel Tamilnadu Private Limited

Financial Statements

March 31, 2023

Worldtel Tamilnadu Private Limited

Balance Sheet as at March 31, 2023

(₹) in thousand

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2.01	83	83
Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	2.02	487	487
(ii) Other Current Assets	2.03	9	-
Total Assets		579	570
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.04	100	100
(b) Other Equity	2.05	(10 13 027)	(10 12 953)
LIABILITIES			
Non-Current Liabilities			
Current Liabilities			
Financial Liabilities			
Other Current Liabilities	2.06	10 13 506	10 13 423
Total Equity and Liabilities		579	570
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

Konika Shah	}
DIN-09600137	}
	}
	Directors
	}
	}
Dolly Dhandhresha	}
DIN-07746698	}

Priti V Mehta

Proprietor

Membership No. 130514

Place : Mumbai

Dated : May 25, 2023

Worldtel Tamilnadu Private Limited

Statement of Profit and Loss for the year ended March 31, 2023

	Notes	For the year ended March 31, 2023	(₹) in thousand For the year ended March 31,2022
INCOME			
I Other Income		-	-
Total Income		<u>-</u>	<u>-</u>
II EXPENDITURE			
General Administration Expenses	2.07	74	91
Total Expenses		<u>74</u>	<u>91</u>
III Profit (Loss) before Tax (I - II)		(74)	(91)
IV Tax Expense:			
- Current Tax		-	-
- Short provision of earlier years		-	-
V Profit (Loss) After Tax (III - IV)		(74)	(91)
VI Other Comprehensive Income		-	-
VII Total Comprehensive Income		<u>(74)</u>	<u>(91)</u>
VIII Earnings per Share of ₹ 10 each fully paid up	2.12		
- Basic (₹)		()	(0)
- Diluted (₹)		()	(0)
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		For and on behalf of the Board	
Chartered Accountants			
Firm Registration No 129568W			
Priti V Mehta		Konika Shah	}
Proprietor		DIN-09600137	}
Membership No. 130514			}
Place : Mumbai		Dolly Dhandhresha	}
Dated : May 25, 2023		DIN-07746698	}

Worldtel Tamilnadu Private Limited

Statement of Change in Equity for the year ended March 31, 2023

(₹) in thousand

A Equity Share Capital	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	100	100
Change during the year	-	-
Balance at the end of the year	100	100

B Other Equity

Surplus/ (Deficit) in statement of Profit and Loss

Particular	Retained Earnings
Balance of Profit/ (Loss) as at April 1,2021	(10 12 862)
Add : Profit \ (Loss) for the year	(91)
Balance Profit/ (Loss) as at March 31, 2022	(10 12 953)
Add : Profit \ (Loss) for the year	(74)
Balance Profit/ (Loss) as at March 31, 2023	(10 13 027)

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

Konika Shah

DIN-09600137

}

}

} Directors

}

}

Dolly Dhandhresha

DIN-07746698

}

}

Priti V Mehta

Proprietor

Membership No. 130514

Place : Mumbai

Dated : May 25, 2023

Worldtel Tamilnadu Private Limited
Statement of Cash Flow for the year ended March 31, 2023

**For the year ended
 March 31, 2023**

(₹) in thousand
 For the year ended
 March 31, 2022

A CASH FLOW FROM OPERATING ACTIVITIES

Net Profit/(Loss) before tax as per Statement of Profit and Loss	(74)	(92)
Adjusted for :		
Provision for Doubtful Receivables	-	-
Operating Profit/(Loss) before Working Capital Changes	(74)	(92)
Adjusted for :		
Receivables and other Advances	(9)	-
Other Liabilities	83	74
Cash generated from Operations		
Tax Refund	-	-
Tax Paid	-	-
Net Cash Used in Operating Activities	0.40	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	0.40	-
Opening Balance of Cash and Cash Equivalents	488	488
Closing Balance of Cash and Cash Equivalents	488	488

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

For and on behalf of the Board

Priti V Mehta
 Proprietor
 Membership No. 130514

Place : Mumbai
 Dated : May 25, 2023

Konika Shah }
 DIN-09600137 }
 }
 } Directors
 }
Dolly Dhandhresha }
 DIN-07746698 }

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2023

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.

Notes on accounts to Financial Statements as at March 31, 2023

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, 2023

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.

Notes on accounts to Financial Statements as at March 31, 2023

(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, 2023

2.01 Property, Plant and Equipment

(₹) in thousand

Particulars	Computer	Office Equipment	Furniture and Fixtures	Total
Gross carrying value				
As at April 01, 2021	843	568	1 102	2 514
Additions / Adjustment	-	-	-	-
As at March 31, 2022	843	568	1 102	2 514
Additions / Adjustment	-	-	-	-
As at March 31, 2023	843	568	1 102	2 514
Accumulated Depreciation				
As at April 01, 2021	843	540	1 047	2 431
Depreciation for the year	-	-	-	-
As at March 31, 2022	843	540	1 047	2 431
Depreciation for the year	-	-	-	-
As at March 31, 2023	843	540	1 047	2 431
Net carrying value				
As at March 31, 2021	-	28	55	83
As at March 31, 2023	-	28	55	83

	As at March 31, 2023	As at March 31, 2022
--	-------------------------	-------------------------

2.02 Cash and Cash Equivalents

Balance with Banks	<u>487</u>	<u>487</u>
	<u><u>487</u></u>	<u><u>487</u></u>

2.03 Other Current Assets

Other Receivable		
GST Recoverable	<u>9</u>	<u>-</u>
	<u><u>9</u></u>	<u><u>-</u></u>

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2023

2.04 Equity Share Capital

	As at March 31, 2023	(₹) in thousand As at March 31, 2022
Authorised		
2 50 00 000 (2 50 00 000) Equity Shares of ₹ 10 each	2 50 000	2 50 000
2 50 00 000 (2 50 00 000) Unclassified Share of ₹ 10 each	<u>2 50 000</u>	<u>2 50 000</u>
	<u><u>5 00 000</u></u>	<u><u>5 00 000</u></u>
Issued, Subscribed and Paid up		
10 000 (10 000) Equity Shares of ₹ 10 each fully paid up	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>

a) Equity Shares held by Promoters

	No. of Shares	% of Total Shares	% Change during the year
Reliance Communication Infrastructure Limited	10 000	100%	Nil
	(10 000)	(100%)	(Nil)

b) Shares held by Holding Company

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Reliance Communication Infrastructure Limited	10 000	100	10 000	100
	<u>10 000</u>	<u>100</u>	<u>10 000</u>	<u>100</u>

c) 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%
	<u>10 000</u>	<u>100%</u>	<u>10 000</u>	<u>100%</u>

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 number of equity shares held by the shareholders.

	As at March 31, 2023	(₹) in thousand As at March 31, 2022
2.05 Other Equity		
Surplus / (Deficit) in the Statement of Profit and Loss		
Opening Balance	(10 12 953)	(10 12 862)
Add: Profit/(Loss) for the year	<u>(74)</u>	<u>(91)</u>
Balance as at March 31, 2023	<u>(10 13 027)</u>	<u>(10 12 953)</u>

2.06 Other Current Liabilities

Provision for Expenses	72	148
Other Payables	11 778	11 786
GST Payable	9	-
Other Payables (Related Party Refer Note 2.11)	<u>10 01 647</u>	<u>10 01 489</u>
	<u><u>10 13 506</u></u>	<u><u>10 13 423</u></u>

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2023

Other Income		(₹) in thousand	
Particulars	For the year ended March 31, 2023	For the year ended 'March 31, 2022	
Interest Income	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

2.07 General Administration Expenses

Particulars	For the year ended March 31, 2023	For the year ended 'March 31, 2022
Other General and Administrative Expenses	10	7
Sitting Fees	50	70
Interest on TDS	-	-
Payment to Auditors	14	14
	<hr/> <hr/>	<hr/> <hr/>
	74	91
	<hr/> <hr/>	<hr/> <hr/>

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:

Particulars	(₹) in thousand	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Timing difference on depreciation of fixed assets	53	53
Capital gain Losses	9	9
	<hr/> <hr/>	<hr/> <hr/>
	62	62
	<hr/> <hr/>	<hr/> <hr/>

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

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
ili) Globalcom IDC Limited	Holding Company
iv) Reliance Comm Tamil Nadu Ltd	Fellow Subsidiary
v) Reliance Infra Projects Ltd	Fellow Subsidiary
vi) Reliance Realty Ltd (TFIL)	Fellow Subsidiary

Transaction with the related parties :-

Nature of Transactions	Fellow Subsidiary	Holding Company	Total
Other Payable			
Balance as at April 1, 2022	-	10 01 489	10 01 489
	()	(10 01 412)	(10 01 412)
Taken during the year	111	46	157
	()	(77)	(77)
Repayment/Adjustment	-	()	()
	()	(10 01 489)	(10 01 489)
Balance as at March 31, 2023	111	10 01 535	10 01 646
	()	(10 01 489)	(10 01 489)

Note : 2.12

	For the year ended March 31, 2023	(₹) in thousand For the year ended March 31, 2022
Earning per share		
Numerator - Profit /(Loss) after tax (₹)	(74)	(91)
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 (₹)	()	()

Note : 2.13

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:

	As at March 31, 2023	(₹) in thousand As at March 31, 2022
Particulars		
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	487	487
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 : 2.14

Segment Reporting

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

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 borrowings which the Company monitors on regular basis.

Note : 2.16

Accounting Ratio

Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	0.0005	0.0005	0.01837%

The Company does not have business operations, Turnover, Inventory, Purchases and also having negative Net worth, during the year and previous year. Accordingly, ratios (i.e. Debt-Equity Debt Service coverage, Return on equity, Inventory turnover, Trade receivable turnover , Trade payable turnover, Net capital turnover, Net profit, Return on capital employed and Return on investment) are not applicable.

There is no significant change (i.e. more then 25%) in the above mentioned ratios during the year in comparison to Previous year.

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, 2023, are approved by the Board of Directors on May 25, 2023.

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

Konika Shah }
DIN-09600137 }

} Directors

} }

Dolly Dhandhresha }
DIN-07746698 }

Priti V Mehta

Proprietor

Membership No. 130514

Place : Mumbai

Dated : May 25, 2023

Independent Auditor's Report

To the Members of Towercom Infrastructure Private Limited Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Towercom Infrastructure Private Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, and Profit, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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'.
- 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 does not have any pending litigations as at March 31,2023

- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLF2625

Place: Mumbai
Date: 25/05/2023

Towercom Infrastructure Private Limited
Annexure A to Independent Auditor's Report - 31stMarch 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Towercom Infrastructure Private Limited**('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

- i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a),(b) and (c) of the orders are not applicable to the company.
- (b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a)The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.
(b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii).According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c)of the order are not applicable to the Company.
- iv).During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.
- v).The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2615 with regard to the deposits accepted from the public are not applicable.
- vi).As per information &explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act,2013.
- vii).According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March,2022 for a period of more than six months from the date they became payable.

Towercom Infrastructure Private Limited

Annexure A to Independent Auditor's Report - 31st March 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

Towercom Infrastructure Private Limited Annexure A to Independent Auditor's Report -31st March 2023

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.

(d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii). There has been no instance of any resignation of the statutory auditors occurred during

xix). No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx). There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi). The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLF2625

Place: Mumbai
Date: 25/05/2023

Annexure B to Independent Auditor's Report - 31st March 2023 on the Financial Statements of Towercom Infrastructure 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 **Towercom Infrastructure Private Limited** ('the Company') as of March 31, **2023** 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 ("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 Companies Act, 2013.

Auditor's 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 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 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 - 31 "March 2023 on the Financial Statements of Towercom Infrastructure 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, 2023, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLF2625

Place: Mumbai
Date: 25/05/2023

Towercom Infrastructure Private Limited

FY 2022-23

Towercom Infrastructure Private Limited
Balance Sheet as at March 31, 2023

Particulars	Note No.	As at	
		March 31, 2023	As at March 31, 2022
ASSETS			(₹ in thousands)
Non Current assets			
(a) Income Tax Assets		7	-
(b) Mat Credit		-	43
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	2.01	1,545	1,178
(b) Other current assets	2.02	146	412
Total current assets		<u>1,691</u>	<u>1,590</u>
Total Assets		<u>1,698</u>	<u>1,633</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	2.03	100	100
(b) Other equity	2.04	(285)	(92)
Total equity		(185)	8
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	2.05	1,770	1,542
(ii) Trade payables	2.06	83	83
(b) Other current liabilities	2.07	30	-
Total current liabilities		<u>1,884</u>	<u>1,625</u>
Total Equity and Liabilities		<u>1,698</u>	<u>1,633</u>

Significant Accounting policies **1**
Notes on Accounts **2**

The Notes referred above form an integral part of the Financial Statement

In terms of our Report of even date

For and on behalf of the Board

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

Priti V Mehta
Proprietor
Membership No. 130514

Sandeep Garg
Director
DIN : 09513285

Dolly Dhandresha
Director
DIN : 07746698

Place : Mumbai
Dated : May 25, 2023

Towercom Infrastructure Private Limited
Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note No.	For the year ended March 31, 2023	(₹ in thousands)
			For the year ended March 31, 2022
INCOME			
Other Income			
Interest	2.08	79	83
		<u>79</u>	<u>83</u>
EXPENSES			
Other expenses	2.09	200	23
Total expenses		<u>200</u>	<u>23</u>
Profit/ (Loss) before Tax		<u>(121)</u>	60
Tax Expenses			
Current Tax		-	28
Short/(Excess) provision of earlier years		72	-
Profit/ (Loss) after Tax		<u>(193)</u>	<u>32</u>
Other comprehensive Income /(Loss)		-	-
Total comprehensive loss		<u>(193)</u>	<u>32</u>
Earning per share			
Basic (₹)	2.11	(19.32)	3.23
Diluted (₹)		(19.32)	3.23
Significant Accounting policies	1		
Notes on Accounts	2		

The Notes referred above form an integral part of the Financial Statement

In terms of our Report of even date

For and on behalf of the Board

For Priti V Mehta & Co

Chartered Accountants

Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Sandeep Garg
Director
DIN : 09513285

Dolly Dhandresha
Director
DIN : 07746698

Place : Mumbai
Dated : May 25, 2023

Towercom Infrastructure Private Limited
Statement of changes in equity for the year ended March 31, 2023

(a) Equity Share Capital

Particulars	Note No.	For the year ended March 31, 2023	(₹ in thousands) For the year year March 31, 2022
Balance at the beginning of the period		100	100
Change in equity share capital during the year	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		(92)
Deficit of Statement of Profit and Loss	2.04	(193)
Closing Balance		(285)

In terms of our Report of even date

For and on behalf of the Board

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

Priti V Mehta
Proprietor
Membership No. 130514

Sandeep Garg
Director
DIN : 09513285

Dolly Dhandresha
Director
DIN : 07746698

Place : Mumbai
Dated : May 25, 2023

Towercom Infrastructure Private Limited
Statement of cash flows for the year ended March 31, 2023

	For the year ended March 31, 2023	(₹ in thousands)	For the year ended March 31, 2022
A: CASH FLOW FROM OPERATING ACTIVITIES:			
Profit before tax as per Statement of Profit and Loss	(193)	60	
Adjustments for:			
Increase in other current assets	302	(79)	
Increase in trade payables	-	23	
Increase in other current liabilities	30	332	(56)
Income Tax Paid			-
Net cash used in operations	<u>139</u>	<u>4</u>	
B: CASH FLOW FROM INVESTING ACTIVITIES:			
Net cash generated/ (Used in) Investing Activities	<u>-</u>	<u>-</u>	
C: CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from issue of equity share capital	-	-	
Proceed from Loan	<u>228</u>	<u>-</u>	
Net cash generated from financing activities	<u>228</u>	<u>-</u>	
Net increase in cash and cash equivalents [A+B+C]	<u>367</u>	<u>4</u>	
Opening balance of cash and cash equivalents	<u>1,178</u>	<u>1,204</u>	
Closing balance of cash and cash equivalents [Note 2.01]	<u>1,545</u>	<u>1,178</u>	

Note:

The statement of cash flows is prepared using the "indirect method" set out in Ind AS 7 "Statement of cash flows".

In terms of our report attached
For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

For and on behalf of the Board

Priti V Mehta
Proprietor
Membership No. 130514

Sandeep Garg
Director
DIN : 09513285

Dolly Dhandresha
Director
DIN : 07746698

Place : Mumbai
Dated : May 25, 2023

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.

Towercom Infrastructure Private Limited
Significant Accounting Policies to the Financial Statements

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.

Towercom Infrastructure Private Limited**Significant Accounting Policies to the Financial Statements****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 corresponding 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.

Towercom Infrastructure Private Limited
Significant Accounting Policies to 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 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.

Towercom Infrastructure Private Limited
Significant Accounting Policies to the Financial Statements

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.

Towercom Infrastructure Private Limited
Notes to the financial statements as of and for the year ended March 31, 2023

(₹ in thousands)

	As at March 31, 2023	As at March 31, 2022
Note 2.01		
Cash and cash equivalents		
Fixed Deposit With Bank	1,175	1,175
Balance with bank in current account	370	3
	<u>1,545</u>	<u>1,178</u>

	As at March 31, 2023	As at March 31, 2022
Note 2.02		
Other current assets		
Interest Accrued	73	370
Balance with Tax Authorities	66	35
Advance to Vendor	7	7
	<u>146</u>	<u>412</u>

	As at March 31, 2023	As at March 31, 2022
Equity Share capital		
Authorised share capital		
50,000 Equity shares of ₹ 10 each	500	500
	<u>500</u>	<u>500</u>
Issued, subscribed and fully paid up		
10,000 Equity shares of ₹ 10 each fully paid up	100	100
	<u>100</u>	<u>100</u>

2.03.01 Shares held by Holding Company :

Equity shares	No. of shares	No. of shares
Reliance Communications Limited (Holding company)	9,500	9,500

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

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	<u>10,000</u>	<u>10,000</u>

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, 2023

(₹ in thousands)

	As at March 31, 2023	As at March 31, 2022
Note 2.04		
Other equity		
Deficit in retained earnings		
Opening balance	(92)	(124)
Add: Profit / (Loss) during the period	(193)	32
Closing balance	<u><u>(285)</u></u>	<u><u>(92)</u></u>

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	1,770	1,542
	<u><u>1,770</u></u>	<u><u>1,542</u></u>

Note 2.06

Trade payables

Due to other than Micro and small companies	83	83
	<u><u>83</u></u>	<u><u>83</u></u>

Note 2.07

Other current liabilities

Provision for tax (Net of Advance Tax) Rs 432	-	-
Payable to Tax Authorities	30	-
TDS Payable	-	-
	<u><u>30</u></u>	<u><u>-</u></u>

Note 2.08

Other Income

Interest	79	83
	<u><u>79</u></u>	<u><u>83</u></u>

Note 2.09

Other expenses

Auditors' remuneration	15	15
Director's Sitting Fees	168	-
Professional Fee	16	8
Interest on TDS	0	-
Bank charges	-	-
	<u><u>200</u></u>	<u><u>23</u></u>

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 attributable to the equity holders of the Company.

Towercom Infrastructure Private Limited

Notes to the financial statements as of and for the year ended March 31, 2023

Note 2.11

Earnings per Share (EPS)

**For the year ended
March 31, 2023**

**For the year ended
March 31, 2022**

Basic and Diluted EPS

(a) Loss attributable to equity shareholders (₹ in thousands) (used as numerator for calculating Basic EPS)	(193.20)	32.00
(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 (₹)	(19.32)	3.20
(e) Diluted Earnings per Share of ₹ 10 each (₹)	(19.32)	3.20
(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 Arvind Purohit - Director		
(v) Shri Sandeep Garg - Director		Key Managerial Persons

B. List of other related parties where there have been transactions

(i) Reliance Infratel Limited (ceased w.e.f December 22, 2022)	Fellow Subsidiary
(ii) Reliance IDC Limited (ceased w.e.f December 12, 2022)	Fellow Subsidiary
(iii) Reliance Realty 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, 2022	95	-	95
		(95)	(5)	(100)
	Allotted during the year	-	-	-
		-	-	-
	Balance as at March 31, 2023	95	-	95
		(95)	(5)	(100)
2	Loans			
	Balance as at April 1, 2022	234	-	234
		(234)	(1,308)	(1,542)
	Taken During the year	-	23	23
		-	(242)	(242)
	Repaid During the year	(14)	-	(14)
		(14)	(-)	(14)
	Balance as at March 31, 2023	220	23	243
		(220)	(1,550)	(1,770)

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

Particulars	As at		(₹ in thousands)
	March 31, 2023	March 31, 2022	
Financial assets:			
Cash and cash equivalents	1,545	1,178	
Total financial assets	1,545	1,204	
Financial liabilities:			
Trade payables	83	83	
Borrowings	1,770	1,542	
Total financial liabilities	1,853	1,625	

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 balances

Note : 2.17

Accounting Ratios

Sr.	Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
1.	Current Ratio (in times)	Current Assets	Current Liabilities	0.90	0.98	-8.16%

2. The Company does not have any Sales, Inventory, Purchases during the year and previous year accordingly other ratio i.e. Inventory turnover, Trade receivable turnover , Trade payable turnover, Net capital turnover, Net profit, are not applicable.

Note : 2.18

During the year, the Company has not surrendered or disclosed any income, previously unrecorded in the books of account as income, in the tax assessments under the Income Tax Act, 1961.

Note: 2.19

During the year, the Company has not received as well as given advances (excluding transactions in the normal course of business) or loans or invested funds or provided any guarantee, security or the like from/ to any other person(s) or entity(ies), directly or indirectly, including any foreign entity(ies).

Note: 2.20

Transaction with Struck off Companies

The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Note : 2.21

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 : 2.22

Authorisation of financial statements

The financial statements for the year ended 31st March, 2023 were approved by the Board of Directors on May 25, 2023.

For Priti V Mehta & Co

Chartered Accountants

Firm Registration No 129568W

Priti V Mehta

Proprietor

Membership No. 130514

For and on behalf of the Board

Sandeep Garg

Director

DIN : 09513285

Dolly Dhandresha

Director

DIN : 07746698

Place : Mumbai

Dated : May 25, 2023

Independent Auditor's Report

To the Members of Reliance Infra Projects Limited Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Reliance Infra Projects Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, 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, 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, 2023, 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.

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.

Information other than the financial statements and auditors' 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, 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 standalone 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 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) 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.

As a part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matter that may be reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter 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, 2020 ("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, Statement of Changes in Equity 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. As per the management representation we report,
 - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly *or* indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like or behalf of ultimate beneficiaries.
 - no funds have been received by the company from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.
- f. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 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, during the year the remuneration is not paid by the Company to its directors.
- i. 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’.
- 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 does not have any pending litigations as at March 31,2023

- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2023 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, 2023.
- iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLJ8741

Place: Mumbai
Date: 24/05/2023

Reliance Infra Projects Limited

Annexure A to Independent Auditor's Report - 31stMarch 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Reliance Infra Projects Limited**('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

We report that

- i). (a) The company does not have fixed assets as on 31st March 2023. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.
- (b) According to the information and explanation and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a)The Company does not have inventories at the end of financial year. Accordingly clause ii (a) of paragraph 3 of the orders are not applicable to the company.
ii) (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause ii(b) of paragraph 3 of the Order is not applicable to the Company.
- iii).According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c)of the order are not applicable to the Company.
- iv).During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph of the Order is not applicable to the Company.
- v).The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2615 with regard to the deposits accepted from the public are not applicable.
- vi).As per information &explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act,2013.
- vii).According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax (GST), Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorizes. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March,2023 for a period of more than six months from the date they became payable.

Reliance Infra Projects Limited

Annexure A to Independent Auditor's Report - 31st March 2023

- According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, Service tax, Sales tax, Customs duty, Excise duty, Value added tax and Cess whichever applicable, which have not been deposited on account of any disputes.

viii).The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix).In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company does not have any dues to a financial institution, bank, Government or debenture holders.

x). Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public *offer* or further public offer (including debt instruments) or taken any term loan during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi).(a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

xiii).According to the information and explanations given to us, all transactions with *the* related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv).The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

xv).The company has not entered into noncash transactions with directors or persons connected with him.

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

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities hence the reporting requirements under clause xvi(b) of paragraph 3 of the Order is not applicable.

Reliance Infra Projects Limited

Annexure A to Independent Auditor's Report -31stMarch 2023

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii). The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii).There has been no instance of any resignation of the statutory auditors occurred during

xix).No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx).There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

xxi).The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

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

Priti V. Mehta
(Proprietor)
M No.130514
UDIN: 23130514BGXSLJ8741

Place: Mumbai
Date: 24/05/2023

Annexure B to Independent Auditor's Report - 31st March 2023 on the Financial Statements of Reliance Infra Projects 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 Projects Limited** ('the Company') as of March 31, 2023 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 ("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 Companies Act, 2013.

Auditor's 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 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 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 2023 on the Financial Statements of Reliance Infra Projects 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, 2023, 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".

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

Priti V. Mehta
(Proprietor)
M. No. 130514
UDIN: 23130514BGXSLJ8741

Place: Mumbai
Date: 24/05/2023

Reliance Infra Projects Limited

Financial Statements

March 31, 2023

Reliance Infra Projects Limited

Balance Sheet as at March 31, 2023

	Note	As at March 31, 2023	(₹) in thousand	As at March 31, 2022
ASSETS				
Current Assets				
(a) Financial Assets				
(i) Other Receivables	2.01	133		-
(ii) Cash and Cash Equivalents	2.02	244		368
			377	368
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	2.03	500		
(b) Other Equity	2.04	(445)	55	(297)
				203
Liabilities				
Current Liabilities				
(a) Other Current Liabilities	2.05		322	
			377	368
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

For and on behalf of the Board

Sandeep Garg

DIN-09513285

}

}

}

} Directors

Konika Shah

DIN-09600137

}

}

}

Priti V Mehta

Proprietor

Membership No. 130514

Place : Mumbai

Date : May 24, 2023

Reliance Infra Projects Limited

Statement of Profit and Loss for the year ended March 31, 2023

	Note	For the year ended March 31, 2023	(₹) in thousand For the year ended March 31, 2022
INCOME			
I Other Income		-	-
II Total Income		<hr/> <hr/>	<hr/> <hr/>
III EXPENSES			
General and Administration Expenses	2.06	148	51
IV Total Expenses		<hr/> 148	<hr/> 51
V Profit (Loss) Before Tax (II -IV)		<hr/> (148)	<hr/> (51)
VI Tax expense:			
- Current Tax		-	-
VII Profit After Tax		<hr/> (148)	<hr/> (51)
Earning per Share of face value of ₹ 10 each fully paid up			
Basic and Diluted (₹)	2.09	(0.00)	(0.00)
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

For and on Behalf of the Board

Priti V Mehta

Proprietor

Membership No. 130514

Sandeep Garg }
DIN-09513285 }
} } Directors
} }
Konika Shah }
DIN-09600137 }

Place : Mumbai

Date : May 24, 2023

Reliance Infra Projects Limited

Statement of Change in Equity for the year ended March 31, 2023

(₹) in thousand

A Equity (Refer Note.2.02)

Balance at April 1, 2021	500
Change in equity share capital during the year	-
Balance at March 31, 2022	500
Change in equity share capital during the year	-
Balance at March 31, 2023	500

B Other Equity (Refer Note.2.03)

Particular	Retained Earnings
Balance at April 1, 2021	(246)
Add : (Loss) for the year	(51)
Balance at March 31, 2022	(297)
Add : (Loss) during the year	(148)
Balance at March 31, 2023	(445)

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

Sandeep Garg
DIN-09513285

}

}

} Directors

}

Konika Shah
DIN-09600137

}

Priti V Mehta

Proprietor

Membership No. 130514

Place : Mumbai

Date : May 24, 2023

Reliance Infra Projects Limited

Statement of Cash Flow for the year ended March 31, 2023

(₹) in thousand

	For the year ended March 31, 2023	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax as per Statement of Profit and Loss	(148)	(51)
Adjusted for:		
Write back of Provision for Liabilities no longer required	-	-
Operating Profit/(Loss) before Working Capital Changes	(148)	(51)
Adjusted for:		
Receivables and other Advances	(133)	-
Trade Payable and Other Liabilities	157	24
Cash Used in Operations	<u>(124)</u>	<u>(39)</u>
Tax Paid	-	-
Net Cash from/(Used In) Operating Activities	<u><u>(124)</u></u>	<u><u>(39)</u></u>
B CASH FLOW FROM INVESTING ACTIVITIES	-	-
Net Cash from / (Used in) Investing Activities	<u><u>-</u></u>	<u><u>-</u></u>
C CASH FLOW FROM FINANCING ACTIVITIES	-	-
Net Cash from Financing Activities	<u><u>-</u></u>	<u><u>-</u></u>
Net Increase / Decrease in Cash and Cash Equivalents	<u>(124)</u>	<u>(39)</u>
Opening Balance of Cash and Cash Equivalents	<u>368</u>	<u>407</u>
Closing Balance of Cash and Cash Equivalents (Refer Note 2.02)	<u><u>244</u></u>	<u><u>368</u></u>

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 Priti V Mehta & Co.

Chartered Accountants

Firm Registration No 129568W

For and on Behalf of the Board

Sandeep Garg

DIN-09513285

}

}

} Directors

}

}

Konika Shah

DIN-09600137

}

}

Priti V Mehta

Proprietor

Membership No. 130514

Place : Mumbai

Date : May 24, 2023

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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.

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 financial 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

(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.

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2023

(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, 2023

(₹) in thousand

Particulars	As at March 31, 2023	As at March 31, 2022
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Current Assets

Note 2.01 Other Receivables

Loans & Advances to Related Parties (Ref Note No.2.15)	110	-
GST Recoverable	23	-
	133	-

Note 2.02 Cash And Cash Equivalents

Balances with Banks- In current account	244	368
	354	368

Note 2.03 Equity Share Capital

Authorised

50 000 Equity Shares of ₹ 10 each	500	500
(50 000)		
	500	500

Issued, Subscribed and Paid up

50 000 Equity Shares of ₹ 10 each fully paid up	500	500
(50 000)		
	500	500

a) Equity Shares held by Promoters

Particulars	No. of Shares	% of Total Shares	% Change during the year
Reliance Realty Limited and its nominees (w.e.f. July 23, 2018)	50 000 (50 000)	100% (100%)	Nil (Nil)

b) 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%	-	-

c) 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%	-	-

d) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	No of Shares	(₹) in thousand	No of Shares	(₹) in thousand
Equity Shares				
At the beginning of the year	50 000	500	50 000	500
Add/ (Less) : Changes during the year	-	-	-	-
At the end of the year	50 000	500	50 000	500

e) 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, 2023

(₹) in thousand

Particulars	As at March 31, 2023	As at March 31, 2022
Note 2.04 Other Equity		
Balance carried from last balance sheet	(297)	(246)
Add : Profit / (Loss) during the year	(148)	(51)
Balance at the end of the year	(445)	(297)

Note 2.05 Other Current Liabilities

Audit Fees Payable	14	16
Other Payable	32	38
GST Payable	23	-
Other Liability Related Party (Ref Note No.2.15)	253	111
	322	165

(₹) in thousand

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
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Note 2.06 Other Expenses

Audit Fees	13	14
Bank charges	-	-
Professional Fees	10	7
Director's Sitting Fees	125	30
Interest on TDS (2020-21)	-	-
	148	51

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2023

Note 2.07 Previous Year

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

Note : 2.08

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	(₹) in thousand	
	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note	244	368
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.

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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 2.09 Earning per share :

(₹) in thousand

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Numerator - Profit / (Loss) after tax (₹)	(148)	(51)
Denominator - Weighted number of equity shares	50 000	50 000
Basic as well as Diluted, earning per equity share (₹)	(0.00)	(0.00)

Note 2.10 Segment Reporting

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

Note 2.11 Deferred Tax

The Company does not have any items on which deferred tax should be recognised.

Note 2.12 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 2.13 Accounting Ratio

Name of the Ratio	Numerator	Denominator	2022-23	2021-22	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	1.1723	2.2286	-0.474%

The Company does not have business operations, Turnover, Inventory, Purchases and also having negative Net worth, during the year and previous year. Accordingly, ratios (i.e. Debt-Equity Debt Service coverage, Return on equity, Inventory turnover, Trade receivable turnover, Trade payable turnover, Net capital turnover, Net profit, Return on capital employed and Return on investment) are not applicable.

There is no significant change (i.e. more than 25%) in the above mentioned ratios during the year in comparison to Previous year.

Note 2.14 Post Reporting Events

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

Note 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:

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)

b) Fellow Subsidiary company

1. Reliance IDC Limited
2. Reliance Comm Tamil Nadu Ltd
3. Globalcom Mobile Commerce Ltd
4. Globalcom Realty Ltd
5. Internet ExchangeNext.Com Ltd
6. Realsoft Cyber Systems Pvt Ltd
7. Reliance BPO Limited
8. Worldtel Tamil Nadu Pvt Ltd

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2023

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

		(₹) in thousand
Equity Shares		
(i) Reliance Communications Infrastructure Limited (Holding Company upto July 22, 2018)		
Balance as at April 1, 2022		-
Transferred during the year		-
Balance as at March 31, 2023		-
		(-)
(ii) Reliance Realty Limited (Holding Company w.e.f. July 23, 2018)		
Balance as at April 1, 2022	500	(500)
Acquired during the year		-
Balance as at March 31, 2023	500	(500)
Other Liabilities		
(iii) Reliance Realty Limited (Holding Company w.e.f. July 23, 2018)		
Balance as at April 1, 2022	100	(68)
Acquired during the year	23	(32)
Balance as at March 31, 2023	123	(68)
(iv) Reliance IDC Limited (Fellow Subsidiary Company)		
Balance as at April 1, 2022	11	(-)
Acquired during the year	110	(11)
Balance as at March 31, 2023	121	(-)
(v) Reliance Comm Tamil Nadu Limited (Fellow Subsidiary Company)		
Balance as at April 1, 2022		-
Acquired during the year	10	(-)
Balance as at March 31, 2023	10	(-)
Other Receivables		
(vi) Fellow Subsidiary company		
Balance as at April 1, 2022		-
Acquired during the year	110	(-)
Balance as at March 31, 2023	110	(-)

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2023

Note 2.16 Authorisation of Financial Statements

The financial statements for the year ended March 31, 2023 are approved by the Board of Directors on May 24, 2023.

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

Sandeep Garg
DIN-09513285

}

,

},

} Directors

Priti V Mehta
Proprietor
Membership No. 130514

Konika Shah
DIN-09600137

}

,

},

Place : Mumbai
Date : May 24, 2023