Independent Auditor's Report

To the Members of Reliance Wimax Limited.

Report on the Standalone FinancialStatements

We have audited the accompanying Standalone financial statements of **Reliance WimaxLimited**("the Company") which comprises the Balance Sheet as at March 31, 2022, 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, 2022, and Loss, changes in equity and its cash flows for the year ended *o*n 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 thesematters.

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.

lf, 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 doso.

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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 evaluatingthe 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJSGUN1266

Place: Mumbai
Date: 26/05/2022

Reliance Wimax Limited

Annexure A to Independent Auditor's Report – 31st March 2022

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, 2022, we report the following:

We report that

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

(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,2022 for a period of more than six months from the date they became payable.

- 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.

(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: 22130514AJSGUN1266

Place: Mumbai
Date: 26/05/2022

Annexure B to Independent Auditor's Report – 31st March 2022 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 consols over financial reporting of **Reliance Wimax Limited** ('the Company') as of March 31, 2022in 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's Resposibi1ity

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.

AnnexureBtoIndependentAuditor'sReport-31st March2022onthe FinancialStatementsofReliance 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 dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

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 maydeteriorate.

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
FirmRegn.No.129568W

Priti V.Mehta
(Proprietor)
M.No.130514
UDIN:22130514AJSGUN1266

Place:Mumbai
Date: 26/05/2022

Reliance WiMax Limited

March 31, 2022

Reliance Wimax Limited

Balance Sheet as at March 31, 2022

(Amount in ₹)

Particulars	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	**2.01**		**-**		-
Current Assets					
(a) Financial Assets					
(i) Cash and Cash Equivalents	**2.02**	**82 766**		1 92 482	
(ii) Other Financial Assets	**2.03**	**5 09 78 853**		5 09 78 853	
		5 10 61 619		5 11 71 335	
			5 10 61 619		5 11 71 335
TOTAL ASSETS			**5 10 61 619**		5 11 71 335
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.04**	**68 70 660**		68 70 660	
(b) Other Equity	**2.05**	**3 22 04 994**	**3 90 75 654**	3 22 50 800	3 91 21 460
Liabilities					
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.06**	**1 00 00 000**		1 00 00 000	
(ii) Other Financial Liabilities	**2.07**	**19 85 965**		20 46 125	
		1 19 85 965		1 20 46 125	
(b) Other Current Liabilities	**2.08**			3 750	
			1 19 85 965		1 20 49 875
TOTAL EQUITY AND LIABILITIES			**5 10 61 619**		5 11 71 335

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

VINAY SONI
Director
DIN No :- 08567944

RAKESH GUPTA
Director
DIN No :- 00130829

Place : Mumbai
Date :- May 26, 2022

Place : Mumbai
Date :- May 26, 2022

Reliance Wimax Limited

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
	Revenue from Operations		-	-
	Other Income		-	-
	Total Income (I)		-	-
II	**EXPENDITURE**			
	General Administration Expenses	2.09	45 806	1 93 100
	Total Expenses (II)		45 806	1 93 100
III	**Loss before Tax (I - II)**		(45 806)	(1 93 100)
IV	Tax expense:			
	Current Tax		-	-
	Deferred Tax		-	-
V	**Loss after Tax**		(45 806)	(1 93 100)
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income/(Loss) for the year**		(45 806)	(1 93 100)
	Earning per share of face value of ₹ 10 each fully Paid	2.13		
	Basic (₹)		(0.07)	(0.28)
	Diluted (₹)		(0.07)	(0.28)
	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

VINAY SONI
Director
DIN No :- 08567944

RAKESH GUPTA
Director
DIN No :- 00130829

Place : Mumbai
Date :- May 26, 2022

Place : Mumbai
Date :- May 26, 2022

Reliance WiMax Limited

Statement of Change in Equity for the year ended March 31, 2022

A Equity Share Capital (Refer Note 2.04)

(Amount in ₹)

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Balance at the begning of the year	**68 70 660**	68 70 660
Change in equty share capital during the year	**-**	-
Balance at the end of the year	**68 70 660**	68 70 660

B Other Equity (Refer Note 2.05)

(Amount in ₹)

Particular	**Securities Premium**	**General Reserve**	**Retained Earnings**	**Other Comprehensive Income**	**Total**
Balance as at April 01, 2020	25 44 42 554	46 78 000	(22 65 57 910)	(13,479)	3 25 49 165
Add : Loss for the year	-	-	(1 93 100)	-	(1 93 100)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2021	**25 44 42 554**	**46 78 000**	**(22 67 51 010)**	**(13 479)**	**3 23 56 065**
Add : Loss for the year	-	-	(45 806)	-	(45 806)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2022	**25 44 42 554**	**46 78 000**	**(22 67 96 816)**	**(13 479)**	**3 23 10 259**

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

Place : Mumbai
Date :- May 26, 2022

VINAY SONI
Director
DIN No :- 08567944

RAKESH GUPTA
Director
DIN No :- 00130829

Place : Mumbai
Date :- May 26, 2022

Reliance Wimax Limited

Statement of Cash Flow for the year ended March 31, 2022

(Amount in ₹)

	Particulars		For the year ended March 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Loss before tax as per Statement of Profit and Loss		**(45 806)**		(1 93 100)
	Adjusted for:				
	Remeasurement Gain/Loss of defined benefit plan (Net of Tax)	-		-	
	Operating Profit/(Loss) before Working Capital Changes		**(45 806)**		(1 93 100)
	Adjusted for:				
	Receivable and Other Advances				
	Trade Payable and Other Liabilities	**(63 910)**		1 76 480	
			(63 910)		1 76 480
	Cash (Used in) Operations		**(1 09 716)**		(16 620)
	Tax Refund	-		-	
	Tax Paid	-		-	
	Net Cash from Operating Activities		**(1 09 716)**		(16 620)
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		**(1 09 716)**		(16 620)
	Opening Balance of Cash and Cash Equivalents		**1 92 482**		2 09 102
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.02)		**82 766**		1 92 482

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

VINAY SONI
Director
DIN No :- 08567944

RAKESH GUPTA
Director
DIN No :- 00130829

Place : Mumbai
Date :- May 26, 2022

Place : Mumbai
Date :- May 26, 2022

Reliance Wimax Limited

Significant Accounting Policies and General Information to the Financial Statements

Note: 1 General Information and Significant Accounting Policy

1.01 General Information

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

1.02 Basis of Preparation of Financial Statements

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

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

1.03 Use of Estimates

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

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

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

Critical estimates and judgements

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

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

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

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

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

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

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

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.

1.08 Taxes on Income and Deferred Taxes

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

1.09 Provisions, Contingent Liabilities and Contingent Assets

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

1.10 Earning per Share

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

1.11 Financial Instruments

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

Financial Assets

(i) **Initial recognition and measurement**

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

(ii) **Subsequent measurement**

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

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

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

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

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

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

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

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

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

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

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

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

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

Financial Liabilities

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

(ii) **Subsequent measurement**
The measurement of financial liabilities depends on their classification, as described herein:

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

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

(iii) **Derecognition of Financial Liabilities**

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

1.12 Impairment of Non Financial Assets

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

1.08 Cash and Cash Equivalents

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

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

2.01 Property, Plant and Equipment (Amount in ₹)

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

Particulars	Leasehold Improvement	Computers	Electrical Installation	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Total
Gross carrying value								
As at March 31, 2021	44 50 308	81 69 347	2 37 285	23 22 74 437	65 54 983	19 61 483	18 92 510	**25 55 40 353**
Additions	-	-	-	-	-	-	-	**-**
Deletion	(44 50 308)	(81,69,347.00)	(2,37,285.00)	(23,22,74,437.00)	(65,54,982.74)	(19,61,483.00)	(18,92,510.00)	**(25 55 40 353)**
As at March 31, 2022	**-**							
Accumulated Depreciation								
As at March 31, 2021	44 50 308	81 69 347	2 37 285	23 22 74 437	65 54 983	19 61 483	18 92 510	**25 55 40 353**
Depreciation for the year	-	-	-	-	-	-	-	**-**
Deletion	(44 50 308)	(81,69,347.00)	(2,37,285.00)	(23,22,74,437.00)	(65,54,982.74)	(19,61,483.00)	(18,92,510.00)	**(25 55 40 353)**
As at March 31, 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net carrying value as at March 31, 2022	-	-	-	-	-	-	-	**-**

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

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
2.02 Cash and Cash Equivalents		
Balance with Banks (Refer Note no. 2.23)	**62 766**	1 72 482
Fixed Deposit (Refer Note no. 2.23)	**20 000**	20 000
	82 766	1 92 482
2.03 Other Financial Assets		
Advances to Related Parties (Unsecured,Considered good)	**5 09 78 853**	5 09 78 853
	5 09 78 853	5 09 78 853
2.04 Share Capital		
Authorised		
Equity		
15 00 000 (15 00 000) Equity Shares of ₹ 10 each	**1 50 00 000**	1 50 00 000
Preference		
20 00 000 (20 00 000) Preference Shares of ₹ 10 each	**2 00 00 000**	2,00,00,000
	3 50 00 000	3 50 00 000
Issued, Subscribed and Paid up		
6 87 066 (6 87 066) Equity Shares of ₹ 10 each fully paid up	**68 70 660**	68 70 660
	68 70 660	68 70 660

Equity Shares

a) **Shares held by Promoters**	**No of Shares**	% of Total Shares
Reliance Communications Limited, the Holding Company & its nominees.	687**,066** (687,066)	**100%** (100%)
% Change during the year	**Nil**	**Nil**
Shares held by Holding Company	**No of Shares**	% of Total Shares
Reliance Communications Limited, the Holding Company & its nominees.	687**,066** (687,066)	**100%** (100%)
% Change during the year	**Nil**	**Nil**

b) **Terms/rights attached to equity shares**

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

Preference Shares

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

b) **Terms/rights attached to preference shares**

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

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

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

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

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

2.05 Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at April 01, 2020	25 44 42 554	46 78 000	(22 66 63 175)	(13 479)	3 24 43 900
Add: Loss for the year	-	-	(1 93 100)	-	(1 93 100)
Add : Other Comprehensive Income during the year	-	-	-	-	-
Balance as at March 31, 2021	**25 44 42 554**	**46 78 000**	**(22 68 56 275)**	**(13 479)**	**3 22 50 800**
Add: Loss for the year	-	-	(45 806)	-	**(45 806)**
Add : Other Comprehensive Income during the year	-	-	-	-	**-**
Balance as at March 31, 2022	**25 44 42 554**	**46 78 000**	**(22 69 02 081)**	**(13 479)**	**3 22 04 994**

Reliance Wimax Limited

Notes annexed to and forming part of financial statements

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
2.06 Borrowings		
10 00 000 7.5% Redeemable Non Cumulative Non Convertible Preference Shares (Refer Note 2.04) (10 00 000)	**1 00 00 000**	1 00 00 000
	1 00 00 000	1 00 00 000
2.07 Other Financial Liabilities		
Provision for Expenses	**11,57,901**	13 01 651
Payable to Related Parties	**8,28,064**	7 44 474
	19 85 965	20 46 125
2.08 Other Current Liabilities		
Payable to Tax Authorities	**-**	3 750
	-	3 750

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

(Amount in ₹)

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
2.09 General administration Expenses		
Bank Charges	1 716	16 620
Legal and Professional Fees	24 090	6 480
Directos Sitting Fees	-	70 000
Payment to Auditors	20 000	1 00 000
	45 806	**1 93 100**

Reliance Wimax Limited

Notes annexed to and forming part of financial statements

2.10 Previous Year

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

2.11 Going Concern

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

2.12 Contingent Liabilities

	As at March 31, 2022	As at March 31, 2021
Bank guarantees and letters of credit	**2 20 00 000**	2 20 00 000

2.13 Earnings per Share (EPS)

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss attributable to Equity share holders (Numerator - Profit after tax) (₹)	**(45 806)**	(1 93 100)
Denominator - Weighted number of equity shares	**6 87 066**	6 87 066
Basic as well as diluted, earning per equity share (₹)	**(0.07)**	(0.28)

2.14 Deferred Tax Assets (net)

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
Related to carried forward losses	**-**	-
Related to Capital Loss	**-**	-
Related to timing difference on depreciation of Fixed Assets	**-**	-
Total Deferred Tax Assets	**-**	-

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

(a) Amounts recognised in profit and loss

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	-	-
Tax for earlier years	-	-
Tax expense for the year	**-**	**-**
(b) Amounts recognised in other comprehensive income.	**Nil**	Nil
(c) Reconciliation of Tax Expenses		
Loss before Tax	(45,806)	(1,93,100)
Applicable Tax Rate	26%	26%
Computed Tax Expenses (I)	(11,910)	(50,206)
Add: Expenses not considered for taxable profit	11,910	50,206
	-	-

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.

Reliance Wimax Limited

Notes annexed to and forming part of financial statements

2.17 Related Parties :

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

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

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

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

(Amount in ₹)

Sr. No.	Nature of Transactions	Holding Company			Fellow Subsidiary Company		Total
1	**Other Financial Liabilities**	**6 99 494** (6 99 484)			**1 28 570** (46 480)		**8 28 064** (6 99 484)
2	**Advances to Related Parties**				**5 09 78 853** (5 09 78 853)		**5 09 78 853** (5 09 78 853)
3	**Preference Shares Issued (7.5% Redeemable Non Cumulative Non Convertible)**	**1 00 00 000** (1 00 00 000)			(-) (-)		**1 00 00 000** (1 00 00 000)

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

(Amount in ₹)

Particulars	March 31, 2022			March 31, 2021
Transaction during the year				
Reimbursement of expenses (net)				
Globalcom IDC Limited	**1 28 570**			82 090
Balance Sheet (Closing Balance)				
Other Financial Liabilities				
Reliance Communications Infrastructure Limited	**6 99 494**			6 99 484
Globalcom IDC Limited	**1 28 570**			46 480
Othr Financial Assets				
Reliance Communications Infrastructure Limited	**5 09 78 853**			5 09 78 853
Borrowings				
Reliance Communications Limited	**1 00 00 000**			1 00 00 000

Note : 2.18

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

Note : 2.19

1 Financial Instruments

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

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

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

Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Notes annexed to and forming part of financial statements

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

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**82 766**	1 92 482
Other Financial Assets (Refer Note 2.03)	**5 09 78 853**	5 09 78 853
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:		
Borrowings (Refer Note 2.06)	**1 00 00 000**	1 00 00 000
Other Financial Liabilities (Refer Note 2.07)	**19 85 965**	20 46 125
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 Financial Risk Management Objectives and Policies

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

Financial risk management

Interest Rate Risk

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

Exposure to interest rate risk

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

Credit risk

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

Liquidity risk

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

Note : 2.20

Capital Management

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

Note : 2.21

Accounting Ratio

Name of the Ratio	Numerator	Denominator	2021-22 (2020-21)	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	25.71 (24.96)	3%
Debt Equity Ratio (in times)	Total Debt	Equity	0.26 (0.26)	0%

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.

Notes annexed to and forming part of financial statements

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

Note : 2.22

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors on May 26, 2022.

Note : 2.23

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

Place : Mumbai
Date :- May 26, 2022

VINAY SONI
Director
DIN No :- 08567944

Place : Mumbai
Date :- May 26, 2022

RAKESH GUPTA
Director
DIN No :- 00130829

Independent Auditor's Report

To The Members of Reliance Bhutan Limited

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Reliance Bhutan Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2022, 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, 2022, and Loss, changes in equity and its cash flows for the year ended *o*n 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 thesematters.

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.

lf, 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, *financ'ial* 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 doso.

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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 evaluatingthe 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJQYPC2773

Place: Mumbai
Date:26/05/2022

Reliance Bhutan Limited

Annexure A to Independent Auditor's Report – 31st March 2022

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Reliance BhutanLimited** ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:
We report that

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

(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,2022 for a period of more than six months from the date they became payable.

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

Priti V. Mehta
(Proprietor)
M No.130514
UUIN: 22130314AQYPC2773

Place: Mumbai
Date: 26/ 05/ 2022

Annexure B to Independent Auditor's Report – 31st March 2022 on the Financial Statements of Reliance Bhutan Limited

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

We have audited the internal financial console over financial reporting of **Reliance Bhutan** Limited ('the Company') as of March 31, 2022in 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's Resposibi1ity

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.

AnnexureBtoIndependentAuditor'sReport-31st March2022onthe FinancialStatementsofRelianceBhutanLimited

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 dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

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 maydeteriorate.

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
FirmRegn.No.: 129568W

Priti V.Mehta
(Proprietor)
M.No.130514
UDIN: 22130514AJQYPC2773

Place:Mumbai
Date: 26/05/2022

Reliance Bhutan Limited

Financial Statements

March 31, 2022

Reliance Bhutan Limited

Balance Sheet as at March 31, 2022

(Amount in ₹)

	Notes		As at March 31, 2022		As at 'March 31, 2021
ASSETS					
Non Current Assets					
(a) Income Tax Assets (net)	**2.01**		**16 115**		18 057
Current Assets					
(a) Financial Assets					
(i) Investments	**2.02**	200 00 00 000		200 00 00 000	
(ii) Cash and Cash Equivalents	**2.03**	6 37 869	**200 06 37 869**	6 04 553	200 06 04 553
Total Assets			**200 06 53 984**		200 06 22 610
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.04**	5 00 000		5 00 000	
(b) Other Equity	**2.05**	(4 99 620)	**380**	(4 95 954)	4 046
Liabilities					
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.06**	200 03 60 765		200 03 60 765	
(b) Other Current Liabilities	**2.07**	2 92 839	**200 06 53 604**	2 57 799	200 06 18 564
Total Equity and Liabilities			**200 06 53 984**		200 06 22 610
Significant Accounting Policies	**1**				
Notes to the Financial Statements	**2**		-		

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

As per our Report of even date

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

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Arvind Purohit
Director
DIN No :- 08349713

Place : Mumbai
Date :- May 26, 2022

Reliance Bhutan Limited

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

		Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
	Other Income	2.08	33 316	25 849
	Total Income		33 316	25 849
II	**EXPENDITURE**			
	General and Administrative Expenses	2.09	28 320	28 320
	Total Expenses		28 320	28 320
III	**Profit /(Loss) Before Tax (I- II)**		4 996	(2 471)
IV	Tax expense:			
	- Current Tax		8 662	6 721
	- Short/ (Excess) provision of earlier years		-	-
V	**Profit/ (Loss) After Tax**		(3 666)	(9 192)
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income**		(3 666)	(9 192)
	Earning per share of face value of ₹ 10 each for fully Paid	2.11		
	Basic (₹)		(0.07)	(0.18)
	Diluted (₹)		(0.07)	(0.18)
	Significant Accounting Policies	1		
	Notes to the Financial Statements	2		

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

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

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Arvind Purohit
Director
DIN No :- 08349713

Place : Mumbai
Date :- May 26, 2022

Reliance Bhutan Limited

Statement of Change in Equity for the year ended March 31, 2022

(Amount in ₹)

A Equity	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	**5 00 000**	5 00 000
Change in equity share capital during the period	**-**	-
Balance at the end of the period	**5 00 000**	5 00 000

B Other Equity

Surplus/ (Deficit) in statement of Profit and Loss

Particular	Retained Earnings
Balance of Profit/ (Loss) as at April 1,2020	(4 86 762)
Add : Profit \ (Loss) for the year	(9 192)
Balance Profit/ (Loss) as at March 31, 2021	(4 95 954)
Add : Profit \ (Loss) for the period	(3 666)
Balance Profit/ (Loss) as at March 31, 2022	**(4 99 620)**

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

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date :- May 26, 2022

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Arvind Purohit
Director
DIN No :- 08349713

Reliance Bhutan Limited

Statement of Cash Flow for the year ended March 31, 2022

(Amount in ₹)

			For the year ended March 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit /(Loss) before tax as per Statement of Profit and Loss		**4 996**		(2 471)
	Adjusted for:				
	Interest on Fixed Deposit with Bank		**(33 316)**		(25 849)
	Operating Profit before Working Capital Changes		**(28 320)**		(28 320)
	Adjusted for:				
	Receivables and other Advances	-		-	
	Other Current Liabilities	35 040	**35 040**	34 820	34 820
	Cash (used in) / Generated from Operations		**6 720**		6 500
	Tax Refund		**-**		-
	Tax Paid		**(6 720)**		(6 500)
	Net Cash used in Operating Activities				( )
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Interest on Fixed Deposit with Bank		33 316		39 666
	Net Cash Generated from Investing Activities		**33 316**		**39 666**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Short Term Borrowings		**-**		-
	Net Cash from Financing Activities		**-**		-
	Net Increase/ (Decrease) in Cash and Cash Equivalents		**33 316**		39 665
	Opening Balance of Cash and Cash Equivalents		**6 04 553**		5 64 888
	Closing Balance of Cash and Cash Equivalents		**6 37 869**		6 04 553

Note:

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

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

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

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Arvind Purohit
Director
DIN No :- 08349713

Place : Mumbai
Date :- May 26, 2022

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2022

1. General Information and Significant Accounting Policies

1.01 General Information

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

1.02 Basis of Preparation of Financial Statements

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

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

1.03 Recent Accounting Developments

Standards issued but not yet effective:

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

1.04 Use of Estimates

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

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

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

Critical estimates and judgements

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

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

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

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

1.05 Functional Currency and Presentation Currency

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

1.06 Borrowing Costs

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

1.07 Revenue Recognition and Receivables

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

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

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

1.08 Taxation

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

1.09 Provisions, Contingent Liabilities and Contingent Assets

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

1.10 Earning per Share

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

1.11 Financial Instruments

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

Financial Assets

Classification

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

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

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

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

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

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

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

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

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

(vii) **Derecognition of Financial Assets**

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

(viii) **Impairment of Financial Assets**

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

Financial Liabilities

(i) **Classification**

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

(ii) **Initial recognition and measurement**

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

(iii) **Subsequent measurement**

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

(iv) **Loans and Borrowings**

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

(v) **Derecognition of Financial Liabilities**

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

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

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

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2022

(Amount in ₹)

		As at March 31, 2022	As at 'March 31, 2021
2.01 Income Tax Assets			
Advance taxes and Tax deducted at source (Net)		**16 115**	18 057
		16 115	18 057

2.02 Investments

a) Investment in Preference Shares of Companies-

50 00 000 (50 00 000)	7.5% Redeemable Non Cumulative Non Convertible Preference share of Reliance Realty Limited (Formerly Reliance Infocomm Infrastructure Limited) ₹ 10 each	**200 00 00 000**	200 00 00 000
		200 00 00 000	200 00 00 000

2.03 Cash and Cash Equivalents

Balance with Banks	**6 807**	6 807
Bank Deposit	**6 31 062**	5 97 746
	6 37 869	6 04 553

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2022

(Amount in ₹)

	As at March 31, 2022	As at 'March 31, 2021
2.04 Equity Share Capital		
Authorised		
50 000 (50 000) Equity Shares of ₹ 10 each	**5 00 000**	5 00 000
	5 00 000	5 00 000
Issued, Subscribed and Paid up		
50 000 (50 000) Equity Shares of ₹ 10 each	**5 00 000**	5 00 000
	5 00 000	5 00 000

2.04.01 Equity Shares held by Promoters

	No. of Shares	% of Total Shares	% Change during the year
a) Reliance Infratel Limited, the Holding Company & its Nominee.	**50,000** (50,000)	**100%** (100%)	**Nil** (Nil)

2.04.02 Shares held by Holding Company

	No. of Shares	%	No. of Shares	%
a) Reliance Infratel Limited, the Holding Company & its Nominee.	**50 000**	**100%**	50 000	100%

b) **Terms/rights attached to equity shares**

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

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

Equity Shares

	As at March 31, 2022	As at 'March 31, 2021
	No. of shares	No. of shares
At the beginning of the Year	**50 000**	50 000
Add / (Less) : Changes during the period	**-**	-
At the end of the period	**50 000**	50 000

2.05 Other Equity	As at March 31, 2022	As at 'March 31, 2021
Surplus / (Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	**(4 95 954)**	(4 86 762)
Add: Profit / (Loss) for the period	**(3 666)**	(9 192)
	(4 99 620)	(4 95 954)

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2022

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
2.06 Borrowings		
Unsecured		
Loans and Advances from Related Parties (Refer Note 2.16)	**200 03 60 765**	200 03 60 765
	200 03 60 765	200 03 60 765
2.07 Other Current Liabilities		
Provision for expenses	**1 18 485**	97 245
Other Liabilities from Related Party (Refer Note 2.16)	**1 74 354**	1 60 554
	2 92 839	2 57 799
2.08 Interest Income		
Interest on Fixed Deposit with Bank	**33 316**	25 849
	33 316	25 849

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

	As at March 31, 2022	As at March 31, 2021
2.09 General and Administrative expenses		
Professional Fees	**14 160**	14 160
Payment to Auditors - Audit Fees	**14 160**	14 160
	28 320	28 320

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2022

Note : 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 except as otherwise stated.

Note : 2.11

(Amount in ₹)

Earnings per Share (EPS)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Numerator - Profit /(Loss) after tax (₹)	**(3 666)**	(9 192)
Denominator - Weighted number of equity shares	**50 000**	50 000
Basic as well as diluted, earning per equity share (₹)	**(0.07)**	(0.18)

Note : 2.12

Deferred Tax Assets

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

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

(a) Amounts recognised in profit and loss

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	**8 662**	6 721
Deferred income tax liability / (asset), net	-	-
Tax expense for the year	**8 662**	6 721

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

(c) Reconciliation of Tax Expenses

Profit/ (Loss) before Tax	**4 996**	(2 471)
Applicable Tax Rate	**25.75%**	25.75%
Computed Tax Expenses (I)	**1 286**	(636)
Add: Tax on Expenses disallowed	**7 376**	7 357
Income Tax Expenses charge / (credit) to Statement of Profit and Loss	**8 662**	6 721

Note : 2.13

Segment Reporting

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

Note : 2.14

Post Reporting Events

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

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2022

Note : 2.15

1 **Related Parties :**

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

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

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

(Amount in ₹)

Sr. No.	Nature of Transactions	Ultimate Holding Company	Holding Company of Holding Company	Fellow Subsidiary	Total
1	**Short Term Borrowings**				
	Balance as at April 1, 2021	-	**195 03 60 765**	**5 00 00 000**	**200 03 60 765**
		(-)	(195 03 60 765)	(5 00 00 000)	(200 03 60 765)
	Taken During the period	-	-		
		(-)	(-)	(-)	(-)
	Repaid during the period	**-**	**-**	**-**	**-**
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	**-**	**195 03 60 765**	**5 00 00 000**	**200 03 60 765**
		(-)	(195 03 60 765)	(5 00 00 000)	(200 03 60 765)
2	**Other Current Liabilities**				
	Balance as at April 1, 2021	**1 41 574**	-	**18 980**	**1 60 554**
		(1 41 574)	(-)	(5 400)	(1 46 974)
	Taken During the period	-	-	13 800	13 800
			(-)	(13 580)	(13 580)
	Adjusted during the period	-	**-**	-	-
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	**1 41 574**	**-**	**32 780**	**1 74 354**
		(1 41 574)	(-)	(18 980)	(1 60 554)
3	**Investment in Preference Shares**				
	Balance as at April 1, 2021	**-**	-	**200 00 00 000**	**200 00 00 000**
		(-)	(-)	(200 00 00 000)	(200 00 00 000)
	Purchases During the period	-	-	-	-
		(-)	(-)	(-)	(-)
	Sale during the period	-	**-**	-	-
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	**-**	**-**	**200 00 00 000**	**200 00 00 000**
		(-)	(-)	(200 00 00 000)	(200 00 00 000)

Note : 2.16

1 **Financial Instruments**

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

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

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

Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2022

Particulars	**As at 'March 31, 2022**	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.03)	**6 37 869**	6 04 553
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Investments (Refer Note 2.02)	**200 00 00 000**	200 00 00 000
Financial liabilities at amortised cost:		
Borrowings (Refer Note 2.07)	**200 03 60 765**	200 03 60 765
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 Financial Risk Management Objectives and Policies

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

Financial risk management

Market risk

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

Interest Rate Risk

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

Exposure to interest rate risk

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

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

	As at 'March 31, 2022	As at March 31, 2021
Fixed Rate Instruments		
Financial Assets	**6 31 062**	5 97 746
Financial Liabilities	**Nil**	Nil
Variable Rate Instruments	**Nil**	Nil

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

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

Impact on Profit and Loss / Equity

	For the year ended March 31, 2022	For the year ended March 31, 2021
Impact of increase in interest rate by 100 basis point	**6 311**	5 977

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

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

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Reliance Bhutan Limited

Notes on Accounts to the Financial Statement as at March 31, 2022

Note : 2.17

Segment Reporting

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

Note : 2.18

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 2.19

Accounting Ratio

Name of the Ratio	Numerator	Denominator	2021-22	2020-21	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	1.00	1.00	0.00%
Debt Equity Ratio (in times)	Total Debt	Equity	52,64,107	4,94,405	9.65%

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 : 2.20

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2022 are approved by the Board of Directors on May 26, 2022.

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

For and on behalf of the Board

Rakesh Gupta
Director
DIN No :- 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Arvind Purohit
Director
DIN No :- 08349713

Place : Mumbai
Date :- May 26, 2022

Independent Auditor's Report

To the Members of ReliancewebstoreLimited.

Report on the Standalone FinancialStatements

We have audited the accompanying Standalone financial statements of **Reliance WebstoreLimited**("the Company") which comprises the Balance Sheet as at March 31, 2022, 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, 2022, and Loss, changes in equity and its cash flows for the year ended *o*n 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 ofthe 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 thesematters.

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.

lf, 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 undersection 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 doso.

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 judgementand 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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 modifyour 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 evaluatingthe 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 matterin 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJRBQL3755

Place: Mumbai
Date: 26/05/2022

Reliance Webstore Limited
Annexure A to Independent Auditor's Report – 31st March 2022

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, 2022, we report the following:
We report that

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

(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 orderare 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, cessand 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.

- 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). Thecompany is not a NidhiCompany. 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 companyis 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).Thecompany has not entered into noncash transactions with directors or persons connected with him.

xvi). (a) Thecompany 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). Thecompany has not incurred cash losses inthe 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 companyhas not made investments in subsidiary company. Therefore, the company does not require to prepareconsolidated 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: 22130514AJRBQL3755

Place: Mumbai
Date: 26/05/2022

Annexure B to Independent Auditor's Report –31st March 2022 on the Financial Statements of Reliance Webstore Limited

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

We have audited the internal financial consolsover financial reporting of **Reliance Webstore Limited**('the Company') as of March 31, 2022in 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 Accountantsof 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's Resposibi1ity

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 effectivelyin 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.

AnnexureBtoIndependentAuditor’sReport-31st March2022onthe FinancialStatementsofReliance Webstore Limited

Meaning of Internal Financial Controls OverFinancial 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 unauthorisedacquisition, use, or dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

Inherent Limitations of Internal Financial Controls OverFinancial 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 periodsare 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 maydeteriorate.

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, basedon “ 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 PritiV Mehta &Company
Chartered Accountants
FirmRegn.No.129568W

PritiV.Mehta
(Proprietor)
M.No.130514
UDIN:22130514AJRBQL3755

Place:Mumbai
Date: 26/05/2022

Reliance Webstore Limited

Balance Sheet as at March 31, 2022

(₹ in Lacs)

	NOTES	As at March 31, 2022	As at Mar. 31, 2021
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	**2.01**	**-**	-
(b) Investments in Subsidiaries	**2.02**	**215.00**	215.00
(c) Financial Assets			
(i) 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**	**243.68**	235.95
(iii) Other Financial Assets	**2.08**	**0.97**	0.97
(b) Other Current Assets	**2.09**	**18 657.72**	18 657.95
Total Assets		**20 530.40**	20 522.90
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	**2.10**	**5.00**	5.00
(b) Other Equity	**2.11**	**(64 065.44)**	(64 011.00)
		(64 060.44)	(64,006.00)
LIABILITIES			
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		**217.61**	217.61
Due to Others		**6 154.73**	6 155.34
(iii) Other Financial Liabilities	**2.14**	**9 147.86**	9 102.65
(b) Other Current Liabilities	**2.15**	**7 839.14**	7 821.80
Total Equity and Liabilities		**20 530.40**	20 522.90
Significant Accounting Policies	**1**		
Notes On Accounts	**2**		

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

As per our Report of even date

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

Priti V. Mehta
Propritor
Membership No.130514

Place :Mumbai
Date :26-05-2022

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 Year ended Mar 31, 2021

(₹ in Lacs)

	NOTES	For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Revenue from Operations	**2.16**	**-**	-
Other Income	**2.17**	**1.52**	9.66
Total Income		**1.52**	9.66
EXPENDITURE			
Cost of Goods Sold	**2.18**	**0.11**	-
Utilities and Services Consumed	**2.19**	**0.80**	-
Finance Costs	**2.20**	**0.14**	11.92
Other Expense	**2.21**	**54.91**	128.57
Total Expenses		**55.96**	140.49
Profit / (Loss) before Tax		**(54.44)**	(130.83)
Tax Expense :			
Current Tax		**-**	-
Short Provision for Tax of Earlier Year		**-**	(97.86)
Deferred Tax Charge/ (Credit) (net)		**-**	-
Profit / (Loss) After Tax		**(54.44)**	(32.97)
Other Comprehensive Income		**-**	-
Total Comprehensive Income for the year		**(54.44)**	(32.97)
Earning per Share of face value of ₹10 each fully paid up	**2.26**		
Basic (₹)		**(108.88)**	(65.94)
Diluted (₹)		**(108.88)**	(65.94)
Significant Accounting Policies	**1**		
Notes On Accounts	**2**		

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

As per our Report of even date

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

Priti V. Mehta
Propritor
Membership No.130514

Place :Mumbai
Date :26-05-2022

For and on behalf of the Board

Sandeep Garg
Director
DIN : 09513285

Dolly Dhandhresha
Director
DIN : 07746698

Reliance Webstore Limited

Statement of Cash flow for the period ended March. 31, 2022

(₹ in Lacs)

			For the year ended Mar 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/ (Loss) before tax as per Statement of Profit and Loss		**(54.44)**		(32.97)
	Adjusted for:				
	Finance Cost	**0.14**		11.91	
	Effect of change in Unrealised Foreign Exchange Rate	**-**	**0.14**	-	11.91
	Operating Profit before Assets and Liabilities Changes		**(54.30)**		(21.06)
	Adjusted for:				
	Receivables and other Advances	**(0.77)**		7,581.81	
	Trade Payables and Other Liabilities	**62.95**		(7,525.32)	
			62.18		57.48
	Cash Generated from Operations		**7.88**		36.43
	Income Tax Refund	**-**		108.00	
	Income Tax Paid	**-**	**-**	-	108.00
	Net Cash from Operating Activities		**7.88**		144.50
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		**(0.14)**		(11.91)
	Net Cash (Used in) / from Financing Activities		**(0.14)**		(11.91)
	Net Increase/ (Decrease) in Cash and Cash Equivalents		**7.74**		132.59
	Opening Balance of Cash and Cash Equivalents		**235.94**		103.36
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.07)		**243.68**		235.94

NOTE:

1 Figures in brackets indicates Cash Outflow

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

As per our Report of even date

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

Priti V. Mehta
Propritor
Membership No.130514

Place :Mumbai
Date :26-05-2022

For and on behalf of the Board

Sandeep Garg
Director
DIN : 09513285

Dolly Dhandhresha
Director
DIN : 07746698

Reliance Webstore Limited

Statement of Change in Equity for the period ended Mar. 31 2022

	For the Period ended Mar 31, 2022	(₹ in Lacs) For the year ended March 31, 2021
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, 2020	**(63 977.93)**
Total Comprehensive Income for the year	(33.07)
Balance as at March 31, 2021	**(64 011.00)**
Total Comprehensive Income for the year	(54.44)
Balance as at March 31, 2022	**(64 065.44)**

As per our Report of even date

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

Priti V. Mehta
Propritor
Membership No.130514

Place :Mumbai
Date :26-05-2022

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 crore, unless stated otherwise.

1.04 Use of Estimates

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

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

Critical estimates and judgements

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

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

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

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

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

(v)

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

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

(vii) Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

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

1.05 Property, Plant and Equipment

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

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

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

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

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

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

1.06 Impairment of Non Financial Assets

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

1.07 Investments

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

1.08 Inventories of Stores, Spares and Communication Devices

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

1.09 Foreign Currency Transactions

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

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

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

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

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

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

1.10 Revenue Recognition and Receivables

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

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

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

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

(v) Revenue from Contracts with Customers

The Company has applied Ind AS 115 "Revenue from Contracts with Customers" w.e.f. April 1, 2018, using the cumulative effect method and therefore comparative information has not been restated and continues to be reported under Ind AS 18. Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.
The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’. As a result, it is required to determine whether control is transferred over time. If not, only then revenue be recognised at a point in time, or else over time. The Company also determines if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration gets allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

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

1.11 Taxes on Income and Deferred Tax

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

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

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

1.12 Provisions, Contingent Liabilities and Contingent Assets

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

1.13 Earning per Share

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

1.14 Measurement of fair value of financial instruments

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

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred. (Refer to note 2.40.1) 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 ial Liabilities

(i) Classification

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

(ii) Initial recognition and measurement

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

(iii) Derecognition of Financial Liabilities

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

Reliance Webstore Limited
Note on Accounts to the Financial Statement

NOTE : 2.01

Property, Plant and Equipment

(₹ in Lacs)

Particulars	Leasehold Improvement	Plant and Machinery	Furniture and Fixtures	Vehicles	Total	Capital Work in Progress
Gross carrying value						
As at April 1, 2020	417.70	22 411.00	274.94	35.75	23 139.88	14 365.65
Additions	-	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-	-
As at March 31, 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**
Accumulated Depreciation						
As at April 1, 2020	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, 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 Mar 31, 2022	**417.70**	**22 411.00**	**274.94**	**35.59**	**23 140.22**	**14 365.79**
Net Carrying Value						
As at March 31, 2021	-	-	-	-	-	-
As at March 31, 2022	-	-	-	-	-	-

Reliance Webstore Limited

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

(₹ in Lacs)

	As at Mar. 31, 2022	As at Mar. 31, 2021
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.

	As at Mar. 31, 2022	As at Mar. 31, 2021
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	
DEFRRED TAX ASSETS	**2022**	2021	**2022**	2021
Related to carried forward loss	**-**	-	**-**	-
Related to timing difference on depreciarion	**-**	-	**-**	-
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 enforceble right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

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

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

(₹ in Lacs)

		For the Period ended Mar 31, 2022	For the year ended March 31,
(a)	**Amounts recognised in profit and loss**		
	Current Tax	-	(97.86)
	Deferred Tax Charge/ (Credit) (net)	-	-
	Tax expense for the year	-	(97.86)
(b)	**Reconciliation of Tax Expenses**		
	Profit/ (Loss) before Tax	**(54.44)**	(130.83)
	Applicable Tax Rate	**31.20%**	31.20%
	Computed Tax Expense (I)	**(16.99)**	(40.82)
	Add: Items not considered for Tax Computation		
	DTA Recognised in earlier year reversed during the year	-	-
	Tax Losses for which no DTA was recognised	**16.99**	40.82
	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. 2.31)	**1 779.69**	1 779.69
Credit Impaired	**1 072.00**	1 072.00
	707.69	707.69

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, 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	**-**	**.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	**-**	**.30**	**131.41**	**575.55**	**.43**	**707.69**
	As at March 31, 2021						
(i)	Undisputed Trade receivables considered good	0.30	131.41	693.93	953.62	0.43	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	.30	131.41	693.93	953.62	.43	1,779.69
	Provision for allowance of credit impaired (B)	-		-118.38	-953.62	-	- 1 072.00
	Total - A + B	.30	131.41	575.55	.00	.43	707.69

Reliance Webstore Limited

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

(₹ in Lacs)

	As at Mar. 31, 2022	As at Mar. 31, 2021
NOTE : 2.07		
CASH AND CASH EQUIVALENTS		
Balances with Banks	**243.68**	235.95
	243.68	235.95
NOTE : 2.08		
OTHERS FINANCIAL ASSETS		
Interest Accrued	**0.97**	0.97
	0.97	0.97
NOTE : 2.09		
OTHER CURRENT ASSETS		
Advances and Receivables		
Considered good (Refer Note No 2.31)	**10 181.31**	10 181.31
Others		
Deposit with Government Authorities	**36.91**	36.91
Deposit with Others	**161.43**	161.43
Balance with Customs, Central Excise Authorities etc.	**8 279.07**	8 278.30
	18 657.72	18 657.95

Reliance Webstore Limited

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

(₹ in Lacs)

	As at **March 31, 2022**	As at March 31, 2021
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

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

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

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

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

	Number	**(₹ in 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

(₹ in Lacs)

	As at Mar. 31, 2022	As at Mar. 31, 2021
NOTE : 2.11		
OTHER EQUITY		
Surplus in Retained Earnings		
Opening Balance	**(64 011.00)**	(63 977.93)
Profit/(Loss) for the year	**(54.44)**	(33.07)
Balance carried forward	**(64 065.44)**	(64 011.00)
	(64 065.44)	(64 011.00)
NOTE : 2.12		
BORROWINGS		
Unsecured		
Rupee Loan from Related Party (Refer Note 2.31)	**61 231.50**	61 231.50
	61 231.50	61 231.50
NOTE : 2.13		
TRADE PAYABLES		
Due to Micro, Small and Medium Enterprises	**217.61**	217.61
Others	**6 154.74**	6 155.34
	6 372.35	6 372.95

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 Mar. 31, 2022**	As at Mar. 31, 2021
(a) Principal amount due to the enterprises defined under MSMED	**217.61**	217.61
(b) Interest due thereon to the enterprises defined under MSMED	**220.50**	181.47
(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	**220.50**	181.47
(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	**148.04**	119.27

NOTE : 2.14		
OTHER FINANCIAL LIABILITIES		
Provision for Expenses	**9 147.86**	9 102.65
	9 147.86	9 102.65
NOTE : 2.15		
OTHER CURRENT LIABILITIES		
Advance from Customers	**1 049.59**	1 049.59
Other Liabilities*	**6 789.55**	6 772.20
	7 839.14	7 821.80

(*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 year ended March 31, 2022		For the year ended March 31, 2021
NOTE : 2.16				
REVENUE FROM OPERATIONS				
Hand Sets & Devices	-		-	
Less: VAT/Sales Tax	-	-	-	-
Income From ancillary services (ancillary to DTH)		-		-
		-		-

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

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income ₹ 15,500 (Previous Year ₹ 15,500)	0.15	-
Interest Income on Income Tax Refund	1.37	9.66
	1.52	9.66

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 year ended March 31, 2022	For the year ended March 31, 2021
NOTE : 2.18		
COST OF GOODS SOLD		
Handsets	0.11	-
	0.11	-
Stores and Spares Consumed	0.80	-
	0.80	-

Reliance Webstore Limited

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

	For the year ended March 31, 2022	(₹ in Lacs) For the year ended March 31, 2021
NOTE : 2.20		
FINANCE COST		
Interest and Other Charges on Loans	-	11.91
Other Financial Cost (net) (Bank Charges Rs 14235)	0.14	-
	0.14	11.91
NOTE : 2.21		
OTHERS EXPENSES		
Selling Expenses		
Sales Promotion and Trade Discount	-	-
Selling and Marketing Expense (Rs 9947)	0.00	-
	0.00	-
General Administration Expenses		
Interest on TDS/GST	46.29	122.91
Rent, Rates & Taxes	2.70	1.00
Professional Fees	2.32	1.56
Other General and Administrative Expenses	1.10	0.60
	52.41	126.07
Payment to Auditors		
Audit Fees	2.00	2.00
Tax Audit Fees	0.50	0.50
	2.50	2.50
	54.91	128.57

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 Mar. 31, 2022	As at March 31, 2021
(i)	Estimated amount of contracts remaining to be executed on capital accounts and not provided for	-	-
(ii)	Disputed Liabilities not provided for		
	- Sales Tax and VAT	**1 754.00**	1 754.00
	- Custom, Excise and Service Tax	**2 621.00**	2 621.00
	- Entry Tax and Octroi	**26.00**	26.00
	- Other Litigations	**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:

(₹ in Lacs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Cash and Cash Equivalents (Refer Note 2.07)	243.68	235.95
Trade receivables (Refer Note 2.06)	707.69	707.69
Other financial assets (Refer Note 2.08 & 2.03)	4.07	4.07
Total	**955.44**	**947.70**
Financial assets at fair value through Profit and Loss:	**Nil**	**Nil**
Financial assets at fair value through other comprehensive Income:	**Nil**	**Nil**
Financial liabilities at amortised cost:	-	-
Trade payables (Refer note 2.13)	6 372.33	6 372.95
Other Financial Liabilities (Refer note 2.14)	9 147.86	9 102.65
Borrowings (Refer Note 2.12)	61 231.50	61 231.50
Total	76 751.70	**76 707.12**
Financial liabilities at fair value through Profit and Loss:	Nil	**Nil**
Financial Liabilities at fair value through other Comprehensive 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 Insolvancy Resolution (CIR) Process has been initiated against the Holding Company and operations of the Company has also been adversaly impacted and its associated risks are as under

Market risk

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

Reliance Webstore Limited

Note on Accounts to the Financial Statement

Foreign Currency Risk from financial instruments as of :

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

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

Sensitivity Analysis

Not relavent till the time operations become normal.

Interest Rate Risk

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

Exposure to interest rate risk

Not relavent till the time operations become normal.

Credit risk

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

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

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

Ageing of Trade Receivable (₹ in Lacs)

Particulars	**As at Mar 31, 2022**			As at March 31, 2021		
	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 adversaly impacted. Management belives that operations may become normal and thereafter liquidity periodic budget and rolling forcast shall be determined.

Note 2.26

Earnings per Share (EPS)	**For the year ended Mar 31, 2022**	For the year ended March 31, 2021
Basic and Diluted EPS (before and after Exceptional Items)		
(a) Profit attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating Basic EPS)	**(54.44)**	(32.97)
(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 (₹)	**(108.88)**	(65.94)

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 ₹ 1.02 crore).

	For the year ended March 31, 2022 In Cash	For the year ended March 31, 2022 Yet to be paid in cash	For the year ended March 31, 2021 In Cash	For the year ended March 31, 2021 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

No.	Name	Relationship
1	Reliance Communications Limited	Holding Company
2	Globalcom IDC Limited	Subsidiary Company
3	Reliance Communications Tamilnadu Limited	Subsidiary Company
4	Reliance Communications Infrastructure Limited	Fellow subsidiary
5	Reliance Infratel Limited	Fellow subsidiary
6	Reliance Realty Limited	Fellow subsidiary
7	Reliance Globalcom Limited (up to June 30,2019)	Fellow subsidiary
8	Reliance Tech Services Limited	Fellow subsidiary
9	Reliance Communications Hongkong Limited	Fellow subsidiary
10	Reliance Telecom Limited	Fellow subsidiary
11	Reliance Capital Limited	Enterprise over which Promoter of Holding Company having control
12	Reliance Nippon Life Asset Management Limited	Enterprise over which Promoter of Holding Company having control
13	Reliance General Insurance Company Limited	Enterprise over which Promoter of Holding Company having control
14	Big Flicks Private Limited	Enterprise over which Promoter of Holding Company having control
15	Reliance Nippon Life Insurance Company Ltd.	Enterprise over which Promoter of Holding Company having control
16	Zapak Digital Entertainment Limited	Enterprise over which Promoter of Holding Company having control
17	Reliance Infrastructure Limited.	Enterprise over which Promoter of Holding Company having control

B Transactions during the year with related parties

(₹ in Lacs)

	Holding Company	Subsidiaries	Fellow Subsidiaries	Enterprise over which Promoter of Holding Company having control	Total
(A) **Non Current investment**					
Balance as at April 1, 2021	-	215.00	-	-	215.00
	-	-	-	-	-
Purchase/(Sale) Of Investment	-	-	-	-	-
	-	-	-	-	-
Balance as at March 31, 2022	**-**	**215.00**	**-**	**-**	**215.00**
(B) **Trade Receivables**					
As at March 31, 2022	**-**	**-**	**-**	**15.66**	**15.66**
As at March 31, 2021	-	-	-	15.66	15.66
(C) **Other Current Assets**					
As at March 31, 2022	**239.88**	**-**	**73.12**	**-**	**313.00**
As at March 31, 2021	239.88	-	73.12	-	313.00
(D) **Short Term Borrowings**					
Balance as at April 1, 2021	-	-	61 232.00	-	61 232.00
	-	-			-
Taken/ Adjusted during the year	-	-	-	-	-
	-	-	-	-	-
Repaid / Adjusted during the year	-	-	-	-	-
	-	-		-	-
Balance as at March 31, 2022	**-**	**-**	**61 232.00**	**-**	**61 232.00**
(E) **Trade Payables**					
As at March 31, 2022	-	**1 241.18**	-	**0.39**	**1 241.57**
As at March 31, 2021	-	1 268.00	-	0.39	1 268.39
(F) **Other Financial Liabilities**					
As at March 31, 2022	-	-	**1 365.75**	**-**	**1 365.75**
As at March 31, 2021	-	-	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, 2022	As at March 31, 2021
(a) Equity	(64 060.44)	(64 006.00)
(b) Debt	61 231.50	61 231.50
(c) Equity and Debt (a + b)	(2 828.93)	(2 774.49)
(d) Capital Gearing Ratio (b / c)	(21.64)	(22.07)

Note 2.43 Ratio

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

Sr.n	Ratios	Numerator	Denominator	March'22	March'21	Variance
1)	Current Ratio (in times)	Current assets	Current Liabilities	0.23	0.23	0%
2)	Debt Equity ratio (in times)	Total Debt	Equity	-0.96	-0.96	0%
3)	Return on equity (%)	Net Profit	Equity	0.00	0.00	0%
4)	Inventory Turnover ratio (in times)	Turnover	Average Turnover	-	-	0%
5)	Trade Receivable turnover ratio (in times)	Turnover	Average Trade Receivable	-	-	0%
6)	Trade Payable turnover ratio (in times)	Turnover	Average Trade Payable	-	-	0%
7)	Net Capital Turnover ratio (in times)	Turnover	Working Capital	-	-	0%
8)	Net profit ratio (%)	Net Profit	Turnover	-	-	0%
9)	Return on Capital employed (%)	Profit before tax	Equity	-	-	0%

Note : 2.34

Authorisation of Financial Statements

The financial statements for the years ended March 31, 2022 were approved by the Board of Director on May 26,2022

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 :26-05-2022

For and on behalf of the Board

Sandeep Garg
Director
DIN : 09513285

Dolly Dhandhresha
Director
DIN : 07746698

AJAY AGARWAL & CO. ROOM NO-203, 1/42, LALITA PARK
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INDEPENDENT AUDITOR'S REPORT

To the Members of Campion Properties Limited

Report on the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Campion Properties Limited ("the Company), which comprise the balance sheet as at 31st March 2022, 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, 2022and its loss, Changes in equity and its cash flow for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note No. 27(a) in the financial statement, which indicate that the company incurred a net loss of Rs.5,60,78,913 for the year ended 2021-22 and, as of that date Company's current liabilities exceeded its total assets by Rs. 74,18,97,891.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 2022, 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 StandaloneFinancial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("Act") with respect to the preparation of thesestandalone 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) Thestandalone Balance Sheet, Statement of Profit & Loss and cash flow statement dealt with by this Report are in agreement with the books of account.

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

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

(f)On the basis of written representations received from the directors as on March 31,2022 and taken on record by the Board of Directors, none of the directors aredisqualified as on March 31,2022from being appointed as a director in terms of Section 164(2) of the Act.

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

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

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

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

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

(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.

For M/S AJAY AGARWAL & CO.
Chartered Accountants

FRN No. 005972N

M. No. 084812

Place: New Delhi (CA AJAY KUMAR AGARWAL)

Date:25.05.2022Partner UDIN:

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, 2022.

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 raisedby way of public issue or follow-on offer (including debt instruments) and term loans were applied for the purposes for which those are raised.

(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 xivof the Companies (Auditor's Report) Order 2020is 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. 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.

20. Clause xxof 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

Place: New Delhi (CA AJAY KUMAR AGARWAL)
Date: 25.05.2022 Partner UDIN:

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, 2022 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, 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 Institute of Chartered Accountants of India.

For M/S AJAY AGARWAL & CO.
Chartered Accountants

FRN No. 005972N

M. No. 084812

Place: New Delhi (CA AJAY KUMAR AGARWAL)
Date: 25.05.2022 Partner UDIN:

Campion Properties Limited
Balance sheet as at March 31,2022

(Amount in Rs.'000)

Particulars	Note No.	As at March 31,2022	As at March 31, 2021
Assets			
Non-current assets			
Property, Plant and Equipment	2	69,111	83,119
Investment Property	3	799,346	813,774
		868,457	**896,893**
Current assets			
Financial assets			
(i) Trade receivables	4	-	-
(ii) Cash and cash equivalents	5	2,102	2,220
Current tax assets	6	-	-
Other current assets	7	2,003	2,001
		4,105	**4,221**
Total assets		**872,562**	**901,114**
Equity and liabilities			
Equity			
Share capital	8	35,636	35,636
Other equity	9	(777,534)	(721,455)
		(741,898)	**(685,819)**
Current liabilities			
Financial Liabilities			
(i) Borrowings	10	1,535,707	1,535,707
(ii) Trade payables			
Total outstanding dues of Micro and Small Enterprise	11	-	-
Total outstanding dues to creditors other than Micro and Small Enterprise	11	43,694	8,561
Other current liabilities	12	34,902	42,507
Current Tax Liability	13	157	157
		1,614,460	**1,586,933**
Total Equity and Liabilities		**872,562**	**901,114**
See accompanying notes to the financial statements 1-30			

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

Partner
M No 084812

Place of Signature: New Delhi
Date: 25/05/2022

For and on behalf of the Board

Director Rakesh Gupta
DIN : 00130829

Director:Vinay Soni
DIN : 08567944

Place of Signature: Mumbai
Date: 25/05/2022

Campion Properties Limited

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in Rs.'000)

Particulars	**Note No.**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Revenue from Operations	14	-	-
Other Income	15	16	-
Total Income		**16**	**-**
Expenses			
Depreciation and Amortization Expense	16	28,436	41,446
Other Expenses	17	27,659	13,928
Total Expenses		**56,095**	**55,373**
Loss before exceptional item and tax		**(56,079)**	**(55,373)**
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Tax for earlier years			
Loss for the year / period		**(56,079)**	**(55,373)**
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		**(56,079)**	**(55,373)**
Earning per equity share			
(1) Basic	23	(15.74)	(15.54)
(2) Diluted	23	(15.74)	(15.54)

See accompanying notes to the financial statements 1-30

In terms of our report of even date attached

For M/S AJAY AGARWAL & CO.

Chartered Accountants

(Firm Registration No.0005972N)

For and on behalf of the Board

(CA AJAY KUMAR AGARWAL)

Partner

M No 084812

Director Rakesh Gupta

DIN : 00130829

Director:Vinay Soni

DIN : 08567944

Place of Signature: New Delhi

Date: 25/05/2022

Place of Signature: Mumbai

Date: 25/05/2022

Campion Properties Limited

Statemenf of Cash Flow for the year ended March 31, 2022

(Amount in Rs.'000)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(A)	**Cash flow from Operating Activities**		
	Net Profit /(Loss) after tax	(56,079)	(55,373)
	Adjustment for:		
	Depreciation	28,436	41,446
	Provision for Doubtful Debt	-	-
	Provision for Doubtful Advances	-	-
	Write-back of Creditors	-	-
	Cash loss from operating before Working Capital Changes	**(27,643)**	**(13,927)**
	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	35,133	1,454
	Increase/(Decrease) in Other Current Liabilities	(7,606)	12,344
	Cash flow from Operating Activities (A)	**(118)**	**(129)**
(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)**	**(118)**	**(129)**
	Opening Balance of Cash and Cash equivalents	**2,220**	**2,349**
	Closing Balance of Cash and Cash equivalents	**2,102**	**2,220**
	Net Increase/(Decrease) in Cash and Cash equivalents	**(118)**	**(129)**
	Components of Cash and Cash Equivalents (refer note 5)		
	Cash in Hand	-	-
	Balances with Banks- In Current account	2,102	2,220
		2,102	**2,220**

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

Partner
M No 084812

Place of Signature: New Delhi
Date: 25/05/2022

For and on behalf of the Board

Director:Rakesh Gupta
DIN: 00130829

Director:Vinay Soni
DIN : 08567944

Place of Signature: Mumbai
Date: 25/05/2022

Campion Properties Limited
Statement of Changes in Equity for the year ended March 31, 2022

(Amount in Rs.'000)

Particulars	Share capital	Retained Earning	Other Comprehensive Income	Total Equity
As at 1 April 2020	**35,636**	**(666,082)**	**-**	**(630,446)**
Net Profit	-	(55,373)	-	(55,373)
Deferred Tax Assets/ (Liabilities) Adjustment	-	-	-	-
As at March 31, 2021	**35,636**	**(721,455)**	**-**	**(685,819)**
As at April 1, 2021	**35,636**	**(721,455)**		**(685,819)**
Net Profit/ loss for the period	-	(56,079)	-	(56,079)
Actuarial (gain)/loss in respect of defined benefit plan	-		-	-
Fair value change on available for sale financial assets	-		-	-
As at March 31, 2022	**35,636**	**(777,534)**	**-**	**(741,898)**

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

For and on behalf of the Board

(CA AJAY KUMAR AGARWAL)
Partner

M No 084812

Director:Rakesh Gupta
DIN: 00130829

Director:Vinay Soni
DIN : 08567944

Place of Signature: New Delhi
Date: 25/05/2022

Place of Signature: Mumbai
Date: 25/05/2022

Campion Properties Limited
Statement of Changes in Equity for the year ended March 31, 2022

(Amount in Rs.'000)

A. EQUITY SHARE CAPITAL

(1)CURRENT REPORTING PERIOD

Balance at the beginning of current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
35,636	-	35,636	-	35,636

(2) PREVIOUS REPORTING PERIOD

Balance at the beginning of previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
35,636	-	35,636	-	35,636

B. OTHER EQUITY
(1)CURRENT REPORTING PERIOD

	Share application money pending allotment	**Equity component of compound financial instruments**	**Reserves and Surplus**										**Money receive d against share warran ts**	**Total**
			Capital Reserve	Securities Premium	Other Reserve s (specify nature)	Retaine d Earning s	Debt instruments through Other Comprehensi ve Income	Equity Instruments through Other Comprehensi ve Income	Effective portion of Cash Flow Hedges	Revaluati on Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Compreh ens ive Income (specify nature)		
Balance at the beginning of the current reporting period						(721,455)								(721,455)
Changes in accountin g policy or prior period errors						-								-
Restat ed balanc e at the beginn ing of the current reporti ng period						(721,455)								(721,455)
Total Compreh ensive Income for the current year						-								-
Dividend s						-								-
Profit for the year						(56,079)								(56,079)
Any other change (to be specified)						-								-
Balance at the end of the current reporting period						(777,534)								(777,534)

(2) Previous reporting period

	Share applicatio n money pending allotment	**Equity componen t of compoun d financial instrumen ts**	**Reserves and Surplus**										**Money receive d against share warran ts**	**Total**
			Capital Reserv e	Securitie s Premium	Other Reserve s (specify nature)	Retaine d Earning s	Debt instrume nts through Other Compreh ensi ve Income	Equity Instruments through Other Comprehens i ve Income	Effective portion of Cash Flow Hedges	Revaluati on Surplus	Exchange differenc es on translatin g the financial statement s of a foreign operation	Other items of Other Compreh ens ive Income (specify nature)		
Balance at the beginning of the previous reporting period						(666,082)								(666,082)
Changes in accountin g policy/pri or period errors						-								-
Restat ed balanc e at the beginn ing of the previo us reporti ng period						(666,082)								(666,082)
Total Compreh ensive Income for the previous year						-								-
Dividend s						-								-
Profit for the year						(55,373)								(55,373)
Any other change (to be specified)						-								-
Balance at the end of the previous reporting period						(721,455)								(721,455)

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

1.1 Background of the Company:

a. Corporate Information

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

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

1.1 Basis of preparation of Financial Statements :

a Statement of Compliance

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

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

b. Basis of Measurement

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

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

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

When measuring the fair value of a financial asset or a financial liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

c. Functional and presentation currency

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

d. Current and non-current classification

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

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

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

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

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

e. Use of Estimates :

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

1.2 Significant accounting policies

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

a Financial instruments

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

a.1 Financial assets

a.1.1 Initial recognition and measurement

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

a.1.2 Subsequent measurement

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

Debt instruments at amortized cost

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

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

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

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

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

b) The asset's contractual cash flows represent SPPI

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

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

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

Equity investments :

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

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

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

a.1.3 Derecognition

A financial asset is primarily derecognised when:

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

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

a.1.4 Impairment of financial assets

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

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

a.2 Financial liabilities

a.2.1 Initial recognition and measurement

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

a.2.2 Subsequent measurement

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

Financial liabilities at amortized cost

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

Financial liabilities at fair value through profit or loss

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

Borrowings

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

Derecognition

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

b. Property, Plant & Equipment :

Initial recognition and measurement

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

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

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

Derecognition

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

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

c. Investment Properties

Initial recognition and measurement:

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

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

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

Transition to Ind AS:

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

Derecognition:

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

d. Intangible Assets other than Goodwill

Initial recognition and measurement

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

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

Derecognition

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

e. Depreciation & Amortisation:

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

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

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

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

(ii) Amortisation:

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

(iii) Depreciation on Investment Property

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

f. Impairment of Non- Financial Assets :

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

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

g. Borrowing Cost :

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

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

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

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

h. Provisions :

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

i. Employee benefits

Long Term Benefits

I. Defined contribution plans

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

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

II. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan like gratuity.

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

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

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

III. Other long-term employee benefits

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

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

Short-term benefits

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

j. Lease

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

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

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

k. Revenue Recognition :

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

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

l. Foreign Currency Transactions

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

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

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

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

m. Earnings per share :

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

n. Accounting for Taxes on Income :

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

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

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

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

o. Cash and Cash Equivalents:

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

p. Cash flow statement

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

q. Contingent liabilities :

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

Campion Properties Limited

Notes forming part of Financial Statements for the year ended March 31, 2022

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, 2021	102,624	43,006	204,462	**350,092**
Additions	-	-	-	**-**
Disposals	-	-	-	**-**
As at March 31, 2022	**102,624**	**43,006**	**204,462**	**350,092**
Accumulated Depreciation				
As at April 1, 2021	97,010	40,855	129,108	**266,973**
Additions	242	-	13,767	**14,009**
Disposals	-	-	-	**-**
As at March 31, 2022	**97,252**	**40,855**	**142,875**	**280,982**
Closing net carrying value as at April 1, 2021	**5,615**	**2,150**	**75,354**	**83,119**
Closing net carrying value as at March 31 ,2022	**5,373**	**2,150**	**61,587**	**69,111**

(Amount in Rs.'000)

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

Title deeds of Immovable Property not held in name of the Company- NO SUCH PROPERTY

Campion Properties Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

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, 2021	164,627	807,464	**972,091**
Additions	-	-	**-**
Disposals	-	-	**-**
As at March 31, 2022	**164,627**	**807,464**	**972,091**
Accumulated Depreciation			
As at April 1, 2021	30,737	127,580	**158,317**
Additions	1,663	12,765	**14,428**
Disposals	-	-	**-**
As at March 31, 2022	**32,400**	**140,344**	**172,745**
Closing net carrying value as at April 1, 2021	**133,890**	**679,884**	**813,774**
Closing net carrying value as at March 31 ,2022	**132,227**	**667,119**	**799,346**

(Amount in Rs.'000)

Particulars	Leasehold Land	Building	Total
Gross carrying value			
As at April 1, 2020	164,627	807,464	**972,091**
Additions	-	-	**-**
Disposals	-	-	**-**
As at March 31, 2021	**164,627**	**807,464**	**972,091**
Accumulated Depreciation			
As at April 1, 2020	29,055	114,575	**143,630**
Additions	1,683	13,005	**14,687**
Disposals	-	-	**-**
As at March 31, 2021	**30,738**	**127,580**	**158,317**
Closing net carrying value as at April 1, 2020	**135,573**	**692,889**	**828,461**
Closing net carrying value as at March 31 ,2021	**133,890**	**679,884**	**813,774**

Title deeds of Immovable Property not held in name of the Company- No SUCH PROPERTY

Campion Properties Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

(Amount in Rs.'000)

Note 4. Trade Receivables	As at March 31 , 2022	As at March 31, 2021
(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)
	-	-
Total	**-**	**-**

(Amount in Rs.'000)

Note 5. Cash and Cash Equivalent	As at March 31 , 2022	As at March 31, 2021
Balances with Banks		
Current Accounts	2,102	2,220
Cash on Hand	-	-
Total	**2,102**	**2,220**

(Amount in Rs.'000)

Note 6. Current tax assets	As at March 31 , 2022	As at March 31, 2021
Taxes Paid	-	-
Total	**-**	**-**

(Amount in Rs.'000)

Note 7. Other Current Assets	As at March 31 , 2022	As at March 31, 2021
Moblization Advance	11,134	11,134
Advance to Supplier and Contractors	282	282
Prepaid Expenses	-	-
Security Deposits	18,484	18,484
Less: Provision for doubtful advances	(29,899)	(29,899)
Other Current Assets	2	-
Sub Total (A)	**2**	**-**
EMD Deposits	2,001	2,001
Sub Total (B)	**2,001**	**2,001**
Total	**2,003**	**2,001**

(Amount in Rs.'000)

Note 8. Share Capital	**As at March 31, 2022**	**As at March 31, 2021**
Authorized		
Equity Shares of Rs. 10/- each (as at March 31, 2022, : 3,600,000 as at March 31, 2021: 3,600,000)	36,000	36,000
	36,000	**36,000**
Issued, Subscribed & Fully Paid up		
Equity Shares of Rs. 10/- each (as at March 31, 2022, :3,563,601, as at March 31, 2021: 3,563,601)	35,636	35,636
	35,636	**35,636**

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

(a) Movements in equity share capital	**As at March 31, 2022**		**As at March 31, 2021**	
	No of Shares	**Amount**	**No of Shares**	**Amount**
Balance at the beginning of the year	3,563,601	35,636,010	3,563,601	35,636,010
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	**3,563,601**	**35,636,010**	**3,563,601**	**35,636,010**

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

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

(c) Shares held by holding company

	As at March 31, 2022		**As at March 31, 2021**	
Equity Shares	**No of Shares**	**Percentage**	**No of Shares**	**Percentage**
Reliance Communications Limited and its nominee's*	3,563,601	100%	3,563,601	100%

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

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

	As at March 31, 2022		**As at March 31, 2021**	
Equity Shares	**No of Shares**	**Percentage**	**No of Shares**	**Percentage**
Reliance Communications Limited and its nominee's	3,563,601	100%	3,563,601	100%

(Amount in Rs.'000)

Note 9. Other Equity	**As at March 31, 2022**	**As at March 31, 2021**
Deficit in Statement of Profit & Loss		
Balance as per last period Balance Sheet	(721,455)	(666,082)
Add: Loss for the period	(56,079)	(55,373)
Add: Deferred Tax adjustment		
Balance at the end of the year	**(777,534)**	**(721,455)**

(Amount in Rs.'000)

Note 10. Current Liablities - Borrowings	**As at March 31, 2022**	**As at March 31, 2021**
Unsecured		
Loan from Holding Company*	1,527,520	1,527,520
Loan from Globalcom IDC Limited	8,188	8,188
Total	**1,535,707**	**1,535,707**

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

(Amount in Rs.'000)

Note 11. Trade Payables	**As at March 31, 2022**	**As at March 31, 2021**
Total outstanding dues of Micro and Small Enterprise*	-	-
Total outstanding dues to creditors other than Micro and Small Enterprise	43,694	8,561
Outstanding from due date of payment for-		
Less than 1 year	35,133	1,454
1-2 years	1,454	-
2-3 years	-	-
More than 3 years	7,107	7,107
Disputed Dues-MSME	-	-
Disputed Dues- Others	-	-
Total	**43,694**	**8,561**

*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

Campion Properties Limited

Notes forming part of Financial Statements for the year ended March 31, 2022

(Amount in Rs.'000)

Note 12. Other Current Liablities	As at March 31, 2022	As at March 31, 2021
Statuatory Due Payable		
TDS Payable	10	12
Service Tax Payable	-	-
Labour Cess	-	-
Expenses Payable	34,892	42,496
Security Deposit	-	-
Interest on Property tax Payable	-	-
Total	**34,902**	**42,507**

(Amount in Rs.'000)

Note 13. Current Tax Liability	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax	157	157
Total	**157**	**157**

Campion Properties Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 14. Revenue from Operations	**For Year ended March 31, 2022**	**For Year ended March 31, 2021**
Sale of services		
Rental Income	-	-
Total	**-**	**-**

Note 15. Other Income	**For Year ended March 31, 2022**	**For Year ended March 31, 2021**
Interest received on		
Fixed Deposits	-	-
Others	1	-
Miscellaneous Income (Interest on Electricity S	15.167	-
Total	**16**	**-**

Note 16. Depreciation	**For Year ended March 31, 2022**	**For Year ended March 31, 2021**
Property, Plant and Equipment	14,009	26,758
Investment Property	14,428	14,687
Total	**28,436**	**41,446**

Campion Properties Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 17. Other Expenses	For Year ended March 31, 2022	For Year ended March 31, 2021
Lease Rent	6,513	4,675
Rates & Taxes	6,444	7,581
Legal & Professional	28	27
Sitting Fees	-	80
Insurance -Fixed Assets	1,779	1,454
Interest on Service Tax	-	-
Interest on GST	-	-
Interest on TDS	0	-
Interest on Property Tax demand	7,870	-
Payment to auditors (refer note no. 19)	112	108
Other Miscellaneous Expenses	2	2
Water Expenses	4,912	-
Electricity Expense	0	-
Total	**27,659**	**13,928**

Note 18 **Payment to Auditors**

Particulars	**For Year ended March 31, 2022**	**For Year ended March 31, 2021**
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, 2021**	**For Year ended March 31, 2021**
Rental income	-	-
Less: Direct Operating expenses from property that generated rental income	-	-
Less: Direct Operating expenses from property that did not generated rental	(12,957)	(12,256)
Profit/ (Loss) from Investment Property before Depriciations	(12,957)	(12,256)
Less: Deprications	(14,428)	(14,687)
Profit/ (Loss) from Investment Property	**(27,384)**	**(26,944)**

(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, 2022	As at March 31, 2021
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, 2022	As at March 31, 2021
Investment Property	6,656,000	6,656,000
	6,656,000	**6,656,000**

(v) Estimation of Fair Value

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

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

Note 21 Employee Benefits

At present the Company does not have any employee, hence no provision in accordance with the Indian Accounting Standard-19 'Employee Benefit' prescribed under the Companies (Indian Accounting Standards) Rules, 2015.has been

Note 22 Related Party Disclosures

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

A. Parties where control exists

Reliance Communications Limited Holding Company

B. Fellow Subsidiary Company

Zapak Digital Entertainment Limited Fellow Subsidiary Company

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

Shri Rakesh Gupta

Shri. Gourav Ranawat Singh

Shri. Vinay Soni

Details of transactions and closing balances

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Advance Taken		
Reliance Communications Limited	-	-
Expense Paid		
Insurance Expenses	1,779	1,454
Water Expenses	4,912	
Interest on Property Tax	7,870	
Professional charges	8	
Transaction with Directors		
Sitting Fees	-	80

Outstanding Balances:	**As at March 31, 2022**	**As at March 31, 2021**
Loan Taken		
Reliance Communications Limited	1,527,520	1,527,520
GlobalCom IDC Limited	8,188	8,188
Payable		
GlobalCom IDC Limited	916	8,258
Reliance Communications Limited	43,694	8,561

Note 23 **Earning per Equity Share**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Nominal Value of Equity Shares (Rs.)	10	10
Profit/ (Loss) attributable to Equity Shareholders	(56,079,017)	(55,373,428)
Weighted Average number of Equity Shares outstanding during the period	3,563,601	3,563,601
Basic and Diluted Earnings per Share	(15.74)	(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, 2022	2,102	-	-	2,102
Trade Receivables and Cash & Cash Equivalent	As at March 31, 2021	2,220	-	-	2,220

Financial liabilities		**Carrying Amount**	**FVPL**	**FVOCI**	**Amortised cost**
Borrowings and Trade payables	As at March 31, 2022	1,579,402	-	-	1,579,402
Borrowings and Trade payables	As at March 31, 2021	1,544,268	-	-	1,544,268

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. 5,60,78,913 for the Period 1st April, 2021 to March 31,2022 and, as of that date Company's current liabilities exceeded its total assets by Rs. 74,18,97,891 . 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 2022, which exceeds the accumulated losses by approx Rs.600 crores. The company does not have any extrenal borrowing and current liabilities consists of mainly borrowings from the holding and fellow subsidary companies. The company is in process of exploring the opportunity for renting out the property. In view of the management's expectation of the successful renting of the property in near future, the financial statement has been prepared on the going concern basis.

b) Disclosure of Compliance with IND AS

The Company has adopted Indian Accounting Standards ("Ind-AS") and these financial statements have been prepared in accordance with the principles of recognition and measurement of Ind AS, prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder.

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:-	**31.03.2022**			**31.03.2021**		
Particular	**Numerator**	**Denominator**	**Ratio**	**Numerator**	**Denominator**	**Ratio**
(a) Current Ratio,	4,106	1,614,460	0.003	4,221	1,586,933	0.003
(b) Debt-Equity Ratio,	1,535,707	(741,898)	-2.070	1,535,707	(685,819)	-2.239
(c) Debt Service Coverage Ratio,	(27,643)	-	0.000	(13,928)	-	0.000
(d) Return on Equity Ratio,	(56,079)	(713,858)	0.079	(55,373)	(658,132)	0.084
(e) Inventory turnover ratio,	-	-	0.000	-	-	0.000
(f) Trade Receivables turnover ratio,	-	-	0.000	-	-	0.000
(g) Trade payables turnover ratio,	-	26,127	0.000	-	7,834	0.000
(h) Net capital turnover ratio,	-	(1,610,355)	0.000	-	(1,582,712)	0.000
(i) Net profit ratio,	(56,079)	-	0.000	(55,373)	-	0.000
(j) Return on Capital employed,	(56,079)	(741,898)	0.076	(55,373)	(685,819)	0.081
(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 2022, which exceeds the accumulated losses by approx Rs.600 crores. The company does not have any extrenal borrowing and current liabilities consists of mainly borrowings from the holding and fellow subsidary companies. The company is in process of exploring the opportunity for renting out the property. In view of the management's expectation of the successful renting of the property in near future, the

Note 30 **Approval of financial statements**

The financial statements were approved by the Board of Directors on 25/05/2022

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:Rakesh Gupta**	**Director:Vinay Soni**
M.No.084812	**DIN- 00310829**	**DIN : 08567944**
Place of Signature: New Delhi **Date:25/05/2022**	**Place of Signature: Mumbai** **Date: 25/05/2022**	

Reliance Tech Services Limited

2021-22

Financial Statements

Reliance Tech Services Limited

Balance Sheet as at March 31, 2022

(₹ in lakh)

	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Non Current Assets					
(a) Financial Assets					
(i) Other Financial Assets	**2.01**	14		14	
(b) Income Tax Assets (Net)	**2.02**	12		27	
(c) Other Non Current Assets	**2.03**	1	**27**	1	42
Current Assets					
(a) Financial Assets					
(i) Trade Receivables	**2.04**	4,253		4,252	
(ii) Cash and Cash Equivalents	**2.05**	155		147	
(iii) Other Financial Assets	**2.06**	932		932	
(b) Other Current Assets	**2.07**	2,174	**7,514**	2,206	7,537
Total Assets			**7,541**		7,579
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.08**	5		5	
(b) Other Equity	**2.09**	(1,791)	**(1,786)**	(1,950)	(1,945)
Liabilities					
Non Current Liabilities					
(a) Provisions	**2.10**	-	**-**	100	100
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.11**	1,309		1,309	
(ii) Trade Payables	**2.12**				
Total Outstanding due to Micro and Small Enterprises		34		34	
Total Outstanding due to Creditors other than Micro and Small Enterprises		4,321		4,317	
(iii) Other Financial Liabilities	**2.13**	369		389	
(b) Other Current Liabilities	**2.14**	3,294		3,307	
(c) Provisions	**2.15**	-	**9,327**	68	9,424
Total Equity and Liabilities			**7,541**		7,579
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

Notes referred to above form an integral part of Financial Statements

As per our Report of even date

For R D Satra & Associates
Chartered Accountants
Firm Regn. No. 139447W

Dhaval Satra
Partner
Membership No. 137056

For Reliance Tech Services Limited

Rakesh Gupta
Director
DIN : 00130829

Vinay Soni
Director
DIN : 08567944

Anjan Bhattacharya
Resolution Professional

Place : Mumbai
Dated : August 11, 2022

Reliance Tech Services Limited

Statement of Profit and Loss for the year ended March 31, 2022

(₹ in lakh)

		Notes	Year ended March 31, 2022	Year ended March 31, 2021
I	**REVENUE**			
(a)	Revenue from Operations	**2.16**	332	733
(b)	Other Income	**2.17**	3	34
	Total Income		**335**	767
II	**EXPENSES**			
(a)	Employees Benefit Expenses	**2.18**	144	743
(b)	Finance Cost	**2.19**	-	1
(c)	Other Expenses	**2.20**	32	33
	Total Expenses		**176**	777
III	**Profit / (Loss) Before Tax (I - II)**		**159**	(10)
IV	Tax expense:			
(a)	- Current Tax	**2.33**	-	-
V	**Profit / (Loss) After Tax (III - IV)**		**159**	(10)
VI	**Other Comprehensive Income**			
	Remeasurement Gain/ (Loss) of the defined employee benefit (Net of Tax)		-	3
VII	**Total Comprehensive Income for the year (V + VI)**		**159**	**(7)**
VIII	**Earnings per share of ₹ 10 each fully paid up**			
	-Basic and Diluted	**2.26**	**318**	(20)

Significant Accounting Policies **1**

Notes on Accounts **2**

Notes referred to above form an integral part of Financial Statements

As per our Report of even date

For R D Satra & Associates
Chartered Accountants
Firm Regn. No. 139447W

Dhaval Satra
Partner
Membership No. 137056

For Reliance Tech Services Limited

Rakesh Gupta
Director
DIN : 00130829

Vinay Soni
Director
DIN : 08567944

Anjan Bhattacharya
Resolution Professional

Place : Mumbai

Dated : August 11, 2022

Reliance Tech Services Limited

Statements of Changes in Equity for the year ended March 31, 2022

(a) Equity share capital (Refer Note 2.08)

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	**5**	5
Change in equity share capital during the year	-	-
Balance at the end of the year	**5**	5

(b) Other Equity (Refer Note 2.09)

Particulars	**Retained Earning**	**Other Comprehensive Income**	**Total**
Balance as at March 31, 2021	(2,054)	104	(1,950)
Surplus/ (Deficit) of Statement of Profit and Loss	159	-	159
Balance as at March 31, 2022	**(1,895)**	**104**	**(1,791)**
Balance as at April 1, 2020	(2,044)	101	(1,943)
Surplus/ (Deficit) of Statement of Profit and Loss	(10)	-	(10)
Other Comprehensive Income	-	3	3
Balance as at March 31, 2021	(2,054)	104	(1,950)

As per our Report of even date

For R D Satra & Associates
Chartered Accountants
Firm Regn. No. 139447W

Dhaval Satra
Partner
Membership No. 137056

For Reliance Tech Services Limited

Rakesh Gupta
Director
DIN : 00130829

Vinay Soni
Director
DIN : 08567944

Anjan Bhattacharya
Resolution Professional

Place: Mumbai
Dated : August 11, 2022

Reliance Tech Services Limited

Cash Flow Statement for the year ended March 31, 2022

(₹ in lakh)

Sl.	Particulars		Year ended March 31, 2022		Year ended March 31, 2021
A:	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Net Profit (Loss) before tax as per Statement of Profit and Loss		**159**		(10)
	Adjusted for:				
	Finance Cost	-		1	
	Liability written back	-		(28)	
	Effect of change in Foreign Exchange Rate (net)	6		(5)	
	Remeasurement of the net defined benefit liability/ asset	-	**6**	3	(29)
	Operating Profit (Loss) before Working Capital Changes		**165**		(39)
	Adjusted for:				
	Receivables and other Advances	31		87	
	Trade Payables and Other Liabilities	(203)		40	
			(172)		127
	Cash Generated from Operations		**(7)**		88
	Taxes Refund	21		34	
	Taxes Paid	(6)	**15**	(11)	23
	Net Cash from/ (used in) Operating Activities		**8**		111
B:	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Net Cash from/ (used in) Investing Activities		**-**		-
C:	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Proceeds from/ (Repayment of) Long Term Borrowings (net)		**-**		(196)
	Net Proceeds from Short term Borrowings		**-**		108
	Finance Cost		-		(1)
	Net Cash from / (used in) Financing Activities				(89)
	Net Increase / (Decrease) in Cash and Cash Equivalents		**8**		22
	Opening Balance of Cash and Cash Equivalents		**147**		125
	Closing Balance of Cash and Cash Equivalents		**155**		147

Notes:

(1) Figures in brackets indicate cash outgo.

(2) 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 R D Satra & Associates
Chartered Accountants
Firm Regn. No. 139447W

Dhaval Satra
Partner
Membership No. 137056

For Reliance Tech Services Limited

Rakesh Gupta
Director
DIN : 00130829

Vinay Soni
Director
DIN : 08567944

Anjan Bhattacharya
Resolution Professional

Place : Mumbai
Dated : August 11, 2022

Reliance Tech Services Limited

Notes on Accounts to Financial Statements for the year ended March 31, 2022

1. General Information and Significant Accounting Policies

1.1 **General Information**

Reliance Tech Services Limited ("RTSL" or "the Company"), 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. RTSL is engaged primarily on the business of Design, Development and Extending customer support for Technical Services, Professional consulting and allied services.

Corporate Insolvency Resolution Process ("CIRP") has been initiated in the case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 ("the Code") by Hon'ble National Company Law Tribunal (" the NCLT") on August 04, 2020 and Mr. Anjan Bhattacharya had been appointed as the Interim Resolution Professional and subsequently as the Resolution Professional ("RP") by the Hon'ble NCLT.The RP of the Company has filed an application with NCLT on May 04, 2021 ("the Application") for initiation of liquidation proceedings in respect of the Company. Since, the application is presently sub judice, the Financial Statements has been prepared on going concern basis.The necessary effect in the Financial Statements of the Company will be given based on the decision of the Hon'ble NCLT on the application.

1.01 (a) **Basis of preparation of financial statement**

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 notes and pronouncements of the Institute of Chartered Accountants of India (the ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the 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.

1.01 (b) **Recent Developments**

While the Company is sensitive about the impact of the pandemic (COVID 19), not only on the human life but on businesses and industrial activity across the globe.

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by Government of India, various state governments and local bodies to ensure safety of workforce across all its offices

Further, the resurgence had led to imposition of various restrictions and lockdowns in various states. Accordingly, there exists uncertainty over the impact of the pandemic on future business performance of the Company, and the extent of effect of the pandemic will depend, among other things, on any action to contain its spread or mitigate its impact, whether government mandated or elected by the Company. However the Company is providing services to certain Group entities and continued to provide services to them without any interruptions and honour commitments, despite facing all odds during lockdown hence there is no impact of the COVID-19 pandemic on the Company’s future financials.

1.02 **Functional Currency and Presentation Currency**

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

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

The areas involving critical estimates or judgements pertaing to current tax expense (Note 2.33) and payable, impairment of trade receivables (Note 2.04), other financial assets (Note 2.06) and measurement of defined benefit obligation (Note 2.24). 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) 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.

(ii) Fair value measurement and valuation process: The Company measured financial assets and liabilities, if any, at fair value for financial reporting purposes.

(iii) Trade receivables and Other financial assets: The Company follows a ‘simplified approach’ (i.e. based on lifetime Expected Credit loss [ECL]) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

(iv) 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.

(v) 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).

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

1.04 **Employee Retirement 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) Define Contribution plan

The Company’s contribution towards Employees’ Superannuation Plan is recognised as an expense during the period in which it accrues.

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. The employer makes monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. The Company's contributions to schemes are expensed in the Statement of Profit and Loss.

(ii) Define benefit plan :

Gratuity Plan

The Company’s gratuity benefit scheme is a defined benefit plan. The Company’s net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted. Mortality rate is based on publiclly 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) Others Long term employee 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.

1.05 **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 the year end rates.

(iii) Exchange difference on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

1.06 **Revenue recognition**

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

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

(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 **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 other comprehensive income.

Provision for income tax is made on the basis of taxable income for the period 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. Deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax losses, to the extent that is probable that taxable profit will be available against which such deductible temporary differences can be utilised.

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, 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 Statement of Profit and 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 or 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.

Financial Liabilities

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.

(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.

(ii) **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.

(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 Tech Services Limited

Notes on Accounts to Financial Statements for the year ended March 31, 2022

	As at March 31, 2022	As at March 31, 2021
		(₹ in lakh)
2.01 Other Financial Assets		
Bank Deposits (more than 12 months maturity)	12	12
Interest Accrued on above deposits	2	2
	14	14
2.02 Income Tax Assets (Net)		
Advance taxes and Tax deducted at source (Net of Provision for Tax)	12	27
	12	27
2.03 Other Non Current Assets (Unsecured, Considered Good)		
Deposits	1	1
	1	1

Reliance Tech Services Limited

Notes on Accounts to Financial Statements for the year ended March 31, 2022

(₹ in lakh)

	As at March 31, 2022	As at March 31, 2021
2.04 Trade Receivables		
(Unsecured)- (Refer Note 2.33)		
Considered Good	1	-
Which have significant increase in credit risk (Refer Note 2.04.02)	4,252	4,252
Credit Impaired	1,013	1,013
	5,266	5,265
Less: Provision for Expected Credit Loss	1,013	1,013
	4,253	4,252

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

Particulars	Less then 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables-Considered Good	- (-)	1 (-)	- (-)	- (-)	- (-)	1 (-)
Undisputed Trade Receivables-Which have significant increase in credit risk	- (-)	- (17)	17 (377)	377 (1,230)	3,858 (2,628)	4,252 (4,252)
Undisputed Trade Receivables-Credit impaired	- (-)	- (-)	- (-)	- (-)	1,033 (1,033)	1,033 (1,033)
Disputed Trade Receivables-Considered Good	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Disputed Trade Receivables-Which have significant increase in credit risk	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Disputed Trade Receivables-Credit impaired	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total-A	- (-)	1 (17)	17 (377)	377 (1,230)	4,891 (3,661)	5286 (5285)
Allowance for Credit Impaired (B)					1,033 (1,033)	1,033 (1,033)
Total- (A-B)	- (-)	1 (17)	17 (377)	377 (1,230)	3,858 (2,628)	4253 (4252)

2.04.02 Includes amount receivable from Reliance Communications Limited, the Holding Company, Rs. 127 lakh and Rs. 289 lakh from Reliance Telecom Limited, the Fellow subsidiary, which are undergoing CIRP and and accounting impact,if any, with respect to the said receivable will be provided on completion of the CIRP

	As at March 31, 2022	As at March 31, 2021
2.05 Cash and Cash Equivalents		
Balance with Banks in Current Account	155	147
	155	147
2.06 Other Financial Assets		
(Unsecured, Considered Good)		
Unbilled Revenue	932	932
	932	932
2.07 Other Current Assets		
(Unsecured, Considered Good)		
Advance to Related Parties*	300	300
Advance to Vendors	36	36
Prepaid Expenses	-	1
Others **	1,838	1,869
	2,174	2,206

*Includes amount receivable from Reliance Communications Limited, the Holding Company, which is undergoing CIRP and accounting impact if any with respect to the said receivable will be provided on completion of the CIRP .

** Includes GST Receivable

Reliance Tech Services Limited

Notes on Accounts to Financial Statements for the year ended March 31, 2022

	As at March 31, 2022	As at March 31, 2021
		(₹ in lakh)
2.08 Equity Share Capital		
Authorised :		
1 00 000 (1 00 000) Equity Shares of ₹ 10 each	10	10
	10	10
Issued, Subscribed and Paid up		
50 000 (50 000) Equity Shares of ₹ 10 each fully paid up	5	5
	5	5

(a) Equity Shares held by Promoters

Share Holder Name	No of Shares	% of Total Shares	% Change during the year
Reliance Communications Limited, Holding Company	**50,000** (50,000)	**100** (100)	**Nil** (Nil)

(b) Details of Shareholders Holding more than 5% shares in the Company / Holding Company

	As at March 31, 2022		As at March 31, 2021	
Share Holder Name	**No of Shares**	**%**	No of Shares	%
Reliance Communications Limited, Holding Company and its nominee	50,000	100.00	50,000	100.00
	50,000	**100.00**	50,000	100.00

(c) Terms/rights attached to equity shares

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

(d) The Reconciliation of shares outstanding at beginning and end of the year

Particulars	**No of Shares**	(₹ in lakh)	No of Shares	(₹ in lakh)
At the the beginning of the year	50,000	5	50,000	5
Add/ Less: Shares issued/ bought back during the year	-	-	-	-
At the end of the year	**50,000**	**5**	50,000	5

2.09 Other Equity (₹ in lakh)

	Surplus/ (Deficit) in retained	**Other Comprehensive Income**	**Total**
Balance as at April 1, 2020	(2,044)	101	(1,943)
Profit / (Loss) for the year	(10)	-	(10)
Additions/ (deduction) during the year (net)	-	3	3
Balance as at March 31, 2021	(2,054)	104	**(1,950)**
Profit / (Loss) for the year	159	-	**159**
Additions/ (deduction) during the year (net)	**-**	-	**-**
Balance as at March 31, 2022	**(1,895)**	**104**	**(1,791)**

Reliance Tech Services Limited

Notes on Accounts to Financial Statements for the year ended March 31, 2022

(₹ in lakh)

	As at March 31, 2022	As at March 31, 2021
2.10 Provisions - Non Current		
Provision for Gratuity	-	69
Provision for Leave Encashment	-	31
	-	100
2.11 Borrowings - Current		
Unsecured		
From Related Parties (Refer Note 2.36)	1,309	1,309
	1,309	1,309

Reliance Tech Services Limited

Notes on Accounts to Financial Statements for the year ended March 31, 2022

(₹ in lakh)

	As at March 31, 2022	As at March 31, 2021
2.12 Trade Payables		
Total Outstanding due to Micro and Small Enterprises	34	34
Total Outstanding due to Creditors other than Micro and Small Enterprises*	4,321	4,317
	4,355	4,351

* For Related parties Refer Note 2.33

Note:

2.12.1 Disclosure under Micro, Small and Medium Enterprises

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

	Year ended March 31, 2022	Year ended March 31, 2021
(i) Principal amount due to any supplier as at the year end	34	34
(ii) Interest due to suppliers and remaining unpaid as at year end	26	21
(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
(v) Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year but without adding the interest specified under MSMED	-	-
(vi) The amount of interest accrued and remaining unpaid at the end of each accounting year	26	21
(vii) 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 enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED	26	21

2.12.12 Trade Payables Ageing Schedule

Particulars	**Outstanding for following periods from due date of payment**					**Total**
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	34	34
	(-)	(-)	(-)	(-)	(34)	(34)
(ii) Others	-	-	1	3	4317	4321
	(-)	(3)	(3)	(118)	(4193)	(4317)
(iii) Disputed dues – MSME	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
(iv) Disputed dues - Others	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Total	-	-	1	3	4351	4355
	(-)	(3)	(3)	(118)	(4227)	(4351)

Reliance Tech Services Limited

Notes on Accounts to Financial Statements for the year ended March 31, 2022

(₹ in lakh)

	As at March 31, 2022	As at March 31, 2021
2.13 Other Financial Liabilities		
Employee Benefits Payable	294	305
Other Liabilities	75	84
	369	389
2.14 Other Current Liabilities		
Other Current Liabilities*	3,294	3,307
	3,294	3,307

* Includes amount due towards Services received, Provident fund contribution & others

2.15 Provisions - Current		
Provision for Income Tax	-	-
Provision for Gratuity	-	47
Provision for Leave Encashment	-	21
	-	68

Reliance Tech Services Limited

Notes on Accounts to Financial Statements for the year ended March 31, 2022

	Year ended March 31, 2022	(₹ in lakh) Year ended March 31, 2021
2.16 Revenue from Operations		
Sale of Services	332	733
	332	733
2.17 Other Income		
Interest Income	3	1
Net gain on foreign currency transactions and translation	-	5
Other Miscellaneous Income	-	28
	3	34
2.18 Employees Benefit Expenses		
Salaries	107	655
Contribution to Provident, Pension and Gratuity Fund	31	27
Employee Welfare and other Amenities	6	61
	144	743
2.19 Finance Cost		
Interest and Other Finance expenses	-	1
	-	1
2.20 Other Expenses		
CIRP Process Cost	19	19
Travelling Expenses	-	1
Net loss on foreign currency transactions and translation	6	-
Insurance	1	7
Professional Fees	1	-
Payment to Auditors*	-	1
Other Administration and Miscellaneous Expenses	5	5
	32	33

***Payment to Auditors**		(Amount in ₹)
- Audit Fees	35,000	40,000
- Tax Audit Fees	-	10,000
- Certification/ Reimbursement of Expenses	-	3,700
	35,000	53,700

Note : 2.21

Going Concern

Pursuant to an application filed by certain operational creditors before the National Company Law Tribunal, Mumbai Bench (“the NCLT”) in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed there under (“the Code”), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process (“CIRP”) of Reliance Tech Sevices Limited (“the Company” or "the Corporate Debtor") vide its order dated August 04, 2020. The NCLT had appointed Mr. Anjan Bhattacharya as the Interim Resolution Professional (IRP) and subsequently as the Resolution Professional (RP). Therefore, Mr. Anjan Bhattacharya had in his capacity as RP taken control and custody of the management and operations of the Company. The Resolution Professional of the Company has filed an application with NCLTon May 04, 2021 ("the Application") for initiation of liquidation proceedings in respect of the Company. Since, the application is presently sub judice, the Financial Statements has been prepared on going concern basis.The necessary effect in the Financial Statements of the Company will be given based on the decision of the Hon'ble NCLT on the application.

Note : 2.22

Previous year

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

Note : 2.23

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020. which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Corporate Debtor will assess the impact once the subject rules under the Code are notified and will give appropriate impact in the financial statements when the code becomes effective.

Note : 2.24

Employee Benefits :

Gratuity: In accordance with the applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) for all its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employees last drawn salary and for the years of employment with the company.

The define benefit plan exposed the Company at actuarial risk such as logentivity risk. interest risk and market (Investment) risk.

The following table sets out the status of the Gratuity Plan as required under Indian Accounting Standard ("Ind AS") 19 "Employee Benefits".

Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

(₹ in lakh)

	March 31, 2022	March 31, 2021
Employer’s Contribution to Provident Fund	**3**	19
Employer’s Contribution to Pension Scheme	**1**	9

Defined Benefit Plan:

The employees’ gratuity fund scheme managed by Reliance Life Insurance Company Limited and Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Obligation at the beginning of the year	**119**	139
Service Cost	26	9
Interest Cost	-	7
Actuarial (Gain)/ Loss on obligation - Due to change in Financial Assumptions	-	1
Actuarial (Gain)/ Loss on obligation - Due to Experience adjustments	-	(4)
Benefits paid	(145)	(33)
Obligation at the end of the year	-	119
(ii) Change in plan assets		
Plan assets at the beginning of the year, at fair value	**3**	18
Interest Income	-	1
Employer contribution	-	17
Benefits paid	(3)	(33)
Actuarial Gain/ (Loss) [Previous year (₹ 7,123)]	-	-
Plan assets at the end of the year, at fair value	**-**	3

(₹ in lakh)

	As at March 31, 2022	As at March 31, 2021
(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	**-**	3
Present value of defined benefit obligation at the end of the year	**-**	119
Amount recognized in Balance Sheet	**-**	(116)
(iv) Expense recognised in Profit or Loss		
Service Cost	26	9
Interest Cost	-	6
Total	**26**	15
(v) Amount Recognised in Other Comprehensive Income		
Actuarial Gain/ (Loss) on Plan Assets [Previous year (₹ 7,123)]	-	-
Actuarial (Gains)/Losses on Obligation	-	(3)
Total	**-**	(3)

(vi) Investment Details of Plan Assets

Investment for employees gratuity fund scheme managed by Reliance Life Insurance Company Limited.

(vii) Assumptions

Discount rate (per annum)	-	4.54%
Expected rate of return on plan assets (per annum)	-	4.54%
Rate of escalation in salary (per annum)	-	0.00%

The estimates of rate of escalation in salary is considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by actuary.

(viii) Particulars of the amounts for the year and Previous years

As at March 31	Present value of benefit obligation	Fair Value of plan Assets	Excess of obligation over plan assets (plan assets over obligation)
2022	-	-	-
2021	119	3	116
2020	139	18	121
2019	432	222	210
2018	482	286	196

(ix) 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.

Discount rate (+ 1% movement)	-	**(2)**
Discount rate (- 1% movement)	-	**2**
Future salary growth (+ 1% movement)	-	-
Future salary growth (- 1% movement)	-	-
Employee turnover (+ 1% movement)	-	-
Employee turnover (- 1% movement)	-	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(x) Maturity analysis of defined benefit plan (fund)

Project benefit payable in future from the date of reporting

1st following year	-	50
2nd following year	-	36
3rd following year	-	17
4th following year	-	9
5th following year	-	4
Sum of Years 6 and above	-	4

RELIANCE TECH SERVICES LIMITED

Notes on Accounts to Financial Statements for the year ended March 31, 2022

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 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

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

(₹ in lakhs)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Financial assets at amortised cost:		
Trade receivables (Refer Note 2.04)	4,253	4,252
Cash and cash equivalents (Refer Note 2.05)	155	147
Other financial assets (Refer Note 2.01 & 2.06)	946	946
Total	**5,354**	5,345
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:		
Borrowings (Refer Note 2.11)	1,309	1,309
Trade payables (Refer note 2.12)	4,355	4,351
Other financial Liabilities (Refer Note 2.13)	369	389
Total	**6,033**	6,049
Financial liabilities at fair value through Profit and Loss:	**Nil**	Nil
Financial Liabilities at fair value through other Comprehensive Income:	**Nil**	Nil

2.25.2 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and financial assets includes trade receivables, deposits, cash and bank balances, other receivables etc. arises from its operation.

Considering the facts that the Company is under CIRP and RP has filed an application with NCLT for initiation of liquidation proceedings (Refer Note 2.21), the framework and the strategies for effective management will be established post decision of the Hon'ble NCLT on the application. Presently, the financial management activities are restricted to management of current assets and liabilities of the company and the day to day cash flow hence analysis of financial risks like: market risk, credit risk and liquidity risk are not relevant till decision on the application in this regard.

RELIANCE TECH SERVICES LIMITED

Notes on Accounts to Financial Statements for the year ended March 31, 2022

Note : 2.26

Earnings per share

Basis and Diluted EPS	**Year ended March 31, 2022**	Year ended March 31, 2021
Profit attributable to Equity Shareholders (₹ in lakh)	**159**	(10)
Weighted average number of Equity Shares (used as denominator for calculating Basic	**50,000**	50,000
Profit attributable to Equity Shareholders (₹ in lakh)	**159**	(10)
Weighted average number of Equity Shares (used as denominator for calculating Diluted	**50,000**	50,000
Basic Earnings per Share of ₹ 10 each	**318**	(20)
Diluted Earnings per Share of ₹ 10 each	**318**	(20)

Note : 2.27

Segment Reporting

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

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 : 2.29

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).under the Income Tax Act, 1961.

Note : 2.30

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 : 2.31

Accounting Ratios

Sr.	Name of the Ratio	Numerator	Denominator	2021-22	2020-21	% Variance
1.	Current Ratio (in times)	Current Assets	Current Liabilities	0.81	0.80	1.25%

2. The Company is under going CIRP and stopped providing service since July' 2022 and also does not have any Inventory, Purchases and positive Net worth during the year and previous year accordingly other ratio 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.

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

Note : 2.32

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. Since, the Company is under going CIRP and the application filed by RP is sub judice, hence it's not relevant till the decision on the application in this regard.

RELIANCE TECH SERVICES LIMITED

Notes on Accounts to Financial Statements for the year ended March 31, 2022

Note : 2.33

Income Tax

(₹ in lakh)

	Year ended March 31, 2022	Year ended March 31, 2021
Reconciliation of Tax Expenses		
Profit/ (Loss) before Tax	**159**	(10)
Applicable Tax Rate	31.20%	31.20%
Computed Tax Expenses	**50**	(3)
Deferred Tax Assets not recognised	2	1
Expenses not allowed in Taxable Income	1	2
Reversal of Provision of expenses disallowed in earlier years	(53)	-
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss	**-**	**-**

Significant management judgment 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.

However, Deferred Tax Assets have not been recognised in respect of losses due to non existence of reasonable certainty.

Note : 2.34

Post Reporting Events

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

Note : 2.35

Contingent Liabilities (as represented by the Management)

(₹ in lakh)

	As at	
	March 31, 2022	March 31, 2021
Disputed Liabilities for CST and VAT*	41980	970
Other Claims against the Company not acknowledged as Debts	249	249

*The Company has deposited ₹ 13 lakh under protest against the said demand.

RELIANCE TECH SERVICES LIMITED

Notes to the accounts to the Financial Statements as at March 31, 2022

Note : 2.32
Related Parties

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

Sr. No.	Name of the Related Party	Relationship
1	Reliance Communications Limited	Holding Company
2	Reliance Communications Infrastructure Limited	Fellow Subsidiary
3	Reliance Infratel Limited	Fellow Subsidiary
4	Reliance Telecom Limited	Fellow Subsidiary
5	Reliance Webstore Limited	Fellow Subsidiary
6	Reliance Realty Limited	Fellow Subsidiary
7	Globalcom IDC Limited	Fellow Subsidiary
8	Reliance Globalcom Limited*	Fellow Subsidiary
9	Reliance Big Entertainment Private Limited	Fellow Subsidiary
10	Reliance Communications Inc.	Fellow Subsidiary
11	Big Animation (India) Private Limited	Fellow Subsidiary
12	Big Flicks Private Limited	Fellow Subsidiary
13	Reliance Capital Limited	Enterprise over which promoter of holding company having control
14	Reliance General Insurance Company Limited	Enterprise over which promoter of holding company having control
15	Reliance Commodities Limited	Enterprise over which promoter of holding company having control
16	Reliance Wealth Management Limited	Enterprise over which promoter of holding company having control
17	Reliance Financial Limited	Enterprise over which promoter of holding company having control
18	Reliance Money Solutions Private Limited	Enterprise over which promoter of holding company having control
19	Reliance Securities Limited	Enterprise over which promoter of holding company having control
20	Reliance Money Precious Metals Private Limited	Enterprise over which promoter of holding company having control
21	Reliance Nippon Life Insurance Company Limited	Enterprise over which promoter of holding company having control
22	Delhi Airport Metro Express Private Limited	Enterprise over which promoter of holding company having control
23	Reliance Infrastructure Limited	Enterprise over which promoter of holding company having control
24	SU Toll Road Private Limited	Enterprise over which promoter of holding company having control
25	NK Toll Road Limited	Enterprise over which promoter of holding company having control
26	TD Toll Road Private Limited	Enterprise over which promoter of holding company having control
27	BSES Rajdhani Power Limited	Enterprise over which promoter of holding company having control
28	Reliance Coal Resources Private Limited	Enterprise over which promoter of holding company having control
29	Rosa Power Supply Company Limited	Enterprise over which promoter of holding company having control
30	Sasan Power Limited	Enterprise over which promoter of holding company having control
31	Coastal Andhra Power Limited	Enterprise over which promoter of holding company having control
32	Vidarbha Industries Power Limited	Enterprise over which promoter of holding company having control
33	Reliance Power Limited	Enterprise over which promoter of holding company having control

* No control w.e.f.1-7-2019

Transactions with Major Parties

Sr. No.	Name of the Related Party
1	Reliance Communications Limited
2	Globalcom IDC Limited

RELIANCE TECH SERVICES LIMITED

Notes to the accounts to the Financial Statements as at March 31, 2022

(b) Transactions during the year with related parties

(Figures in bracket represent Previous year) (₹ in lakh)

Sr. No.	Nature of Transactions	Holding Company	Fellow Subsidiary	Enterprise over which promoter of holding company having control	Total
1	**Loans Taken**				
	Balance as at April 1, 2021	**-**	**1,309**	**-**	**1,309**
		(-)	(1,201)	(-)	(1,201)
	Taken/ assigned during the year	**-**	**-**	**-**	**-**
		(-)	(108)	(-)	(108)
	Repaid during the year	**-**	**-**	**-**	**-**
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	**-**	**1,309**	**-**	**1,309**
		(-)	(1,309)	(-)	(1,309)
2	**Trade Receivables**	**127**	**302**	**20**	**449**
		(126)	(302)	(20)	(448)
3	**Other Financial Assets**	**-**	**932**	**-**	**932**
		(-)	(932)	(-)	(932)
4	**Other Current Assets**	**300**	**-**	**-**	**300**
		(300)	(-)	(-)	(300)
5	**Trade Payable**	**-**	**463**	**-**	**463**
		(-)	(463)	(-)	(463)
6	**Other Current Liabilities**	**-**	**3,174**	**30**	**3,204**
		-	(3,174)	(30)	(3,204)
7	**Service Revenue**	**291**	**41**	**-**	**332**
		(619)	(102)	-	(721)

Note : 2.37

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2022 are approved by the Directors of the Company at their meeting held on August 11, 2022 which was chaired by Mr. Anjan Bhattacharya, Resolution Professional ('RP') of the Company and RP took the same on record basis recommendation from the directors.

As per our Report of even date

For R D Satra & Associates
Chartered Accountants
Firm Regn. No. 139447W

Dhaval Satra
Partner
Membership No. 137056

For Reliance Tech Services Limited

Rakesh Gupta
Director
DIN : 00130829

Vinay Soni
Director
DIN : 08567944

Anjan Bhattacharya
Resolution Professional

Place : Mumbai
Dated : August 11, 2022

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 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, 2022, 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, 2022, 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, 2022.

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. 20,253 lakhs for the year ended March 31, 2022 & Rs. 73,430 lakh up to previous financial year calculated based on the basic rate of interest as per the terms of the loan. The Company further has not provided foreign exchange loss amounting to Rs. 5,520 lakh for the year ended March 31, 2022 & foreign exchange loss of Rs. 16,327 lakh up to previous financial year, resulting in understatement of loss by the said amounts. Had such interest and foreign exchange (gains) / losses as mentioned above been provided, the reported loss for the year ended March 31, 2022 would have been higher by Rs. 25,773 lakh and Net worth of the Company would have been lower by Rs. 1,15,530 lakh and Rs. 89,757 crore as on March 31, 2022 and as on March 31, 2021 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, 2022. 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 dues and 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

Emphasis of Matter Paragraph

We draw attention to Note no 2.25 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	
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. 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.	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 settlements were properly accounted for.

	We also assessed the adequacy of the Company's disclosure around legal claims, litigations, regulatory matters and contingencies as included in Note no. 2.23 Contingent liabilities. We consider management's conclusion on the predicted outcome and estimation of potential impact reasonable and we assessed that the disclosures in Note no. 2.23, Contingent liabilities are reasonable.

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 2.41 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 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/Resolution Professional either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management/Resolution Professional is also responsible for overseeing the Company's financial reporting process read together with Note no. 2.41 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 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"), 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 2.41 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, 2022 taken on record by the Board of Directors, these two directors are not disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act. Further as mentioned in Note 2.40 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, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

    In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.23 of the financial statements;

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

iii. There 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.

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

Jigar T. Shah
Membership No.161851
UDIN: 22161851ALPDMG3742

Date: May 28, 2022
Place: Mumbai

Reliance Telecom Limited

'Annexure A' to the Independent Auditor's Report - March 31, 2022

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, 2022, 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, 2022 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	53,819	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

(b) Details of statutory dues referred to in clause vii (a) above, which have not been deposited as on March 31, 2022 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
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
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

Name of the Statute	Nature of dues	Amount* (Rs. in Crore)	Period	Forum where the dispute is pending
				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	1827	1,826
2	Canara Bank	50.40	-	1,736	-
3	Central Bank of India	18.40	0.22	1,827	1,827
4	Corporation Bank (merged with Union Bank of India)	13.80	0.16	1,827	1,826
5	China Development Bank	863.67	26.7	1,663	1,849
6	Export Import Bank of China	215.92	6.67	1,663	1,849
7	IDBI Bank	276.00	3.78	1,827	1,826
8	IDBI Bank	54.92	-	1,840	-
9	Indian Overseas Bank	18.40	0.22	1,827	1,826
10	Oriental Bank of Commerce (merged with Punjab National Bank)	13.93	0.22	1,644	1,826
11	Punjab National Bank	187.60	-	1,852	-

12	State Bank of India	115.00	1.76	1,827	1,826
13	Syndicate Bank (merged with Canara Bank)	36.80	0.44	1,827	1,826
14	Union Bank of India	21.96	0.24	1,827	1,826
15	HSBC-France	261.47	4.46	1,771	1,771
16	Vishvakarma Equipment Finance Limited	118.00	-	851	-
	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. 20,253 lakh and Rs. 93,683 lakh for the year ended and up to March 31, 2022 respectively and therefore it has not been disclosed above.

Installments amounting to Rs. 89,151 lakh payable to Department of Telecommunications (DOT) as on March 31, 2022 for 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 standalone 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 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. 1,12,564 lakh in the financial year 2021-22 and Rs. 88,875 lakh 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: 22161851ALPDMG3742

Date: May 28, 2022
Place: Mumbai

Reliance Telecom Limited
'Annexure B' to the Independent Auditor's Report - March 31, 2022

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, 2022 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, 2022:

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, 2022, 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, 2022 and these material weaknesses has affected our opinion on the said financial statements of the Company and we have expressed an qualified opinion on these 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: 22161851ALPDMG3742

Date: May 28, 2022
Place: Mumbai

Reliance Telecom Limited

Balance Sheet as at March 31, 2022

(₹ in lakh)

Particulars	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	**2.01**	2		2	
(b) Income Tax Assets (net)	**2.02**	844	**846**	846	848
Current Assets					
(a) Financial Assets					
(i) Trade Receivables	**2.03**	4,470		4,470	
(ii) Cash and Cash Equivalents	**2.04**	2,609		3,632	
(b) Other Current Assets	**2.05**	33,956		33,814	
(c) Assets Held for Sale	**2.06**	340,277	**381,312**	340,277	382,193
Total Assets			**382,158**		383,041
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.07**	8,500		8,500	
(b) Other Equity	**2.08**	(1,180,190)	**(1,171,690)**	(1,092,851)	(1,084,351)
LIABILITIES					
Non-Current Liabilities					
(a) Provisions	**2.09**		**3**		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		1,349	
Creditors other than Micro and Small Enterprises		55,319		55,295	
(iii) Other Financial Liabilities	**2.12**	436,430		380,092	
(b) Other Current Liabilities	**2.13**	3,729		3,718	
(c) Provisions	**2.14**	2		2	
(d) Liabilities directly related to Assets Held for Sale	**2.06**	330,933	**1,553,845**	300,848	1,467,389
Total Equity and Liabilities			**382,158**		383,041
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

Reliance Telecom Limited

Balance Sheet as at March 31, 2022

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

Jigar T. Shah
Partner
Membership No. 161851

Place : Mumbai
Dated : May 28, 2022

For Reliance Telecom Limited

Anish Niranjan Nanavaty
Resolution Professional

Payal H Shah
Director
DIN 09284328

Mahesh Mungekar
Director
DIN 00778339

Sanjay K Agarwal
Chief Financial Officer

Vinay Soni
Company Secretary & Manager
A59194

Reliance Telecom Limited

Statement of Profit and Loss for the year ended March 31, 2022

(₹ in lakh)

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
(a)	Revenue from Operations		-	-
(b)	Other Income	2.15	10	587
(c)	**Total Income ((a) +(b))**		**10**	587
II	**EXPENSES**			
(a)	Access Charges, License Fees and Network Expenses	2.16	621	752
(b)	Employee Benefits Expenses	2.17	52	49
(c)	Finance Costs	2.18	31,042	28,148
(d)	Depreciation and Amortisation ₹ 7,657	2.01	-	2
(e)	General Administration Expenses	2.19	974	401
(f)	**Total Expenses ((a) to (e))**		**32,689**	29,352
III	**Profit /(Loss) before Exceptional items and Tax (I(c)- II(f))**		**(32,679)**	(28,765)
IV	**Exceptional Items**			
	Provision for Liability on account of License and Spectrum Fees	2.25	54,661	47,213
V	**Profit / Loss before Tax (III- IV)**		**(87,340)**	(75,978)
VI	**Tax Expense:**			
(a)	- Current Tax		**-**	-
(b)	- Deferred Tax Charge/ (Credit)		**-**	-
VII	**Profit /Loss after Tax (V- VI)**		**(87,340)**	(75,978)
VIII	**Other Comprehensive Income**			
	Remeasurement Gain/ (Loss) of the net defined employee benefit (Net of Tax)		1	1
IX	**Total Comprehensive Income / (Loss) for the year (VII + VIII)**		**(87,339)**	(75,977)
X	**Earnings per Share of ₹ 10 each fully paid up**	2.28		
	- Before exceptional items (Basic and Diluted) (₹)		**(38.45)**	(33.84)
	- After exceptional items (Basic and Diluted) (₹)		**(102.75)**	(89.39)
Significant Accounting Policies		1		
Notes on Accounts		2		

Reliance Telecom Limited

Statement of Profit and Loss for the year ended March 31, 2022

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

Jigar T. Shah
Partner
Membership No. 161851

Place : Mumbai
Dated : May 28, 2022

For Reliance Telecom Limited

Anish Niranjan Nanavaty
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Chief Financial Officer

Vinay Soni
Company Secretary & Manager
A59194

Reliance Telecom Limited

Statements of Change in Equity as at March 31, 2022

(a) Equity Share Capital (Refer Note 2.07) (₹ in lakh)

Particulars	**As at March 31, 2022**	As at March 31, 2021
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, 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)**
Balance as at April 1, 2020	20,000	(1,036,860)	(14)	(1,016,874)
Surplus/ (Deficit) of Statement of Profit and Loss	-	(75,978)	-	(75,978)
Other Comprehensive Income	-	-	1	1
Balance as at March 31, 2021	20,000	(1,112,838)	(13)	(1,092,851)

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

Jigar T. Shah
Partner
Membership No. 161851

Place : Mumbai
Dated : May 28, 2022

For Reliance Telecom Limited

Anish Niranjan Nanavaty
Resolution Professional

Payal H Shah
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Sanjay K Agarwal
Chief Financial Officer

Vinay Soni
Company Secretary & Manager
A59194

Reliance Telecom Limited

Statement of Cash Flow for the year ended March 31, 2022

(₹ in lakh)

Particulars		For the year ended March 31, 2022		For the year ended March 31, 2021
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit /(Loss) before tax as per Statement of Profit and Loss		**(87,340)**		(75,978)
Adjusted for:				
Depreciation and Amortisation ₹ 7,657	-		2	
Effect of change in Foreign Exchange Rate (net)	549		(512)	
Finance Costs	31,042		28,148	
Interest Income	-		(75)	
		31,591		27,563
Operating Profit / (Loss) before Working Capital Changes		**(55,749)**		(48,415)
Adjusted for:				
Receivables and Other Advances	(143)		(76)	
Trade Payables and Other Liabilities	54,868		47,445	
		54,725		47,369
Cash Generated from Operations		**(1,024)**		(1,046)
Tax Refund	2		628	
Tax Paid	-	2	-	628
Net Cash from Operating Activities		**(1,022)**		(418)
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				
Finance Costs		(1)		(1)
Net Cash from/ (Used in) Financing Activities		**(1)**		(1)
Net Increase/ (Decrease) in Cash and Cash Equivalents		**(1,023)**		(419)
Opening Balance of Cash and Cash Equivalents		(20,620)		(20,201)
Closing Balance of Cash and Cash Equivalents		**(21,643)**		(20,620)

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, 2022	As at March 31, 2021
(i) Cash and cash equivalent	2,609	3,632
(ii) Less: Bank overdraft	(24,252)	(24,252)
(iii) Cash and cash equivalent (net) as per Ind AS 7	**(21,643)**	(20,620)

Reliance Telecom Limited

Statement of Cash Flow for the year ended March 31, 2022

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

Jigar T. Shah
Partner
Membership No. 161851

Place : Mumbai
Dated : May 28, 2022

For Reliance Telecom Limited

Anish Niranjan Nanavaty
Resolution Professional

Payal H Shah
Director
DIN 09284328

Mahesh Mungekar
Director
DIN 00778339

Sanjay K Agarwal
Chief Financial Officer

Vinay Soni
Company Secretary & Manager
A59194

Reliance Telecom Limited

Notes on Accounts to Financial Statements as at March 31, 2022

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.

(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.

1.05 Non-current Assets Held for Sale

Non-current assets are classified as the Assets Held for Sale when their carrying amount is to be recovered principally through a sale transaction. Non-current assets classified as held for sale are measured at the lower of their carrying amount and/ or fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets and sale is expected to be concluded within twelve months from the date of such classification.

Assets and liabilities classified as held for sale are presented separately in the balance sheet. Non-current assets are not depreciated or amortised while they are classified as held for sale.

Loss is recognised for any initial or subsequent write down of such non current assets to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell an asset but not in excess of any cumulative loss previously recognised.

If the criteria for assets held for sale are no longer met, it ceases to be classified as held for sale and are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation or any amortisation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when such assets ceases to be classified as held for sale.

1.06 Impairment of Non Financial Assets

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

1.07 Inventories of Stores, Spares and Communication Devices

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

1.08 Employee Benefits

Short-term employee benefits

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

Long-term employee benefits

(i) **Defined contribution plan**
The Company’s contribution towards Employees’ Superannuation Plan is recognised as an expense during the period in which it accrues.

(ii) **Defined benefit plans**

Provident Fund

The Company's contribution towards provident fund is recognised as an expense during the period in which it accrues.

Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value, mortality rate and the fair value of any plan assets is deducted. Mortality rate is based on publicly available mortality table in India.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Remeasurements which comprise actuarial gain and losses, the return of plan assets (excluding interest) and the effect of assets ceiling (if any, excluding interest), are recognised in Other Comprehensive Income.

(iii) **Other Long term employment benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the balance sheet date.

Remeasurements gain and losses is recognised in the Statement of Profit and Loss in the period in which they arise.

1.09 Borrowing Costs

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

1.10 Foreign Currency Transactions

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

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

(iii) Non monetary foreign currency items are carried at cost. (i.e. translated using the exchange rates at the time of initial transactions).

(iv) Exchange difference on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for;

(a) Exchange difference on foreign currency borrowings relating to depreciable capital asset are included in cost of assets which are regarded as an adjustment to interest cost.

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

(v) Accounting of transactions that include the receipt or payment of advance consideration in a foreign currency the date of transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

(vi) Any Gain/ Loss arising out of marking a class of derivative contracts to market price is recognised in the Statement of Profit and Loss.

1.11 Revenue Recognition and Receivables

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

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

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

(iii) Interest income is recognised on time proportion basis.

1.12 Taxes on Income and Deferred Tax

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

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

1.13 Asset Retirement Obligation (ARO),Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are determined by discounting expected future cash flows at the pre tax rate that reflects current market assumptions of time value of money and risk specific to the liability. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Asset Retirement Obligation (ARO) relates to the removal of equipments when they will be retired from its active use. Provision is recognised based on the best estimate, of the management, of the eventual costs (net of recovery), using discounted cash flow, that relates to such obligation and is adjusted to the cost of such assets. Estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent Assets are neither recognised nor disclosed in the financial statements of the Company.

1.14 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:

Financial Assets measured at amortised cost:

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

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

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

Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI):

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

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

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

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

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

Equity investments :

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

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

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

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

Derecognition of Financial Assets

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

Impairment of Financial Assets

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

Financial Liabilities

(i) **Initial recognition and measurement**

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

(ii) **Subsequent measurement**

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

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

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

Derecognition of Financial Liabilities

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

1.16 Use of Estimates

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

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

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

Critical estimates and judgements

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

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

(v) Defined benefit plans (gratuity benefits) : The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(vi) Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

(vii) Determination of net realisable value of Assets Held for Sale and related liabilities.

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

(ix) The Company has provided liability against License & Spectrum Fee dues along with interest and penalty, for the demands raised by DoT considering Non-Telecom income till FY 2014-15 and for the balance years, for which demand have not been raised by DoT, the company has computed estimated liability on Non-Telecom revenue from FY 2015-16 onwards along with interest and penalty thereof.

1.17 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

Note: 2.01

Property, Plant and Equipment

(₹ in lakh)

Particulars	**Buildings**	**Capital Work in Progress**
Gross carrying value		
As at April 1, 2020	4	-
Additions	-	-
Deductions	-	-
As at March 31, 2021	4	-
Additions	-	-
Deductions	-	-
As at March 31, 2022	**4**	**-**
Accumulated Depreciation		
As at April 1, 2020	-	
Depreciation for the year	2	
Deductions	-	
As at March 31, 2021	2	
Depreciation for the year (₹ 7,657)	-	
Deductions	-	
As at March 31, 2022	2	
Net Carrying Value		
As at March 31, 2021	2	
As at March 31, 2022	**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, 2022

Note: 2.02

(a) Income Tax Assets (net) (Refer Note 2.21) (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Income Tax and Tax Deducted at source (net of provision for tax)	844	846
	844	846

(b) Deferred Tax Assets (Net) (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Amount recognised in Financial Statement				
(i) Deferred Tax Assets				
Relating to Carried forward losses and unabsorbed depreciation	203,845	181,962	21,883	10,537
Disallowances under Income Tax Act, 1961	7,381	7,578	(197)	242
MAT Credit Entitlement	-	2,931	(2,931)	-
Relating to temporary difference on depreciation/ amortisation and Impairment of Assets	3,379	15,102	(11,723)	(12,489)
	214,605	207,573	**7,032**	(1,710)
(ii) Deferred Tax Liabilities	-	-	-	-
Net Deferred Tax Assets (i)- (ii)	**214,605**	207,573	**7,032**	(1,710)
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:

Sr. Year of Expiry	**Amount of Loss** (₹ in lakh)
i. Financial Year 2022-23	3,955
ii. Financial Year 2024-25	68,856
iii. Financial Year 2025-26	68,406
iv. Financial Year 2026-27	54,268
v. Financial Year 2027-28	53,256
vi. Financial Year 2028-29	51,911
vii. Financial Year 2029-30	55,823
vii. Unabsorbed Depreciation for unlimited period	296,809

(b) Amounts recognised in profit and loss (₹ in lakh)

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
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	**(87,340)**	(75,978)
Applicable Tax Rate	**31.20%**	31.20%
Computed Tax Expenses (I)	**(27,250)**	(23,705)
Add/ (Less):		
DTA not recognised on account of		
Temporary differences	10,196	8,975
Provision for Impairment disallowed/ Others not allowed under Income Tax Act, 1961	17,054	14,730
Subtotal (II)	**27,250**	23,705
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, 2022

Note: 2.03

Trade Receivables (Refer Note 2.21 and 2.27.2) (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
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, 2022

Particulars	Less then 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)	**4,470** (4,470)
Undisputed Trade Receivables-Credit impaired	- (-)	- (-)	- (-)	- (-)	19,965 (19,965)	**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, 2022	As at March 31, 2021
Balance with Banks	2,609	3,632
	2,609	3,632

Note: 2.05

Other Current Assets (Unsecured)* (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Advances and Receivables		
Considered good		
Related Parties (Refer Note 2. 30)	862	869
Others	17,392	17,392
	18,254	18,261
b) Others		
Deposits	3,580	3,580
Balance with GST Authorities etc.	11,953	11,802
Prepaid Expenses	169	171
	33,956	33,814

* Refer Note 2.21

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

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	
	2022	2021	**2022**	2021	**2022**	2021
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, 2022**	As at March 31, 2021
Deferred Payment Liabilities relating to Telecom Licences	192,148	192,148
Interest accrued on Spectrum	138,785	108,700
	330,933	300,848

2.06.01 The assets pertaining to Wireless Business continued to be classified as assets held for sale at the value ascertained as at March 31, 2018, along with liabilities and disclosed separately as discontinued operations in line with Ind AS 105 "Non-current. During the year, ₹ Nil (Previous year ₹ Nil) have been impaired and represented as exceptional items. On finalisation and implementation of debt resolution process through Hon'ble NCLT, the Company will carry out a comprehensive impairment review of its tangible, intangible assets and Assets held for sale. Refer Note 2.21.

During the earlier years, Reliance Communications Limited (RCOM), being the Holding Company, successfully bid under auction conducted for spectrum, by The Department of Telecommunications (DoT), for and on behalf of the Company and won spectrum in 5 service areas at a total cost of ₹ 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 ₹ 89,151 lakh, due on April 9, 2019,April 9, 2020 and April 9, 2021 are yet to be paid and balance installments not due as at March 31, 2022 is aggregating to ₹ 356,604 lakh including interest @10% per annum. Further, an installment of ₹ 29,717 lakh due on April 9, 2022 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), a fellow subsidiary were secured by a first pari passu charge on the whole of the movable plant and machinery of the Company including (without limitations) tower assets and optic fibre cables, if any (whether attached or otherwise), capital work-in-progress (pertaining to movable fixed assets) both present and future including all the rights, title, interest, benefits, claims and demands in respect of all insurance contracts relating thereto of the Borrower Group; comprising of the Company, RCOM, the Holding Company and its fellow subsidiaries namely RITL and Reliance Communications Infrastructure Limited (RCIL) in favour of the Security Trustee for the benefit of the NCD Holders and the Lenders of the said secured loans. Further, Rupee Term Loan of ₹ 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, 2022

Note: 2.07

Equity Share Capital

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
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.

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

Particulars	March 31, 2022		March 31, 2021	
	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 March 31, 2022		As at March 31, 2021
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	(1,112,838)		(1,036,860)	
(ii) Add: Profit /(Loss) for the year	(87,340)	(1,200,178)	(75,978)	(1,112,838)
Other Comprehensive Income				
(i) Opening Balance	(13)		(14)	
(ii) Add: Additions during the year (net)	1	(12)	1	(13)
		(1,180,190)		(1,092,851)

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 March 31, 2022	As at March 31, 2021
Provision for Retirement Benefit (Refer Note 2.22 & 2.31)	3	3
	3	3

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

Note: 2.10

Borrowings- Current

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
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 Related Parties (Refer Note 2.30)		
Borrowings	355,588	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, 2022 was ₹ 61,069 lakh) under consortium banking arrangement and Foreign Currency Loan (Secured Loans) (Outstanding as on March 31,2022 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) and Reliance Communications Infrastructure Limited (RCIL) (Borrower Group) in favour of the Security Trustee for the benefit of the Lenders. The said Secured Loans apart from the above security, are also secured by pledge of equity shares of RCIL held by RCOM and of the Company held by RCOM and Reliance Realty Limited (RRL) by execution of the Share Pledge Agreement with the Share Pledge Security Trustee.

The Company, in favour of the Lenders of the Foreign Currency Loans, has also assigned eight Unified Access Services (UAS) Licences, by execution of Tripartite Agreements with Department of Telecommunications (DoT) and IDBI Bank, being the agent acting on behalf of the Lenders. The Company, during the earlier year, migrated to Unified licence in 7 telecom circles. Assignment of Telecom Licenses of the Company for the Rupee Term Loans is pending to be executed. The said Foreign Currency Loans are also guaranteed by Holding Company.

Rupee Term loans are also secured by pledge of equity shares of RITL held by RCIL, current assets, movable and immovable assets including intangible, both present and future of the Borrower Group and Corporate Guarantee of the Borrower Group. During the earlier year, charge over the three immovable assets of the Borrower Group was created. However, charge over balance immovable assets of the Borrower Group and Reliance Globalcom BV (RGBV) the security for Rupee Loan is pending to be created.

During the earlier year, lenders have invoked guarantees provided by Borrower group for outstanding Rupee loan of ₹ 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.

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

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, 2022		Default as at March 31, 2022		Default as at March 31, 2021		Default as at March 31, 2021	
		Amount [₹ in lakh]	Period [Maximum days]	Amount [₹ in lakh]	Period [Maximum days]	Amount [₹ in lakh]	Period [Maximum days]	Amount [₹ in lakh]	Period [Maximum days]
1	Central Bank of India	1,840	1,827	22	1,827	1,840	1,462	22	1,462
2	Bank of India	4,600	1,827	61	1,826	4,600	1,462	61	1,461
3	Canara Bank	5,040	1,736	-	-	5,040	1,371	-	-
4	Indian Overseas Bank	1,840	1,827	22	1,826	1,840	1,462	22	1,461
5	Oriental Bank of Commerce (merged with Punjab National Bank)	1,393	1,644	22	1,826	1,393	1,279	22	1,461
6	State Bank of India	11,500	1,827	176	1,826	11,500	1,462	176	1,461
7	IDBI Bank Ltd	27,600	1,827	378	1,826	27,600	1,462	378	1,461
8	Union Bank of India	2,196	1,827	24	1,826	2,196	1,462	24	1,461
9	Corporation Bank (merged with Union Bank of India)	1,380	1,827	16	1,826	1,380	1,462	16	1,461
10	Syndicate Bank (merged with Canara Bank)*	3,680	1,827	44	1,826	3,680	1,462	44	1,461
11	Punjab National Bank	18,760	1,852	-	-	18,760	1,487	-	-
12	IDBI Bank Ltd	5,492	1,840	-	-	5,492	1,475	-	-
13	Vishvakarma Equipment Finance Ltd.	11,800	851	-	-	11,800	486	-	-
14	HSBC- France	26,147	1,771	446	1,771	26,147	1,406	446	1,406
15	China Development Bank*	86,367	1,663	2,670	1,849	86,367	1,298	2,670	1,484
16	Export Import Bank of China*	21,592	1,663	667	1,849	21,592	1,298	667	1,484
17	**Total**	**231,227**		**4,548**		231,227		4,548	

* Facilities recalled

2.10.04 Since the Company is under CIRP and claims have been filed by lenders, the overall obligations and liabilities including obligation for interest on loans shall be determined during the CIRP. Hence due to non availability of revised repayment schedule of borrowings, the total loan amount has been disclosed in delay/ default however, the figures of delay/ default are based on original terms of facility and from the date of recall, where loans have been recalled.

2.10.05 Apart from above outstanding of Interest, the Company has not provided Interest Expenses of ₹ 93,683 lakh upto March 31, 2022 (Previous year upto March 31, 2021 ₹ 73,430 lakh) calculated based on basic rate of interest as per terms of loan as at March 31, 2022 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, 2022

Note: 2.11

Trade Payables (Refer Note 2.21 & 2.29) (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro and Small Enterprises	1,347	1,349
Due to Creditors other than Micro and Small Enterprises		
Related Parties (Refer Note 2.30)	17,327	17,327
Others	37,992	37,968
	56,666	56,644

Note: 2.12

Other Financial Liabilities (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued and due on borrowings	4,548	4,548
Capital Creditors	16,991	16,460
Other Liabilities*		
-From Related Parties* (Refer Note 2.30)	6,785	6,785
-Others** (Refer Note 2.21 & 2.25)	408,106	352,299
	436,430	380,092

* 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, 2022	As at March 31, 2021
Income received in advance	1,325	1,325
Other Liabilities*	2,404	2,393
	3,729	3,718

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

Note: 2.14

Provisions (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Employee Benefits (Refer Note 2.22 & 2.31)	2	2
	2	2

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

Note: 2.15

Other Income (₹ in lakh)

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Interest Income	-	75
Net gain on Foreign currency transactions and translation	-	512
Miscellaneous Income / Liabilities written back	10	-
	10	587

Note: 2.16

Access Charges, License Fees and Network Expenses (₹ in lakh)

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
License Fees	599	608
Rent, Rates and Taxes	1	51
Repairs and Maintenance	8	23
Power, Fuel and Utilities	13	70
	621	752

Note: 2.17

Employee Benefits Expenses* (₹ in lakh)

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Salaries and Wages	49	47
Contribution to Provident and Other Funds (Refer Note 2.31)	2	1
Employee Welfare and Other Amenities	1	1
	52	49

*Including Managerial Remuneration (Refer Note 2.30)

Note: 2.18

Finance Costs (₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Financial Liabilities	30,085	27,350
Other Financial Cost	957	798
	31,042	28,148

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 ₹ 20,253 lakh calculated based on basic rate of interest as per terms of loan and foreign exchange variation loss of ₹ 5,520 lakh for the year ended March 31, 2022. Had the Company provided Interest and foreign exchange variation, the Loss would have been higher by ₹ 25,773 lakh for the year ended March 31, 2022. The Net worth as on March 31, 2022 and as on March 31, 2021 would have been lower by ₹ 115,530 lakh and ₹ 89,757 lakh respectively. During the previous years, Interest of ₹ 73,430 lakh and foreign exchange variation loss to ₹ 16,327 lakh was not provided during the financial year ended March 31, 2018, March 31, 2019, March 31, 2020 and March 31, 2021. 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, 2022		For the year ended March 31, 2021
Professional Fees	29		2	
CIRP Cost	199		220	
Net loss on Foreign currency transactions and translation	549		-	
Other General and Administration Expenses	193	970	176	398
Payment to Auditors				
- Audit Fees	3		3	
- Certification Fees	1	4	-	3
		974		401

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

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 responsibility of conducting the CIRP of the Company.

On the basis of the Hon'ble NCLAT's order dated April 30, 2019, the CIRP in respect of the Company has been re-commenced and interim resolution professional has been appointed. Subsequently, appointment of Mr. Anish Niranjan Nanavaty as the Resolution Professional (RP) of the Company has been confirmed by the NCLT vides its order dated June 21, 2019, which was published on June 28, 2019 on the NCLT’s website.

Pursuant to strategic transformation programme, as a part of asset monetization and resolution plan of the Company, Reliance Communication Limited, the holding company and Reliance Infratel Limited, the fellow subsidiary, with the permission of and on the basis of suggestions of the Lenders, had entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) for monetisation of certain specified assets on December 28, 2017 for sale of Wireless Spectrum, Towers, Fibre and Media Convergence Nodes (MCNs). During the 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.

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 September26, 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'bleTDSAT 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 results continue to be prepared on going concern basis. However, since the Company continues to incur loss, current liabilities exceed current assets and Company has defaulted in repayment of borrowings, payment of regulatory and statutory dues 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 For the year ended		Non Current For the year ended	
	March 31, 2022	March 31, 2021	**March 31, 2022**	March 31, 2021
Provision for Retirement Benefits (Refer Note 2.31)				
Balances at the beginning of the year	**2**	1	**3**	3
Additional Provision/(Reduction)	**-**	1	**-**	-
Balances at the close of the year	**2**	2	**3**	3

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

Note: 2.23

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

(₹ in lakh)

	Particulars	As at March 31, 2022	As at March 31, 2021
(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*	**171,830**	119,864

* These includes demands received from Sales Tax/ Service Tax/ Entry Tax authorities in various States/ Department of Telecommunications, which are pending before the Appellate Authorities/ Tribunal/ High Court/ TDSAT and the stay orders are granted against the said demands. The Company is confident that the aforesaid claims will be successfully contested.

The Company has deposited ₹ 3,150 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").

(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.

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 and are presently sub judice before the Hon'ble High Court of Delhi. Currently, there is no impact of such declaration by the banks, in the financial statements.

(viii) During the previous year and current year, 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

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020. which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact once the subject rules under the Code are notified and will give appropriate impact in the financial statements when the code becomes effective.

Note: 2.25

License Fees and Spectrum Fee demands on account of Special Audit and Comptroller and Audit General (CAG)

The Hon'ble Supreme Court of India, vide its order dated October 24, 2019 had dismissed the petition filed by the telecom operators and agreed with the interpretation of the Department of Telecommunications (DoT) to the definition of Adjusted Gross Revenue (AGR) under the license.

On September 01, 2020, Hon'ble Supreme Court pronounced the judgement in the AGR matter ("SC Judgement"). It has framed various questions in respect of companies under insolvency and in respect of such questions, the Court has held that the same should be decided first by the Hon'ble NCLT by a reasoned order within 2 months, and that it has not gone into the merits in this decision.

The RP of the Company 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 last listed on May 2, 2022 wherein the Hon'ble Supreme Court directed the matter to be tentatively listed in the third week of July 2022. The appeals are currently sub judice.

Further, in the SC judgement, reiterating that AGR dues as per original decision should be paid, the Hon'ble Supreme Court had directed that DoT should complete the assessment in cases where demand had not been raised and raise demand if it has not been raised, to examine the correctness of self-assessment and raise demand, if necessary, after due verification. In case demand notice has not been issued, DoT should raise the demand within six weeks from date of judgement. The Company has not received any such demand in this regard till date.

The DoT had during the pendency of the various proceedings simultaneously directed Special Audit in relation to the computation of License fee, Spectrum fee, applicable interest and penalties thereon, which is under progress for the financial year 2015-16 onwards. In this regard, the Company has provided for estimated liability aggregating to ₹ 348,811 lakh upto the previous year ended March 31, 2021 and has provided additional charge of ₹ 54,661 lakh during the year ended March 31, 2022 and represented as exceptional items which may undergo revision based on demands from DoT and / or any developments in this matter.

Considering various factors including admission of the Company to resolution process under the Code and the moratorium applicable under the Code, discharge of the aforesaid liability will be dealt with in accordance with the Code (subject to orders in the relevant judicial proceedings).

Note: 2.26
Lease

The Assets of the Company are held for sale as per Ind AS 105 and being short term in nature and accordingly lease agreements are considered to be short term in nature hence Ind AS 116 has not been applied.

Note: 2.27
2.27.1 Financial Instruments

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

Since the Company is under CIRP, there is no fair valuation of financial instruments has been carried out. The carrying value of financial instruments by categories are as follows:

(₹ in lakh)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.04)	2,609	3,632
Trade receivables (Refer Note 2.03)	4,470	4,470
Total	**7,079**	8,102
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)	56,666	56,644
Other financial liabilities (Refer Note 2.12)	436,430	380,092
Borrowings (Refer Note 2.10) and Deferred payment liabilities (Refer Note 2.06)	1,057,018	1,026,933
Total	**1,550,114**	1,463,669
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, 2022

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 31,2022**			March 31,2021		
	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	(19,532)	(551)	(20,083)	(18,974)	(561)	(19,535)
Net assets/ (liabilities)	**(153,638)**	**(551)**	**(154,189)**	(153,080)	(561)	(153,641)

Sensitivity Analysis

Not relevant till the time resolution plan is finalised.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. Since the Company is under CIRP, it could not meet interest obligation during the year and shall be finalised when resolution plan is implemented.

Exposure to interest rate risk/ Sensitivity Analysis

Not relevant till the time resolution plan is finalised.

Derivative financial instruments

The Company does not hold derivative financial instruments.

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Credit risk

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

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from the customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss (ECL) model to assess the impairment loss or gain. ECL methodology depends on whether there is any significant increase in credit risk. In case of significant increase in credit risk, life time ECL is used; otherwise twelve month ECL is used. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit default swap quotes, credit ratings from international credit rating agencies and historical experience for the customers. 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, 2022**	For the year ended March 31, 2021
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)	**(32,679)**	(28,765)
(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 (₹)	**(38.45)**	(33.84)
Basic and Diluted EPS (after Exceptional Items)			
(a)	Profit attributable to Equity Shareholders (₹ in lakh) (used as numerator for calculating Basic and Diluted EPS)	**(87,340)**	(75,978)
(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 (₹)	**(102.75)**	(89.39)

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

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.

(₹ in lakh)

	Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
(i)	Principal amount due to any supplier as at the year end	**1,459**	1,461
(ii)	Interest due to suppliers and remaining unpaid as at year end	**1,190**	946
(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	**-**	0
(iv)	Payment made to the enterprises beyond appointed date under Section 16 of MSMED	**2**	1
(v)	Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year but without adding the interest specified under MSMED	**-**	-
(vi)	Amount of interest accrued and remaining unpaid at the end of each accounting year	**1,190**	946
(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	**859**	657

2.29.02 Trade Payables Ageing Schedule (₹ in lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	26	1,372	**1,398**
	(-)	(2)	(26)	(68)	(1,304)	(1,400)
(ii) Others	-	9	9	224	55,026	**55,268**
	(-)	(10)	(798)	(5,872)	(48,564)	(55,244)
(iii) Disputed dues – MSME	-	-	-	-	-	**-**
	(-)	(-)	(-)	(-)	(-)	(-)
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	(-)	(-)	(-)	(-)	(-)	(-)
Total	-	9	9	250	56,398	**56,666**
	(-)	(12)	(824)	(5,940)	(49,868)	(56,644)

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

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)	Fellow subsidiary
4	Reliance Infratel Limited (RITL)	Fellow subsidiary
5	Reliance Tech Services Limited (RTSL)	Fellow subsidiary
6	Reliance Webstore Limited (RWSL)	Fellow subsidiary
7	Globalcom IDC Limited (GIDC)	Fellow subsidiary
8	Reliance Realty Limited (RRL)	Fellow subsidiary
9	Reliance Communications Tamilnadu Limited (RCTL)	Fellow subsidiary
10	Reliance Capital Limited	Enterprises over which Promoter of Holding Company having control
11	Reliance General Insurance Company Limited	Enterprises over which Promoter of Holding Company having control
10	Reliance Telecom Limited Employees Provident Fund	Employee Benefits Trust
10	Reliance Telecom Ltd. Employees Group Gratuity Assurance Scheme	Employee Benefits Trust
11	Reliance Telecom Ltd. Employees Superannuation Scheme	Employee Benefits Trust
12	Shri Vinay Soni - Company Secretary and Manager	Key Managerial Person (KMP)

B Transactions during the year with related parties

(Figures relating to current year are reflected in Bold, relating to previous year are reflected in brackets and italic.)

(₹ in lakh)

	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**	**-**	**32**	**-**	**862**
		(24)	*(815)*	-	*(30)*	-	*(869)*
(ii)	**Trade Payable**						
		-	**17,327**	**-**	**-**	**-**	**17,327**
		-	*(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, 2022

(₹ 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, 2021						
		235,588	**120,000**	**-**	**-**	**-**	**355,588**
		(235,588)	*(120,000)*	-	-	-	*(355,588)*
	Add: Taken/Adjusted during the year						
		-	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-	-
	Less: Repayment/ Adjusted during the year						
		-	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-	-
	Balance as on March 31, 2022						
		235,588	**120,000**	**-**	**-**	**-**	**355,588**
		(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**	**194,223**	-	-	-	-	**194,223**
		(188,705)	-	-	-	-	*(188,705)*
(vii)	**Managerial Remuneration**						
	Shri Vinay Soni	**-**	**-**	**-**	**-**	**5**	**5**
		-	-	-	-	*(4)*	*(4)*

The following table describes the components of compensation paid or payable to key management personnel for the services rendered during the year ended:

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and other benefits	4	4
Contributions to defined benefit plans ₹ 19,383 (Previous year ₹ 17,562)	-	-
Contributions to defined contribution plans ₹ 7,770 (Previous year ₹ 7,346)	-	-
Total	**5**	4

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, 2022 and March 31, 2021, the contributions towards the plans have been invested in Insurer Managed Funds.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any significant change in salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future.

The define benefit plan exposed the Company at actuarial risk such as logentivity risk, interest risk and market (Investment) risk.

The following table set out the status of the Gratuity Plan as required under Indian Accounting Standard ("Ind AS")-19 "Employee Benefits".

(₹ in lakh)

	Particulars	**As at March 31,2022**	As at March 31, 2021
(i)	**Reconciliation of opening and closing balances of the present value of the defined benefit obligation**		
	Obligation at beginning of the year	**13**	13
	Service cost	**1**	1
	Interest cost	**1**	-
	Actuarial (Gain)/ Loss	**(1)**	(1)
	Benefits paid	**-**	-
	Obligation at year end	**14**	13
	*Defined benefit obligation liability as at the balance sheet is wholly funded by the Company		
(ii)	**Change in plan assets**		
	Plan assets at beginning of the year, at fair value	**44**	42
	Expected return on plan assets	**2**	1
	Actuarial Gain/ (Loss) (₹ 4,255)	**-**	1
	Contributions	**-**	-
	Benefits	**-**	-
	Plan assets at year end, at fair value	**46**	44

(₹ in lakh)

	Particulars	As at March 31,2022	As at March 31, 2021
(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	**46**	44
	Present value of the defined benefit obligations at the end of the year	**14**	13
	Liability/ (Advance) recognised in the Balance Sheet	**(32)**	(31)
(iv)	**Expense Recognised in Profit or Loss**		
	Service Cost	**1**	1
	Interest Cost	**(1)**	(1)
	Total	**-**	-
(V)	**Amount Recognised in Other Comprehensive Income**		
	Actuarial (Gain)/Loss on Obligation	**(1)**	(1)
	Actuarial (Gain)/ Loss on Plan Assets	**-**	(1)
	Total	**(1)**	(2)
(vi)	**Investment details of plan assets -** 100% of the plan assets are invested in balanced Fund Instruments		
(vii)	**Actual return on plan assets**	**2**	2
(viii)	**Assumptions**		
	Interest rate	**4.97%**	4.54%
	Estimated return on plan assets	**4.97%**	4.54%
	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,				
	2022	2021	2020	2019	2018
Present Value of benefit obligation	**14**	13	13	13	29
Fair value of plan assets	**46**	44	42	37	51
Excess of (obligation over plan assets) / plan assets over obligation	**32**	31	29	24	22

The expected contribution is based on the same assumptions used to measure the company's gratuity obligations as of March 31, 2022.

(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 31,2022	As at March 31, 2021
Discount rate (+1% movement) { ₹ **(20,386)** (Previous year ₹ (21,012))}	**-**	-
Discount rate (-1% movement) { ₹ **20,732** (Previous year ₹ 21,396)}	**-**	-
Future Salary growth (+1% movement)	**-**	-
Future Salary growth (-1% movement)	**-**	-
Employee Turnover (+1% movement) { ₹ **(17)** (Previous year ₹ (15))}	**-**	-
Employee Turnover (-1% movement) { ₹ **24** (Previous year ₹ 20)}	**-**	-

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	**708,692**	555,442
2nd following year	**357,498**	445,172
3rd following year	**176,187**	166,565
4th following year	**161,020**	82,013
5th following year	**4,690**	75,317
Sum of 6 years and above	**4,572**	3,819

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 .

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 March 31,2022	As at March 31,2021
(a)	Equity	**(1,171,690)**	(1,084,351)
(b)	Debt	**726,085**	726,085
(c)	Equity+ Debt (a+b)	**(445,605)**	(358,266)
(d)	Capital Gearing Ratio (b/c)	**-163%**	-203%

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

Reliance Telecom Limited

Notes on Accounts to the Financial Statements as at March 31, 2022

Note: 2.34

Accounting Ratios

Sr.	Name of the Ratio	Numerator	Denominator	2021-22	2020-21	% Variance #
1.	Current Ratio (in times)	Current Assets	Current Liabilities	0.25	0.26	-3.85%
2.	Debt-Equity Ratio (in times)	Total Debt	Equity	(0.62)	(0.67)	-7.46%

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 then 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).

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

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: 2.39

Post Reporting Events

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

Note: 2.40

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: 2.41

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, 2022, 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, 2022 have been taken on record by the RP solely on the basis of and on relying the aforesaid certifications, representations and statements of the aforesaid directors and the management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial statements.

(iv) In terms of the provisions of the Code, the RP is required to undertake a review of certain transactions. Such review has been completed and the RP has filed the necessary applications with the adjudicating authority.

After review, the Directors of the Corporate Debtor have approved the financial statements at their meeting held on May 28, 2022 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

Jigar T. Shah
Partner
Membership No. 161851

Place : Mumbai
Dated : May 28, 2022

For Reliance Telecom Limited

Anish Niranjan Nanavaty
Resolution Professional

Payal H Shah
Director
DIN 09284328

Mahesh Mungekar
Director
DIN 00778339

Sanjay K Agarwal
Chief Financial Officer

Vinay Soni
Company Secretary
A59194

Independent Auditor's Report on financial statements

To the Members of Reliance Communications Infrastructure Limited (A Company under Corporate Insolvency resolution process vide NCLT Order)

Report on the financial statements

Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Reliance Communications Infrastructure Limited ("the Company") and appointed Resolution Professional (RP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

Qualified Opinion

We have audited the financial statements of **Reliance Communications Infrastructure Limited** ("the Company"), which comprise the balance sheet as at March 31, 2022, 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, 2022 and its profit (including total 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 profit for the year ended March 31, 2022.

b) We draw attention to Note no. 2.30 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. 1,274 lakh for year ended March 31, 2022 and Rs. 11,683 lakh 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 profit for the year ended March 31, 2022 would have been lower by Rs. 1,274 lakh and the Net worth of the Company would have been lower by Rs. 12,957 lakh and Rs. 11,683 lakh for the year ended March 31, 2022 and March 31, 2021 respectively. Non provision of interest is not in compliance with Ind AS 23 “Borrowing Costs”.

c) We draw attention to Note no. 2.28 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 profit for the year ended March 2022. 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 2.34 of the financial statements, regarding non adoption of Ind AS 116 “Leases" effective from April 01, 2019 and the consequent impact thereof. The aforesaid accounting treatment is not in accordance with the relevant Ind AS 116.

e) We draw attention to Note no 2.28 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 2.29 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. 3,162 lakh as at March 31, 2022. 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 2.49 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. 2.49 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), Reliance Telecom Limited and Reliance Infratel Limited are also undergoing CIRP under the provisions of the Code and the RP is also the resolution professional of the aforesaid companies.

The financial statements of the Company should be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it should be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the financial statements. As mentioned in Note No. 2.49 of the financial statements, in view of the on going Corporate Insolvency Resolution Process, the powers of the board of directors stand suspended and are exercised by the Resolution Professional.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 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) 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.

(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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.33 to the financial statements;

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

iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

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.

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

Jigar .T. Shah
Partner
Membership No: 161851
UDIN: 22161851AMBJUS7341

Date: May 28, 2022
Place: Mumbai

Reliance Communications Infrastructure Limited

'Annexure A' to the Independent Auditor's Report for the year ended March 31, 2022

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, 2022, 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 physically verified some of its some of the Property, Plant and Equipment on sample basis which is not under electronic surveillance and certain assets which are under electronic surveillance and no material discrepancies were identified on such physical verification.

(c) According to the information and explanations given to us 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 Lakh)

<table>
<tr><th>Particulars</th><th>All Parties</th><th>Promoters</th><th>Related Parties</th></tr>
<tr><td>Aggregate amount of loans/ advances in nature of loans
- Repayable on demand (A)</td><td rowspan="2">99,455</td><td>-</td><td rowspan="2">99,455</td></tr>
<tr><td>- Agreement does not specify any terms or period of repayment (B)</td><td>-</td></tr>
<tr><td>Total (A+B)</td><td>99,455</td><td>-</td><td>99,455</td></tr>
<tr><td>Percentage of loans/ advances in nature of loans to the total loans</td><td>100%</td><td>-</td><td>100%</td></tr>
</table>

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. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under subsection 1 of Section 148 of the Act, in respect of telecommunication activities and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that there are delays in amounts deposited with appropriate authorities for amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and services tax, service tax, duty of customs, sales tax, value added tax, entry tax, employees state insurance, cess and other material statutory dues. According to the information and explanations given to us, undisputed amounts payable in respect of provident fund, income tax, goods and services tax, sales tax, value added tax, employees state insurance and other material statutory dues which were in arrears as at March 31, 2022 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	1,16,70,043	Prior to Mar-18	Various	Unpaid

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
	Payable			Dates	
Chhattisgarh Value Added Tax Act, 2003	Works Contract Tax payable	36	Prior to Mar-17	Various Dates	Unpaid
Kerala Value Added Tax Act, 2003	Works Contract Tax payable	10,069	Prior to Mar-17	Various Dates	Unpaid
Chhattisgarh Value Added Tax Act, 2003	Works Contract Tax payable	14,844	Prior to Mar-17	Various Dates	Unpaid
Income Tax Act, 1961	Tax Deducted at source	1,15,24,936	Prior to October - 2020	Various Dates	Unpaid
Labour Welfare Fund – Various States	Labour Welfare Fund	1,22,149	Prior to Mar-19	Various Dates	Unpaid
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, 2022 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

Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount* (Rs. in lakh)
	Commissioner	2009-10, 2010-11, 2011-12	16
	Jt. Commissioner (Appeals)	2003-04, 2004-05, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14	4,133
	Tribunal	2005-06, 2007-08, 2008-09	64
	High Court	2007-08	238
	Appellate Authority	2010-11, 2011-12, 2012-13, 2014-15	139
	Dy. Commissioner of Sales Tax	2013-14	38
	VAT Total		**4,710**
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	28,835
	Income Tax Total		**65,734**

*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	11,060	1 805	797	1 805
2.	IDBI bank	374	1 830	46	1 830
	Total	**11,434**		**843**	

(Refer Note no 2.17.01 of the financial statements)

The Company has not provided interest of Rs. 1,274 lakh and Rs. 12,957 lakh for the year and upto March 31, 2022 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. 1,173 lakh in the financial year 2021-22 and Rs. 2,656 lakh 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: 22161851AMBJUS7341

Date: May 28, 2022
Place: Mumbai

Reliance Communications Infrastructure Limited

'Annexure B' to the Independent Auditor's Report - March 31, 2022
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, 2022 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, 2022.

i. Balances of trade receivable, trade payable, other liabilities and loan & advances are subject to confirmations. (Refer Note No. 2.28)

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, 2022, 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, 2022 and these material weaknesses has affected our opinion on financial statements of the Company for the year ended March 31, 2022 & our audit report dated May 28, 2022, 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: 22161851AMBJUS7341

Date: May 28, 2022
Place: Mumbai

Annual Report
FY 2021-22

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Balance Sheet as at March 31, 2022

(₹ in lakh)

Particulars	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	2.01	-		-	
(b) Intangible Assets	2.02	-		-	
(c) Financial Assets					
(i) Investments	2.03	31,830		31,830	
(d) Income Tax Assets	2.04	6,613		7,169	
(e) Deferred Tax Asset (net)	2.05	467	38,910	467	39,466
Current Assets					
(a) Financial Assets					
(i) Trade Receivables	2.06	1,752		1,935	
(ii) Cash and Cash Equivalents	2.07	636		5,760	
(iii) Bank Balances other than (ii) above	2.08	12,576		7,178	
(iv) Loans	2.09	99,455		99,455	
(v) Other Financial Assets	2.10	206		66	
(b) Other Current Assets	2.11	22,077		21,931	
(c) Assets held for sale	2.12	2,19,050	3,55,752	2,19,019	3,55,344
Total Assets			3,94,662		3,94,810
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	2.13	93,800		93,800	
(b) Other Equity	2.14	(3,22,874)	(2,29,074)	(3,22,975)	(2,29,175)
LIABILITIES					
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.15	2		2	
(b) Provisions	2.16	347	349	347	349
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.17	5,78,367		5,78,367	
(ii) Trade Payables	2.18				
Due to Micro and Small Enterprises		298		302	
Due to Others		22,609		22,642	
(iii) Other Financial Liabilities	2.19	3,017		3,171	
(b) Other Current Liabilities	2.20	17,796		17,856	
(c) Provisions	2.21	1,300	6,23,387	1,299	6,23,636
Total Equity and Liabilities			3,94,662		3,94,810

Significant Accounting Policies	1
Notes on Accounts	2

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

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Statement of Profit and Loss for the year ended March 31,2022

(₹ in lakh)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Discontinued Operations			
INCOME			
Revenue from Operations	**2.22**	38	479
Other Income	**2.23**	537	376
Total Revenue		**575**	855
EXPENDITURE			
Network Operating Expenses	**2.24**	47	135
Finance Costs	**2.25**	43	39
Other Expenses	**2.26**	384	932
Total Expenses		**474**	1,106
Profit/ (Loss) before Tax		**101**	(251)
Tax Expenses			
Current Tax		**-**	-
Earlier year taxes		-	1,131
Profit/ (Loss) after tax		**101**	(1,382)
Other Comprehensive Income		**-**	-
Total Comprehensive Income / (Loss) for the year		**101**	(1,382)
Earnings per Share of ₹ 1 each	**2.39**		
Basic		**0.001**	(0.015)
Diluted		**0.001**	(0.015)

Significant Accounting Policies	**1**
Notes on Accounts	**2**

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

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Statement of Changes in Equity as at March 31, 2022

(a) Equity Share Capital (Refer Note 2.13) (₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	**93,800**	93,800
Changes in equity share capital due to prior period errors	**-**	0
Restated 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)

	Particulars	Reserves and Surplus			Total
		Securities Premium Reserve	General Reserve	Retained Earnings	
i)	**For the year ended March 31, 2022**				
	Balance as at 1st April 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)**
ii)	For the year ended March 31, 2021				
	Balance as at 1st April 2020	52,994	78,357	(4,52,944)	(3,21,593)
	Surplus/ Deficit in statement of profit and Loss	-	-	(1,382)	(1,382)
	Balance as at March 31, 2021	52,994	78,357	(4,54,326)	(3,22,975)

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Cash Flow Statement for the year ended March 31, 2022

(₹ in lakh)

	Particulars		For the year ended March 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit / (Loss) before tax as per Statement of Profit and Loss from Discontinued Operations:		**101**		(251)
	Adjusted for:				
	Bank Balances written off	**-**		129	
	Finance Costs	**43**		39	
	Write back of Provision for Liabilities no longer required	**(3)**		(3)	
	Interest Income	**(479)**		(373)	
			(439)	-	(208)
	Operating Profit / (Loss) before Working Capital Changes		**(338)**		(459)
	Adjusted for:				
	Receivables and Other Advances	**74**		(222)	
	Inventories	**-**		-	
	Trade Payables and Other Liabilities	**(249)**		979	
			(175)		757
	Cash Generated from Operations		**(513)**		298
	Income Tax Refund	**588**		3,204	
	Income Tax Paid	**-**	**588**	-	3,204
	Net Cash from Operating Activities		**75**		3,502
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Additions to PPE and Capital Work in Progress		**(31)**		-
	Interest received		**273**		417
	Investment in Bank Deposit		**(5,399)**		(385)
	Net Cash from/ (Used in) Investing Activities		**(5,157)**		**32**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Finance Costs		**(43)**		(39)
	Net Cash from/ (used in) Financing Activities		**(43)**		**(39)**
	Net Increase/ (Decrease) in Cash and Cash Equivalents		**(5,124)**		3,495
	Opening Balance of Cash and Cash Equivalents		**5,760**		2,394
	Effect of Exchange Loss (Gain)/ Provision for write off on Cash and Cash Equivalents		**-**		(129)
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.07)		**636**		5,760

Note:

(i) Cash and Cash Equivalents includes cash on hand, cheques on hand, remittances-in-transit and bank balance.

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

(iii) Figures in brackets indicates cash outgo.

Significant Accounting Policies	**1**
Notes on Accounts	**2**

Reliance Communications Infrastructure Limited

Notes on Accounts to Financial Statements as at March 31, 2022

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

Reliance Communications Infrastructure Limited ("RCIL" or "the Company"), is a 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.In the earlier years, the Company was engaged in providing, call center services to telecom operators in India, trading in Handsets,providing infrastructure services and Internet Data Centre services.

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 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"), except note no 2.28, 2.29, 2.30 and 2.34 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 also the 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.

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.05 Intangible Assets

(i) Intangible assets, namely entry fees/ fees for Telecom Licenses are amortised over the balance period of Licenses. Software are amortized from the date of acquisition or commencement of commercial services, whichever is later. The life of amortisation of the intangible assets are as follows.

(a) Software - 5 years

1.06 Impairment of Non Financial Assets

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

1.07 Inventories of Stores, Spares and Communication Devices

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

1.08 Employee Benefits

Short term employee benefits

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

Long term employee benefits

(i) **Defined contribution plan**

The Company’s contribution towards Employees’ Superannuation Plan is recognised as an expense during the period in which it accrues.

(ii) **Defined benefit plans**

Provident Fund

Provident Fund contributions are made to a Trust administered by the Trustees. Interest payable to the Provident Fund members, shall not be at a rate lower than the statutory rate. Liability is recognised for any shortfall in the income of the fund vis-à-vis liability of the interest to the members as per statutory rates.

Gratuity Plan

The Company’s gratuity benefit scheme is a defined benefit plan. The Company’s net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Actuarial gains and losses are recognised immediately in Other Comprehensive Income.

(iii) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.09 Borrowing Costs

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

1.10 Foreign Currency Transactions

(i) The functional currency of the Company is Indian Rupee.

(ii) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the time of the transaction.

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

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

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

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

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

1.11 Non Current assets held for sale

Non current assets (or disposal group) are classified as the assets held for sale when their carrying amount is to be recovered principally through a sale transaction. Non-current assets (or disposal group) classified as held for sale are measured at the lower of their carrying amount and/ or fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets and sale is expected to be concluded within twelve months from the date of such classification.

Assets and liabilities classified as held for sale are presented separately in the balance sheet. A disposal group qualifies as discontinued operations if it is a component of the company that either has been disposed off or is classified as held for sale, and; represents a separate major line of business or geographical area of operations, or part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or a subsidiary acquired exclusively with a view to resale. Non-current assets are not depreciated or amortised while they are classified as held for sale.

Loss is recognised for any initial or subsequent write down of such non current assets (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell an asset (or disposal group) but not in excess of any cumulative loss previously recognised.

If the criteria for assets held for sale are no longer met, it ceases to be classified as held for sale and are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation or any amortisation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.12 Revenue Recognition and Receivables

(ii) Interest income is recognised on time proportion basis.

(iii) Revenue from Contracts with Customers

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

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

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

1.13 Taxes on Income and Deferred Tax

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

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

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

1.14 Provisions, Contingent Liabilities and Contingent Assets

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

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

1.15 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 extraordinary/ exceptional item. The number of shares used in computing Basic Earnings 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 Earnings 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. TheCompany 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 pricingservices, 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 theinputs 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 2.35.1) 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 derivarive 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:

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 instrumenrs 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 recognation and is irrevocable.

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

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

Also, 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 asociated 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.

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

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

1.18 Use of Estimates

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

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

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

Note: 1

General Information and Significant Accounting Policies to the Financial Statements

Critical estimates and judgements

The Company has based its assumptions and estimates on parameter available when the financial satements where prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of Company. Such changes are refelected in assumptions when they occur.The areas involving critical estimates or judgements pertaining to useful life of property, plant and equipment ,current tax expense and payable, and recognisition of Deffered 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 uilized. 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 MATcredit entitlement to the extent there is no longer probable that Company will be able to absorb such credit during the specified period.

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

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

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

vii Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

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

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

1.19 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2022

Note 2.01
Property, Plant and Equipment

(₹ in lakh)

Particulars	Leasehold Land	Total
Gross carrying value		
As at March 31, 2020	38	38
Additions	-	-
Disposals	-	-
Transferred to Assets held for Sale	-	-
As at March 31, 2021	38	38
Additions	-	-
Disposals	-	-
As at March 31, 2022	**38**	**38**
Accumulated Depreciation		
As at March 31, 2020	38	38
Depreciation for the year	-	-
Disposals	-	-
Transferred to Assets held for Sale	-	-
As at March 31, 2021	38	38
Depreciation for the year	-	-
Disposals	-	-
Transferred to Assets held for Sale	-	-
As at March 31, 2022	**38**	**38**
Net Carrying Value		
As at March 31, 2021	-	-
As at March 31, 2022	**-**	**-**

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 ₹10,000,000 each, aggregating to ₹3,000 crore. The said NCD's, 6.5% Senior Secured Notes of ₹1,955 crore, Rupee Term Loans of ₹ 9,139 crore along with Foreign Currency Loans of ₹14,156 crore ("the Secured Loans") availed by Reliance Communications Limited (RCOM), the Holding Company, Reliance Telecom Limited (RTL) a fellow subsidiary and Reliance Infratel Limited (RITL) a subsidiary were secured by a first pari passu charge on the whole of the movable plant and machinery of the Company including (without limitations) tower assets and optic fiber cables, if any (whether attached or otherwise), capital work-in-progress (pertaining to movable fixed assets) both present and future including all the rights, title, interest, benefits, claims and demands in respect of all insurance contracts relating thereto of the Borrower Group; comprising of the Company, RCOM, the Holding Company and fellow subsidiary namely RTL and subsidiary RITL in favor of the Security Trustee for the benefit of the NCD Holders and the Lenders of the said Secured Loans. Further, Rupee Term Loan of ₹ 2,359 crore availed by RCOM and ₹ 485 crore availed by RTIL has been secured by second pari passu charge over movable plant and machinery and capital work in progress of the Borrower Group. Rupee loan of ₹5,463 crore and ₹611 crore availed by RCOM and RTL respectively are also secured by current assets, movable and immovable assets including intangible, both present and future of borrowers group. The said loan is also secured by pledge of equity share of RITL held by the company. Non funded based outstanding of ₹ 1,361 crore availed by Reliance Communications Limited the Holding company , ₹ 246 crore by Reliance Telecom Limited the Fellow subsidiary and ₹ 4 crore by the Company have been secured by second paripasu charges on movable fixed assets of borrower group.

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, 2022

Note 2.02
Other Intangible Assets

(₹ in lakh)

Particulars	Software Non-embedded	Software	Total
Gross carrying value			
As at March 31, 2020	15	58	73
Additions	-	-	-
As at March 31, 2021	15	58	73
Additions	-	-	-
As at March 31, 2022	**15**	**58**	**73**
Accumulated amortisation			
As at March 31, 2020	15	58	73
Amortisation for the year	-	-	-
As at March 31, 2021	15	58	73
Amortisation for the year	-	-	-
As at March 31, 2022	**15**	**58**	**73**
Net Carrying Value			
As at March 31, 2021	0	-	0
As at March 31, 2022	**0**	**-**	**0**

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2022

(₹ in lakh)

Particulars		As at March 31, 2022	As at March 31, 2021
Note : 2.03 (refer note 2.35 & 2.40)			
INVESTMENTS IN SUBSIDIARIES (valued at cost unless otherwise stated)			
Trade Investment			
In Equity Shares of Subsidiary Companies			
Unquoted, fully Paidup			
222 64 15 796 (222 64 15 796)	Reliance Infratel Limited of ₹ 10 each	**31,806**	31,806
1 50 700 (150 700)	Internet Exchangenext.com Limited of ₹ 10 each	**15**	15
10 000 (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
50 000 (50 000)	Globalcom Realty Limited (Formerly Reliance Infra Realty Limited) of ₹ 10 each	**5**	5
		31,829	31,829

Note: Investment in Equity Shares of Reliance Infratel Limited, held by the Company, has been pledged against Loans and/ or Non Convertible Debentures availed by Reliance Communication Limited (Holding Company) and Reliance Telecom Limited (Fellow Subsidiary).

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)			
Unqouted			
6 Year National Savings Certificates (Lodged with Sales Tax Department)		**1**	1
	Total	**31,830**	31,830
	Aggregate Book Value of Investments		
	Unquoted	**31,830**	31,830
	Quoted	**-**	-

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2022

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 2.04		
Income Tax Assets		
Advance Income Tax (net of provision for tax) (Refer note 2.28)	**6,613**	7,169
	6,613	7,169
Note 2.05		
Deferred Tax Assets (Net)		
MAT Credit Entitlement	**467**	467
	467	467

(₹ in lakh)

Particulars	As at March 31,2022	As at March 31,2021	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Amount recognised in Financial Statement				
(i) Deferred Tax Assets				
Relating to Carried forward losses and unabsorbed depreciation	**44,660**	**41,732**	**2,928**	3,476
Disallowances under Income Tax Act, 1961	**5,101**	**5,101**	**-**	-
MAT Credit Entitlement	**1,919**	**4,405**	**-2,486**	**-**
Relating to temporary difference on depreciation / amortisation and Impairment of Assets	**16,537**	**19,455**	**-2,918**	-4,039
	68,217	70,693	**-2,476**	-563
(ii) Deferred Tax Liabilities	**-**	-	**-**	-
Net Deferred Tax Assets (i)- (ii)	**68,217**	70,693	**-2,476**	-563
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 lacs (Previous year Rs. 467 lacs) due to non existence of reasonable certainty. Year wise expiry of total Losses are as under:

(₹ in lakh)

Year of Expiry	Amount of Loss
Financial Year 2028-29	631
Financial Year 2029-30	253
Unabsorbed Depreciation for unlimited period	1,26,920

(b) Amounts recognised in profit and loss

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	**-**	-
Deferred income tax liability / (asset), net	**-**	-
Earlier year tax	**-**	1,131
Tax expense for the year	**-**	1,131

(c) Amounts recognised in Other Comprehensive Income	**Nil**	Nil
(d) Reconciliation of Tax Expenses		
Profit/ (Loss) before Tax	**101**	(251)
Applicable Tax Rate	**34.94%**	**34.94%**
Computed Tax Expenses (I)	**35**	(88)
Add/ (Less):		
DTA not recognised on account of :		
Unabsorbed Losses	**35**	(88)
Earlier year Tax	**-**	1,131
Subtotal (II)	**35**	1,043
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I-II)	**-**	(1,131)

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2022

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 2.06		
Trade Receivables		
Unsecured		
Considered Good (Refer Note:2.28 & 2.40)	**1,752**	1,935
Credit Impaired	**13,000**	13,000
Less: Provision for Doubtful Debts	**(13,000)**	(13,000)
	1,752	1,935

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	-	-	-	1,752	-	**1,752**
		(183)	(-)	(-)	(1,752)	(-)	**(1,935)**
(ii)	Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	**-**
		(-)	(-)	(-)	(-)	(-)	
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	13,000	**13,000**
		(-)	(-)	(-)	(-)	(13,000)	**(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	-	-	-	1,752	13,000	**14,752**
		(183)	(-)	(-)	(1,752)	(13,000)	**(14,935)**
	Allowance for Credit Impaired (B)	-	-	-	-	13,000	**13,000**
		(-)	(-)	(-)	(-)	(13,000)	**(13,000)**
	Total-(A-B)	**-**	**-**	**-**	**1,752**	**-**	**1,752**
		(183)	**(-)**	**(-)**	**(1,752)**	**(-)**	**(1,935)**

Particulars	As at March 31, 2022	As at March 31, 2021
Note 2.07		
Cash and Cash Equivalents		
Balance with Banks	**636**	5,760
	636	5,760
Note 2.08		
Bank Balances other than Cash and Cash Equivalents		
Bank deposits with less than 12 months' maturity	**12,576**	7,178
(Refer note: 2.29)	**12,576**	7,178
Note 2.09		
Loans		
Unsecured, Considered good		
Loans to Related Party (Refer Note:2.28, 2.40 & 2.49)	**99,455**	99,455
	99,455	99,455
Note 2.10		
Other Financial Assets		
Interest accrued on Investment and Loans (Refer note: 2.29)	**206**	29
Unbilled Revenue	**-**	37
	206	**66**
Note 2.11		
Other Current Assets (refer note 2.28)		
Advances and Receivables (Unsecured)		
Other Loans and Advances		
Considered good Others	**12,704**	12,628
Related Party	**328**	328
Unsecured, Doubtful		
Considered doubtful	**6,771**	6,771
Less: Provision for doubtful advances	**(6,771)**	(6,771)
	13,032	12,956
Balances with GST, Customs, Central Excise Authorities etc. (refer note 2.28)	**7,595**	7,525
Deposits	**1,450**	1,450
	22,077	**21,931**

Note 2.12
Assets Held for Sale

Consequent to discontinuance of commercial operations, the following assets have been classified as assets held for sale at the value ascertained as at the end of year ended March 31,2018 and recorded at lower of carrying amount and fair value less selling cost. Also Refer Note 2.01.02 for Security in favour of Lenders. On finalisation and implementation of debt resolution process through Hon'ble NCLT, the Company will carry out a comprehensive impairment review of its tangible, intangible assets and Assets held for Sale. Details of Assets held for Sale are as under:

(₹ in lakh)

Particulars	For the year ended March 31, 2022							
	Net Block Reclassified from PPE		**Provision for Impairment**		**Addition**		**Assets Held for Sale (Net)**	
	For the year ended March 31, 2022	For the year ended March 31, 2021	**For the year ended March 31, 2022**	For the year ended March 31, 2021	**For the year ended March 31, 2022**	For the year ended March 31, 2021	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Free Hold Land	-	-	-		31	-	**2,296**	2,265
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	**-**	-	**-**	-	**31**	**-**	**2,19,050**	2,19,019

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2022

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 2.13		
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	**9,38,00,00,000**	9,38,00,00,000
Preference Shares		
Reliance Communications Limited, the Holding Company (refer note 2.18)	**20,000**	20,000

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

Equity Shares	**% of holding**	**No of Shares**	%	No of Shares
Reliance Communications Limited and its nominees	**100%**	**9,38,00,00,000**	100%	9,38,00,00,000
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 at on or before July 29, 2022.

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 a the beginning and at the end of the reporting period

	Particulars	As at March 31, 2022		As at March 31, 2021	
		No of Shares	**(₹ in lakh)**	No of Shares	(₹ in lakh)
(i)	**Equity shares**				
	At the beginning of the Year	**9,38,00,00,000**	**93,800**	9,38,00,00,000	93,800
	Add : Issued during the year	**-**	-		
	At the end of the Year	**9,38,00,00,000**	**93,800**	9,38,00,00,000	93,800
(ii)	**Preference Shares**				
	At the beginning of the Year	**20,000**	**2**	20,000	2
	Add/(Less) : Changes during the year	-	-	-	-
	At the end of the Year	**20,000**	**2**	20,000	2

Notes on Accounts to Financial Statements as at March 31, 2022

(₹ in lakh)

Particulars		As at March 31, 2022		As at March 31, 2021
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	**(4,54,326)**		(4,52,948)	
(ii) Add: Profit /(Loss) for the year	**101**	**(4,54,225)**	(1,382)	(4,54,326)
		(3,22,874)		(3,22,975)

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.

	As at March 31, 2022	As at March 31, 2021
Note 2.15		
Borrowings		
20 000 8% Non Convertible Cumulative Preference Shares of ₹ 10 each fully paid up (20 000) (Refer Note: 2.13)	**2**	2
	2	**2**
Note 2.16		
Provisions		
Provision for Retirement Benefit	**347**	347
	347	347
Note 2.17		
Borrowings		
Unsecured		
From Banks		
Rupee Loans	**11,433**	11,433
From Related Parties (Refer Note: 2.28 and 2.40)	**5,66,934**	5,66,934
	5,78,367	5,78,367

Note 2.17.01

Delay/ Default in repayment of Borrowing and Interest

	Corporation	IDBI Bank	Total
Default as at March 31, 2022			
Borrowings			
Amount (Rs. in crore)	**11,060**	**374**	**11,434**
Period (Maximum Days)	**1,805**	**1,830**	
Interest			
Amount (Rs. in crore)	**797**	**46**	**843**
Period (Maximum Days)	**1805**	**1,830**	
Default as at March 31, 2021			
Borrowings			
Amount (Rs. in crore)	11,060	374	11,434
Period (Maximum Days)	1440	1,465	
Interest			
Amount (Rs. in crore)	797	46	843
Period (Maximum Days)	1440	1,465	

Note 2.17.02

Apart from above outstanding of Interest, the Company has not provided Interest Expenses of ₹ 12,957 lakh upto March 31, 2022 (Previous year upto March 31, 2021 ₹ 11,683 lakh) calculated based on basic rate of interest as per terms of loan as at March 31, 2022 and therefore it has not been disclosed.

Note 2.17.03

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.

Notes on Accounts to Financial Statements as at March 31, 2022

Note 2.18

Trade Payables (refer note 2.28)		
Due to Micro and Small Enterprises	**298**	302
Others	**22,609**	22,642
	22,907	22,944

Note 2.18.01

Ageing of Trade payables from the due date of payment as at March 31, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	- (3)	- (-)	- (21)	298 (278)	**298** **(302)**
(ii) Others	161 (394)	208 (463)	460 (2,731)	21,780 (19,054)	**22,609** **(22,642)**
(iii) Disputed dues – MSME	- (-)	- (-)	- (-)	- (-)	- (-)
(iv) Disputed dues - Others	- (-)	- (-)	- (-)	- (-)	- (-)
Total	**161** **(397)**	**208** **(463)**	**460** **(2,752)**	**22,078** **(19,332)**	**22,907** **(22,944)**

Note 2.18.02

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 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.

Sr.	Particulars	As at March 31, 2022	As at March 31, 2021
a.	Principal amount due to any supplier as at the year end	**298**	302
b.	Interest due on the principal amount unpaid at the year end to any supplier	**252**	201
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	**5**	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	**252**	201
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.	**233**	185

Note 2.19

Other Financial Liabilities (refer note 2.28)		
Interest Accured on Borrowings (Refer Note: 2.28 and 2.40)	**2,213**	2,213
Others Financial Liabilities*	**804**	958
	3,017	3,171

* Includes Bank OD, Provision for Expenses and Salary Payable

Note 2.20

Other Current Liabilities (refer note 2.28)		
Others		
Statutory Dues	**11,193**	11,183
Other Payables*	**6,603**	6,673
	17,796	17,856

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

Note 2.21

Provisions (refer note 2.28)		
Provision for Employee Benefits		
Employee Benefits	**1,216**	1,216
Others		
Wealth Tax	**83**	83
	1,300	1,299

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2022

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 2.22		
Revenue from Operations		
Service Revenue		
Income From Internet and Telecommunication Services	38	479
	38	479

Revenue for the year from sale of services as disclosed above pertains to revenue from contracts with customers over a period of time. The Company has not given any volume discounts, service level credits, etc during the year and there is no further disaggregation.

The Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to pending performance obligations which are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). No consideration from contracts with customers is excluded from the amount mentioned above.

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue if revenues is accrued. Receivable and unbilled revenue are a right to consideration that is unconditional upon passage of time. Receivable is presented net of impairment in the Balance Sheet. Unbilled revenue as at April 1, 2021, was ₹ 37 lakh and it was billed during the year. Unbilled Revenue as at March 31, 2022 is Rs. Nil.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 2.23		
Other Income		
Interest Income (Refer note: 2.29)	479	373
Miscellaneous Income	58	3
	537	376

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2022

(₹ in lakh)

Particulars		For the year ended March 31, 2022		For the year ended March 31, 2021
Note 2.24				
Network Operating Expenses				
Power, Fuel and Utilities		-		88
Repairs and Maintenance - Plant and Machinery		17		5
Rent		-		37
Stores and Spares Consumed		-		5
Other Network Expenses		30		-
		47		135
Note 2.25				
Finance Cost				
Other Financial Cost		43		39
		43		39
Note 2.26				
Other Expenses				
Selling Expenses				
Cost of Handsets and Accessories	-	-	109	109
General Administration Expenses				
Business Centre Expenses and IT Services	3		-	
Rent, Rates & Taxes	10		21	
Professional Fees	15		38	
CIRP Cost	314		276	
Insurance	4		4	
Interest on TDS & GST	22		296	
Other Administration,Telephone expenses and Miscellaneous expenses	14	382	185	820
Payment to Auditors		2		3
Total		**384**		**932**

Note : 2.27

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 : 2.28

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 preceding financial year, current liabilities exceed current assets and Company has defaulted in repayment of borrowings, payment of statutory dues, these events indicate that material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern.

Note : 2.29

Fixed Deposit balance confirmation from ICBC and transfer of money to designated account

The Company has written to ICBC requesting for balance confirmation of Rs. 3,279 lakh as at March 31, 2022 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 March 31, 2022.

Note : 2.30

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. 1,274 lakh for the year ended March 31, 2022. Had the Company provided Interest, the profit would have been lower by Rs 1,274 lakh for the year ended March 31, 2022. The Net worth of the Company would have been lower by Rs. 12,957 lakh and Rs. 11,683 lakh as on March 31, 2022 and as on March 31, 2021 respectively. During the previous years, Interest of Rs 11,683 lakh were not provided.

Note : 2.31

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 : 2.32

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 2.33

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

(₹ in lakh)

	Particulars	**As at March 31, 2022**	As at March 31, 2021
(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	**5,326**	5,326
	- Custom, Excise and Service Tax	**17,709**	15,784
	- Entry Tax and Octroi	**668**	668
	- Income Tax	**65,734**	37,361
	- Other Litigations	**725**	723
(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	**1,814**	1,750

Note 2.34

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, 2022

Note 2.35

2.35.1 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 ratea 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, 2022 and as of March 31, 2021 were as follows:

(₹ in lakh)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.07)	**636**	5,760
Trade receivables (Refer Note 2.06)	**1,752**	1,935
Bank Balance (Refer Note 2.08)	**12,576**	7,178
Loans (Refer Note 2.09)	**99,455**	99,455
Other Financial Assets (Refer Note 2.10)	**206**	66
Total	**1,14,625**	1,14,394
Financial assets at fair value through Profit and Loss:	**Nil**	Nil
Financial assets at fair value through other Comprehensive Income:	**Nil**	Nil
Investments (Refer Note 2.03)	**31,830**	31,830
Total	**31,830**	31,830

(₹ in lakh)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Financial liabilities at amortised cost:		
Trade payables (Refer note 2.18)	**22,907**	22,944
Other financial liabilities (Refer Note 2.19)	**3,017**	3,171
Borrowings (Refer Note 2.15 & 2.17)	**5,78,369**	5,78,369
Total	**6,04,293**	6,04,484

2.35.2 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 iys 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 equivalants,	* Specific provision on individual	Divercification of bank deposits, letter of credit,
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committted 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.

Foreign Currency Risk from financial instruments as of : (₹ in lakh)

Particulars	March 31, 2022			
	U.S. dollars	**GB Pound**	**Other Currency**	**Total**
Trade Receivables	19	-	5	24
Trade Payables	(122)	-	-	(122)
Net assets / (liabilities)	**(103)**	**-**	**5**	**(98)**
Particulars	March 31, 2021			
	U.S. dollars	GB Pound	Other Currency	Total
Trade Receivables	19	-	5	24
Trade payables	(122)	-	-	(122)
Net assets / (liabilities)	**(103)**	**-**	**5**	**(98)**

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. 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/ Sentivity 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 didnot 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 2.36 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 2.37 Post Reporting Event
No adjusting or significant non - adjusting events have occurred between the reporting date and the date of authorisation.

Note 2.38 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 eqity 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 Comany is presently under CIRP process and thereby continue to operate as a going concern.

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

(₹ in lakh)

Particulars	**As at March 31, 2022**	As at March 31, 2021
(a) Equity	**(2,29,074)**	(2,29,175)
(b) Debt	**5,78,369**	5,78,369
(c) Equity and Debt (a+b)	**3,49,296**	3,49,194
(d) Capital Gearing Ratio (b/c)	**166%**	166%

Note 2.39 Earnings per Share (EPS)

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Basic and Diluted EPS		
(a) Profit/(Loss) attributable to Equity Shareholders (` in lakh) (used as numerator for calculating Basic and diluted EPS)	**101**	(1,382)
(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 (₹)	**0.001**	(0.015)

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	Holding Company
2	Reliance Infratel Limited.	
3	Globalcom Realty Limited (formerly Reliance Infra Realty Limited)	
4	Realsoft Cyber Systems Private Limited	Subsidiary Company
5	Internet Exchangenext.Com Limited	
6	Worldtel Tamilnadu Private Limited	
7	Reliance BPO Private Limited	
	(Parties With whom transactions taken place)	
8	Reliance Wimax Limited	
9	Reliance Webstore Limited	
10	Globalcom IDC Limited (Formerly Reliance IDC Limited)	
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	Fellow Subsidiaries
18	Reliance Telecom Limited	
19	Gateway Net Trading Pte. Limited Singapore	
20	Reliance Tech Services Limited	
21	Reliance Bhutan Limited	
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 Capital Asset Management Limited	
30	Reliance General Insurance Company Limited	Enterprises over which promoters of Holding Company having control
31	Reliance Life Insurance Limited	
32	Reliance Spot Exchange Infrastructure Limited	
33	Reliance Power Limited	
34	Reliance Infrastructure Limited	
35	BSES Rajdhani Power Limited	
36	BSES Yamuna Power Limited	
37	RELIANCE INFOCOM LTD EMPLOYEES	
38	Shri Anil D. Ambani	Promoter having significant influence over Holding Company

RELIANCE COMMUNICATIONS INFRASTRUCTURE LIMITED

Notes on Accounts to Financial Statements as at March 31, 2022

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, 2021	**-**	**31,829**	**99**	**-**	**-**	**31,928**
		-	(31,829)	*(99)*	-	-	(31,928)
	Add/Less : Purchase/Sale during the year	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-	-
	Balance as at March 31, 2022	**-**	**31,829**	**99**	**-**	**-**	**31,928**
		-	(31,829)	*(99)*	-	-	(31,928)
	Less : Provision for impairment	**-**	**-**	**99**	**-**	**-**	**99**
		-	-	*(99)*	-	-	*(99)*
	Net Investment as at March 31, 2022	**-**	**31,829**	**-**	**-**	**-**	**31,829**
		-	(31,829)	-	-	-	(31,829)
(B)	**Trade Receivables**	**-**	**-**	**345**	**62**	**-**	**407**
		-	-	(345)	(62)	-	(407)
(C)	**Loans**						
	Balance as at April 1, 2021	**-**	**10,000**	**89,455**	**-**	**-**	**99,455**
		-	(10,000)	(89,455)	-	-	(99,455)
	Given during the year	-	-	-	-	-	-
		-	-	-	-	-	-
	Refund during the year	-	-	-	-	-	-
		-	-	-	-	-	-
	Balance as at March 31, 2022	**-**	**10,000**	**89,455**	**-**	**-**	**99,455**
		-	(10,000)	(89,455)	-	-	(99,455)
(D)	**Other Current Assets - Advances/Receivables**	**0**	**709**	**7,997**	**46**	***8***	**8,759**
		(0)	(841)	(7,997)	(46)	***(8)***	(8,891)
(E)	**Borrowings (Refer Note 2.17.3)**						
	Balance as at April 1, 2021	**3,46,108**	**1,09,919**	**1,10,907**	**-**	**-**	**5,66,934**
		(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, 2022	**3,46,108**	**1,09,919**	**1,10,907**	**-**	**-**	**5,66,934**
		(3,46,108)	(1,09,919)	(1,10,907)	-	-	(5,66,934)
(F)	**Trade Payables**	**-**	**-**	**9,228**	**870**	**-**	**10,098**
		-	-	(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**
		-	-	(183)	(32)	-	(215)
(I)	**Expenses including Sharing and**	**3**	**-**	**-**	**-**	**-**	**3**
	Recovering of Expenses	(4)	-	-	-	-	(4)
(J)	**Managerial Remuneration**	**-**	**-**	**-**	**-**	**-**	**-**
	Shri Rakesh M Gupta	-	-	-	-	-	-
	(w.e.f 1st September 2021)						
(K)	**Corporate guarantee on behalf of the**	**18,017**	**-**	**-**	**-**	**-**	**18,017**
	Company	(26,247)	-	-	-	-	(26,247)

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, 2022	For the year ended March 31, 2021
Salaries and other benefits	**-**	-
Contribution to Provident fund/ Superannuation fund	**-**	-
Provision of Gratuity	**-**	-
Total	**-**	-

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 previous year and current 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

a. 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.
b. 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'22	March'21	% Variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.57	0.57	0%
2	Debt Equity ratio (in times)	Total Debt	Equity	(2.52)	(2.52)	0%
3	Return on equity (%) **	Net Profit	Equity	0%	1%	-107%
4	Trade receivable turnover ratio (in times) *	Net Sales	Average Trade Receivables	0.02	0.24	-92%
5	Trade payable turnover ratio (in times)	Net Purchases	Average Trade Payables	0.00	0.01	-65%
6	Net Capital Turnover ratio (in times) *	Net sales	Working Capital	(0.00)	(0.00)	-92%
7	Net Profit ratio (%) **	Net Profit	Net sales	270%	-289%	-193%
8	Return on Capital employed (%)	EBIT	Equity	0%	0%	-140%
9	Return on investment (%)	Income from investments	Average investments	0%	0%	0%

Remarks for major variance:-

i) * Turnover during FY 21-22 is significantly less than previous year,hence all the above ratios are highly impacted compared to previous year.
ii) ** Net Profit has increased because Other Income has increased & total expenses have reduced during FY 21-22.
iii) There are no Principal repayments made during the year as the Company is under CIRP, hence Debt Service Coverage Ratio is not applicable.
iv) The Company does not have inventory, hence Inventory Turnover Ratio is not applicable.
v) Trade Payable ratio has decreased due to decrease in operating expenses during FY 21-22.

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

Authorisation of Financial Statements

After review, the Directors of the Company have approved the financial statements at their meeting held on May 28, 2022 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, 2022, 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 financials statements of the Corporate Debtor for the year ended March 31, 2022 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.

Independent Auditors' Report

To,

The Members of Globalcom IDC Limited (Formerly known as Reliance IDC Limited)

Report on the Financial Statements

Qualified Opinion

We have audited the financial statements of Globalcom IDC Limited ('the Company') (Formerly known as Reliance IDC Limited), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit (including other comprehensive income) and its 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. 2.32 of the financial statements, regarding pending comprehensive impairment review of its assets including Trade Receivables, balances lying in Goods & Service Tax and Tax Deducted at Source and 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 Process (CIRP) of its ultimate holding company. In the absence of comprehensive impairment review as mentioned above for the carrying value of all the assets and liabilities, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported profit for the year ended March 31, 2022. Non determination of fair value of financial assets & financial liabilities and impairment assessment of the carrying amount of assets and liabilities are not in compliance with Ind AS 109 "Financial Instrument", Ind AS 37 "Provisions, Contingent Liabilities & Contingent Assets" and Ind AS 36 "Impairment of Assets".

b. We draw attention to Note no 2.33 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.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), by the Central Government of India in terms of sub section (11) of Section 143 of the Act, we enclose in Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- As required by sub section (3) of Section 143 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, Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

   d. In our opinion the aforesaid financial statements comply with the Indian Accounting Standards prescribe under Section 133 of the Act read with relevant rules issued there under, except requirement of Ind AS 109 “Financial Instruments”, Ind AS 36 “Impairment of Assets”, Ind AS 37 “Provisions, Contingent Liabilities and Contingent Assets” and Ind AS 116 “Leases”, with regard to matters described in the Basis of Qualified Opinion paragraph above.

   e. The matter described under the basis for qualified opinion paragraph above and Qualified Opinion paragraph of 'Annexure B' to this report in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in financial statements of the Company.

   f. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of sub section (2) of Section 164 of the Act.

   g. The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

   h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.

   i. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid by the Company to its directors during the year.

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.27 of the financial statements.

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

(iii) There 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.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm's RegistrationNo:107783W/W100593

Jigar T. Shah
Partner
Membership No. 161851
UDIN: 22161851AMJSSD6758

Place: Mumbai
Date: May 27, 2022

Annexure A to the Independent Auditor's Report –March 31, 2022

With reference to the Annexure referred to in the Independent Auditor's Report to the Members of Globalcom IDC Limited ('the Company') (Formerly known as Reliance IDC Limited) on the financial statements for the year ended March 31, 2022, 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 does not have any intangible asset, hence clause i(a)(B) of paragraph 3 of the order is not applicable.

(b) As explained to us, the property, plant and equipment have been physically verified by the management during the year in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its asset and no material discrepancies were noticed on such verification.

(c) As represented and as per the records of the Company verified by us, there is no immovable property in books of the Company. Accordingly, clause i (c) of paragraph 3 of the order is not applicable to 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, 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) According to the information and explanation given to us and records examined by us, the management of the Company has conducted physical verification of its inventories at regular intervals and in our opinion the coverage and procedure of such verification by the management is appropriate. As explained to us and on the basis of records examined by us, the value of discrepancies noticed on physical verification by the management did not exceed 10% or more in aggregate of each class of inventory.

(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.

(e) 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.

(f) 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 Crore)

Particulars	**All Parties**	**Promoters**	**Related Parties**
Aggregate amount of loans/ advances in nature of loans - Repayable on demand (A)	131.92	-	131.92
- Agreement does not specify any terms or period of repayment (B)		-	
Total (A+B)	**131.92**	**-**	**131.92**
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) As informed to us, the Central Government has not prescribed maintenance of cost records under Sub- Section (1) of section 148 of the Act. Accordingly clause (vi) of paragraph 3 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, 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, 2022 for a period of more than six months from the date they became payable are as under**:**

Sr. No.	Name of the Statute	Nature of the dues	Amount (Rs.)	Period to which amount relates	Due date	Date of Payment
1	Professional Tax Act,1957	Professional Tax Payable	3,10,532	Upto F.Y 2018-19	Various dates	Yet to be Paid

(b) Details of statutory dues referred to in clause vii (a) above, which have not been deposited as on March 31, 2022 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
Finance Act, 1994	Service Tax	412.56	2015-16 to June 2017	Commissioner of CGST & Central Excise, Belapur Commissionerate

(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) The Company has not raised any loans from Financial Institutions or Banks or Government or debenture holders. Hence clause (ix) (a), (b), (c) and (d) of paragraph 3 of the Order is not applicable.

(b) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, 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.

(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) As represented to us by the Management, no whistle blower complaints have been received by the Company during the year.

(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 of the Order is not applicable to the Company.

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

(xiv) In our opinion and according to the information and explanations given to us, the Company is not required to conduct internal audit as per Companies Act, 2013. Accordingly, clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, 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 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 not incurred cash losses during the financial year and in the 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, nothing has come to our attention, which causes us to believe that any 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 one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. 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. (Refer Note 2.32 of the financial statement)

(xx) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm's RegistrationNo:107783W/W100593

Jigar T. Shah
Partner
Membership No. 161851
UDIN: 22161851AMJSSD6758

Place: Mumbai
Date: May 27, 2022

Annexure B' to the Independent Auditor's Report - March 31, 2022

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

We have audited the internal financial controls with reference to financial statements of Globalcom IDC Ltd ('the Company') (Formerly known as Reliance IDC Limited) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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, 2022:

i. Balances of trade receivable, trade payables, other liabilities, and loan & advances are subject to confirmation. (Read with Note no. 2.32).

ii. In respect of delays in payment of certain statutory dues 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 of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the financial statements.

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

Qualified Opinion

In our opinion, except for the effects / possible effects of the material weaknesses described above under Basis for Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2022 financial statements of the Company and these material weaknesses affect our opinion on financial statements of the Company for the year ended March 31, 2022 and we have expressed qualified opinion on these financial statements of the Company.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm's RegistrationNo:107783W/W100593

Jigar T. Shah
Partner
Membership No. 161851
UDIN: 22161851AMJSSD6758

Place: Mumbai
Date: May 27, 2022

Globalcom IDC Limited

(Formerly Reliance IDC Limited)

Annual Accounts
FY 2021-2022

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Balance Sheet as at March 31, 2022

(₹ in crore)

	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	**2.01**	43.61		43.58	
(b) Capital Work in Progress		88.60	**132.21**	88.39	131.97
(c) Deferred Tax Asset	**2.02**		**14.38**		4.93
(d) Income Tax Assets	**2.03**		**24.55**		13.78
Current Assets					
(a) Inventories	**2.04**	0.54		0.50	
(b) Financial Assets					
(i) Trade Receivables	**2.05**	61.75		59.04	
(ii) Cash and Cash Equivalents	**2.06**	18.78		66.64	
(iii) Bank Balances other than (ii) Above	**2.07**	56.30		5.70	
(vi) Other Financial Assets	**2.08**	137.14		141.30	
(c) Other Current Assets	**2.09**	50.00	**324.51**	49.73	322.91
Total Assets			**495.65**		**473.60**
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.10**	2.10		2.10	
(b) Other Equity	**2.11**	77.58	**79.68**	55.95	58.05
Liabilities					
Non-Current Liabilities					
(a) Provisions	**2.12**		**0.41**		0.44
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.13**	185.00		185.00	
(ii) Trade Payables	**2.14**				
Due to Micro and Small Enterprises		0.16		0.29	
Due to Others		143.72		142.01	
(iii) Other Financial Liabilities	**2.15**	9.34		14.18	
(b) Other Current Liabilities	**2.16**	77.04		73.32	
(c) Provisions	**2.17**	0.30	**415.56**	0.31	415.11
Total Equity and Liabilities			**495.65**		**473.60**
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

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

Globalcom IDC Limited (Formerly Reliance IDC Limited)

Statement of Profit and Loss for the year ended March 31, 2022

(₹ in crore)

		Notes		For the year ended March 31,2022		For the year ended March 31,2021
	INCOME					
I	Revenue from Operations	**2.18**		174.81		223.11
II	Other Income	**2.19**		1.51		9.87
III	**Total Income (I + II)**			**176.32**		232.98
IV	**EXPENSES**					
	Operating Expenses	**2.20**		138.18		153.10
	Employee Benefits Expenses	**2.21**		5.93		5.15
	Finance Costs	**2.22**		0.02		0.03
	Depreciation	**2.01**		4.37		4.90
	Sales and General Administration Expenses	**2.23**		13.83		33.99
	Total Expenses (IV)			**162.33**		197.17
V	**Profit before Tax**			**13.99**		35.81
VI	Tax expense:					
	- Current Tax		1.83		11.07	
	- Deferred Tax Charge/ (Credit) (net)		(9.45)		(2.83)	
				(7.62)		8.24
VII	**Profit / (Loss) after Tax**			**21.61**		27.57
VIII	**Other Comprehensive Income**					
	(i) Remeasurement of Gain/(Loss) of defined benefit plan			0.02		0.03
	Other Comprehensive Income for the year			**0.02**		**0.03**
IX	**Total Comprehensive Income for the year (VII+VIII)**			**21.63**		27.60
X	**Earnings per Share of ₹ 10 each fully paid up (before and after Exceptional Items)**					
	- Basic (₹)			**102.89**		131.27
	- Diluted (₹)			**102.89**		131.27
	Significant Accounting Policies	**1**				
	Notes on Accounts	**2**				

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

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Statement of changes in equity for the period ended March 31, 2022

	(₹ in crore)
(a) Equity share capital	
For the year ended March 31, 2022	
Balance as at 1st April 2021	2.10
Change in equity share capital during the year	-
Balance as at March 31, 2022	**2.10**
For the year ended March 31, 2021	
Balance as at 1st April 2020	2.10
Change in equity share capital during the year	-
Balance at March 31, 2021	2.10

(b) Other Equity

Particulars	Retained Earnings	Other Comprehensive Income	Total
For the year ended March 31, 2022			
Balance as at 1st April 2021	55.69	0.26	55.95
Other Comprehensive Income	-	0.02	0.02
Surplus/ (Deficit) of Statement of Profit and Loss	21.61	-	21.61
Balance as at March 31, 2022	**77.30**	**0.28**	**77.58**
For the year ended March 31, 2021			
Balance as at 1st April 2020	28.12	0.23	28.35
Other Comprehensive Income	-	0.03	0.03
Surplus/ (Deficit) of Statement of Profit and Loss	27.57	-	27.57
Balance at March 31, 2021	**55.69**	**0.26**	**55.95**

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Statement of Cash Flow for the year ended March 31, 2022

(₹ in crore)

Sl.	Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax as per Statement of Profit and Loss		**13.99**		35.81
	Adjusted for:				
	Write off of inventory	**-**		0.04	
	Depreciation/ Impairment and Amortisation	**4.37**		4.90	
	Bad Debts/Advance Written off/ Provision for doubtful debts	**0.41**		21.34	
	Write back of Provision	**(1.15)**		(5.44)	
	Interest Income	**(0.36)**		(4.44)	
			3.26		16.40
	Operating Profit before Working Capital Changes		**17.25**		52.21
	Adjusted for:				
	Receivables and other Advances	**(8.87)**		4.66	
	Inventories	**(0.01)**		(0.30)	
	Trade Payables and Other Laibilities	**0.45**		7.47	
			(8.43)		11.83
	Cash Generated from Operations		**8.82**		64.05
	Tax Paid		**(1.83)**		(8.24)
	Tax Refund		**-**		-
	Net Cash from Operating Activities		**7.01**		55.79
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of PPE and Capital Work in Progress		**(4.66)**		(3.83)
	Interest Received		**0.38**		0.02
	Fixed Deposits Investment		**(50.59)**		(0.34)
	Net Cash Used in Investing Activities		**(54.87)**		(4.15)
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Proceeds/ (Repayment) from Borrowings- Current		**-**		-
	Net Proceeds/ (Repayment) from Borrowings- Non Current		**-**		-
	Interest paid		**-**		-
	Net Cash from Financing Activities		**-**		-
	Net Increase in Cash and Cash Equivalents		**(47.86)**		51.64
	Opening Balance of Cash and Cash Equivalents		**66.64**		15.00
	Closing Balance of Cash and Cash Equivalents (refer note 2.06)		**18.78**		66.64

Notes:

1 Figures in brackets indicates cash outgo.

2 Cash and Cash Equivalent includes bank balance.

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

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Significant Accounting Policies to the Financial Statements

Note: 1

1 General Information and Significant Accounting Policy

1.01 General Information

Globalcom IDC Ltd. ("GIDC" or " the Company) (formerly Reliance IDC Limited) is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. GIDC is a wholly owned susidiary of Reliance Webstore Limited and engaged in the business of providing Internet Data Center Services located at Mumbai, Chennai, Hyderabad and Bangalore.

1.02 Basis of Preparation of Financial Statements

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Use of Estimates

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

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

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

1.04 Critical estimates and judgements

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

The areas involving critical estimates or judgements pertain to useful life of property, plant and equipment (Note 2.01), current tax expense and payable recognition of deferred tax assets for carried forward tax losses (Note 2.02), impairment of trade receivables and other financial assets (Note 2.05 & 2.08). Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

Useful life of Property, Plant and Equipment: The residual values, useful lives and methods of depreciation of

property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

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

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is probable that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer probable to the effect that Company will be able to absorb such credit during the specified period.

Trade receivables and Other financial assets: The Company follows a 'simplified approach' (i.e. based on lifetime Expected Credit Loss (ECL)) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

Defined benefit plans (gratuity benefits) : The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

1.05 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees which is presentation currency of the company.

1.06 Property, Plant and Equipment

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

(ii) Depreciation is provided on Straight Line Method (SLM), w.e.f. April1, 2017 (till March 31st 2017 Depreciation was provided on WDV) based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013.

(iii) Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(iv) Depreciation on additions is calculated pro rata from the following month of addition.

(v) Depreciation methods, useful lives and residual values are reviewed periodically at each reporting Date.

(vi) Cost of an item of PPE Comprises its Purchase price ,including Import duties and non refundable purchase taxes after deducting trade discount and rebates ,any directly attributable cost of bringing the items to its working condition for its intended use

1.07 Impairment of Non Financial Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased / reversed if where there is change in the estimate of recoverable value. The recoverable value is higher of Fair value less cost to sale and value in use.

1.08 Inventories of Stores, Spares and Communication Devices

Inventories of stores, spares and communication devices are accounted for at costs, determined on weighted average basis or net realisable value, whichever is less.

1.09 Employee Benefits

Short term employee benefits

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

Long term employee benefits

(i) **Defined contribution plan**

The Company's contribution towards Employees' Superannuation Plan is recognised as an expense during the period in which it accrues.

(ii) **Defined benefit plans**

Provident Fund

The Company's contribution towards Provident Fund is recognised as an expense during the period in which it accrues.

Provident Fund contributions are made to a Government Fund. Interest payable to the Provident Fund members, shall not be at a rate lower than the statutory rate. Liability is recognised for any shortfall in the income of the fund vis-à-vis liability of the interest to the members as per statutory rates.

Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Remeasurements which comprises actuarial gain and losses , the return of plan assets excluding interestand the effects of assets ceiling (if any, excluding interert),are recongnised in OCI.

(iii) **Other long Term employment benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

1.10 Borrowing Costs

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

1.11 Foreign Currency Transactions

(i) The functional currency of the Company is Indian Rupee.

(ii) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the time of the transaction.

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

(iv) Non monetary foreign currency items are carried at cost.

(v) Exchange difference on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

1.12 Revenue Recognition and Receivables

(i) Revenue from Internet Data Centre Services is recognised as and when the services are provided.Upfront and one time setup amount received from customers are recognised over the estimated useful life of customers or specicfied fixed validity period as appropriate.The estimated useful life is consistent with estimated churn of the customers.

(ii) Interest income is recognised on time proportion basis.

(iii) Service revenue are recognised as the services are rendered and are stated net of discount, waiver and taxes.

(iv) Unbilled revenue is measured based on usage from last billing cycle to reporting date

(v) Revenue from Contracts with Customers

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

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

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

1.13 Taxation

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

1.14 Provisions, Contingent Liabilities and Contingent Assets

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

1.15 Earning per Share

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

1.16 Measurement of Fair value of financial instruments

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

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

When measuring the fair value of a financial asset or a financial liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

1.17 Financial Instruments

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

Financial Assets

i Initial recognition and measurement

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

ii Subsequent measurement

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

Financial Assets measured at amortised cost:

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

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

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

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

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

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

Equity investments :

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

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

Derecognition of Financial Assets

A financial asset is primarily derecognised when:

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

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

Impairment of Financial Assets

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

Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

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

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

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

Derecognition of Financial Liabilities

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

Financial Instruments

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

Financial Assets

(i) **Classification**

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

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(ii) **Initial recognition and measurement**

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

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

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

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

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

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

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(iii) **Derecognition of Financial Assets**

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

Financial Liabilities

(i) **Classification**

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

(ii) **Initial recognition and measurement**

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

(iii) **Subsequent measurement**

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

(iv) **Loans and Borrowings**

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

(iii) **Derecognition of Financial Liabilities**

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

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

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

1.18 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.

1.19 Recent Accounting Developments

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022 effective from 1st April, 2022, has made amendments to the following Ind AS applicable to the Company:

a. Ind AS 16: Property, Plant and Equipment

b. Ind AS 37: Provisions, Contingent Liabilities and Contingent Assets

c. Ind AS 103 Business Combination

d. Ind AS 109: : Financial Instrument

Amendments to these IND AS do not except to have any significant impact on its financial statements.

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on accounts to the Financial Statements

2.01 Property, Plant and Equipment (₹ in crore)

Particulars	Plant and Machinery	Electrical Installation	Office Equipment	Furniture and Fixtures	Total	Capital Work in Progress
Gross carrying value						
As at April 1, 2020	80.50	6.08	0.02	0.89	87.49	88.37
Additions	3.52	-	-	-	3.52	3.54
Deductions	-	-	-	-	-	(3.52)
As at March 31, 2021	84.02	6.08	0.02	0.89	91.01	88.39
Additions	4.41	-	-	-	4.41	4.63
Deductions/ Adjustments	-	-	-	-	-	(4.41)
As at March 31, 2022	**88.43**	**6.08**	**0.02**	**0.89**	**95.42**	**88.60**
Accumulated Depreciation						
As at April 1, 2020	39.30	2.69	(0.00)	0.53	42.52	
Depreciation for the year	4.36	0.53	-	-	4.90	
Disposals						
As at March 31, 2021	43.66	3.22	(0.00)	0.53	47.42	
Depreciation for the year	3.88	0.49	-	-	4.37	
Disposals	-	-	-	-	-	
As at March 31, 2022	**47.54**	**3.71**	**(0.00)**	**0.53**	**51.79**	
	(43.67)	(3.23)	0.00	(0.53)		
Net Carrying Value						
As at March 31, 2021	40.36	2.86	0.02	0.36	43.58	
As at March 31, 2022	**40.89**	**2.37**	**0.02**	**0.36**	**43.61**	

2.01 (a) CWIP Ageing schedule (₹ in crore)

Amount in CWIP for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
IDC 5 building work in progress	**0.22** (0.02)	**0.02** (3.19)	**3.19** (66.74)	**85.18** (18.44)	**88.60** (88.39)

2.01 (b) CWIP completion schedule (₹ in crore)

Amount to be completed in	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
IDC 5 building work in progress	**-** -	**88.60** (88.39)	**-** -	**-** -	**88.60** (88.39)

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on accounts to the Financial Statements

2.02 Deferred Tax Assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
The Deferred Tax Assets of the Company comprise of the following.				
(i) Deferred Tax Assets				
Provision for Doubtful debts/ Doubtful Advances	14.07	0.00	(14.07)	-
GST	-	3.48	3.48	(3.48)
Related to timing difference on depreciation on fixed assets	0.13	1.23	1.10	1.05
(ii) MAT Credit Entitlement	-	0.00	-	(11.96)
(iii)Remeasurement of defined benefit plan	0.18	0.22	0.04	1.88
Net Deferred Tax Assets	**14.38**	4.93	**-9.45**	-12.51
Restricted to			**-14.38**	-4.93
Deferred Tax Charge/ (Credit) to Statement of Profit & Loss			(9.45)	(2.83)

(a) Amounts recognised in profit and loss

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	1.83	11.07
Deferred income tax liability / (asset), net	(9.45)	(2.83)
Tax expense for the year	**(7.62)**	8.24

(b) Amounts recognised in other comprehensive income - Rs. 1,65,951/-

(c) Reconciliation of Tax Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/ (Loss) before Tax	13.99	35.81
Applicable Tax Rate	25.63%	34.944%
Computed Tax Expenses (I)	**3.59**	12.51
Add: Items not considered for Tax Computation		
On account of Depreciation difference	1.10	1.05
Provision for Doubtful debts/ Doubtful Advances	(14.07)	-
Others	1.76	(5.32)
Subtotal (II)	**(11.21)**	(4.27)
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I + II)	**(7.62)**	8.24

2.02 Deferred Tax Assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets	**14.38**	4.93
	14.38	4.93

2.03 Income Tax Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Income Tax (net of provision for tax) (Refer note 2.32)	**24.55**	13.78
	24.55	13.78

2.04 Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Stores and Spares (Valued at lower of cost or Net realisable value)	**0.54**	0.50
	0.54	0.50

2.05 Trade Receivables (unsecured)

Particulars	As at March 31, 2022	As at March 31, 2021
Considered Good (Refer note 2.32 & 2.36(b))	**21.99**	34.86
Having significant increase in credit risk	**39.76**	24.18
Credit Impaired	**26.55**	26.55
Less: Provision for Credit Impaired	**(26.55)**	(26.55)
	61.75	**59.04**

2.05.01 Ageing Trade Receivables from the due date of payment as at March 31, 2022 (Previous year March 31,2021)

Particulars	Less than 6 months	6 months -1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	15.32 (31.32)	3.49 (1.72)	2.84 (1.82)	0.33 (0.01)	0.01 (-)	21.99 (34.87)
Undisputed Trade Receivables –which have significant increase in credit risk	22.7 (11.53)	1.96 (2.21)	2.22 (2.22)	0.69 (-)	3.3 (-)	30.87 (15.97)
Undisputed Trade Receivables – credit impaired	3.81 (6.78)	0.78 (3.63)	12.02 (10.92)	2.39 (5.21)	3.34 (-)	22.34 (26.55)
Disputed Trade Receivables- considered good	0 (-)	0 (-)	0 (-)	0 (-)	0 (-)	0 (-)
Disputed Trade Receivables-which have significant increase in credit risk	2.62 (5.34)	0.27 (1.36)	1.64 (1.04)	3.91 (0.46)	0.45 (-)	8.89 (8.21)
Disputed Trade Receivables – credit impaired	0.12 (-)	0.28 (-)	1.50 (-)	1.90 (-)	0.41 (-)	4.21 (-)
Total (A)	**44.56 (54.97)**	**6.79 (8.93)**	**20.22 (16.01)**	**9.22 (5.68)**	**7.51 (-)**	**88.3 (85.59)**
Allowance for Credit Impaired (B)	3.93 (6.78)	1.06 (3.63)	13.52 (10.92)	4.29 (5.22)	3.75 (-)	26.55 (26.55)
Total-(A-B)	**40.63 (48.19)**	**5.73 (5.30)**	**6.70 (5.09)**	**4.93 (0.46)**	**3.76 (-)**	**61.75 (59.04)**

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on accounts to the Financial Statements

2.06 Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Banks	**18.78**	66.64
	18.78	66.64

2.07 Bank Balances other than Cash and Cash Equivalants

Particulars	As at March 31, 2022	As at March 31, 2021
Bank deposits with less than 12 months' maturity	**56.30**	5.70
	56.30	5.70

2.08 Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on Investments	**0.13**	0.04
Unbilled Revenue (refer note 2.36(b))	**5.09**	9.34
Loan to related party (refer note 2.32 ,2.36(b)& 2.41)	**131.92**	131.92
	137.14	141.30

2.09 Other Current Assets (Unsecured)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Advances and Receivables (Unsecured)		
Advance to Others (Refer note 2.32)	**41.90**	41.58
Less:- Provision for doubtful advances	**(27.02)**	(27.02)
Advance to Related party (refer note 2.36(b))	**20.31**	21.85
Less:- Provision for doubtful advances	**(1.36)**	(1.36)
	33.83	35.05
b) Others		
Deposits	**2.29**	1.70
Balance with GST Authorities etc. (Refer note 2.32)	**13.83**	12.94
Prepaid Expenses	**0.05**	0.02
Advance to employees	**-**	0.02
	50.00	49.73

Globalcom IDC Limited (Formerly Reliance IDC Limited)

Notes on accounts to the Financial Statements

(₹ in crore)

	As at March 31, 2022	As at March 31, 2021
2.10 Equity Share Capital		
Authorised		
21 00 000 Equity Shares of ₹10 each (March 31, 2021: 21 00 000)	**2.10**	2.10
	2.10	2.10
Issued, Subscribed and Paid up		
21 00 000 Equity Shares of ₹10 each (March 31, 2021: 21 00 000)	**2.10**	2.10
	2.10	2.10

2.10.01	Shares held by Promoters/Holding company	% of Holding	No of Shares	% of Holding	No of Shares	% change during the year
	Reliance Webstore Limited & its Nominee	100%	21 00 000	100%	21 00 000	NIL

2.10.02 Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.In the event of liquidation the equity shareholders are eligible to receive remaining assets of the Company after the distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

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

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Webstore Limited & its Nominee	100%	21 00 000	100%	21 00 000

2.10.04 Reconciliation of shares outstanding a the beginning and at the end of the reporting period

	As at March 31, 2022		As at March 31, 2021	
	Number	**(₹ in crore)**	Number	(₹ in crore)
Equity shares				
At the beginning of the Year	21 00 000	2.10	21 00 000	2.10
Add/(Less):Changes during the year	-	-	-	-
At the end of the Year	**21 00 000**	**2.10**	21 00 000	2.10

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on accounts to the Financial Statements

2.11 Other Equity

(₹ in crore)

Particulars	**As at March 31, 2022**	As at March 31, 2021
(i) Surplus/(Deficit) of Statement of Profit and Loss		
Opening Balance	55.69	28.12
Add: Profit/(Loss) for the year	21.61	27.57
Closing Balance (A)	**77.30**	55.69
(ii) Other Comprehensive Income		
Opening Balance	0.26	0.23
Add: Remeasurement of defined benefit plan (refer note 2.29)	0.02	0.03
Closing Balance (B)	**0.28**	0.26
Total (A + B)	**77.58**	55.95

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
2.12 Provisions		
Provision for Retirement Benefit	**0.41**	0.44
	0.41	0.44
2.13 Borrowings (Unsecured) - Current		
Loan from Related Parties(Refer note 2.36(b))*	**185.00**	185.00
	185.00	185.00

* Consistent with the practice followed in earlier year, interest has not been charged on loans availed from the Ultimate Holding Company.

2.14 Trade Payables		
Due to Micro and Small Enterprises	**0.16**	0.29
Others (Refer note 2.33 & 2.36(b))	**143.72**	142.01
	143.88	142.30

2.14 (i)Trade Payables aging schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	- (0.04)	- (-)	- (0.02)	0.16 (0.14)	0.16 (0.20)
(ii) Others	76.20 (66.81)	6.86 (6.50)	4.93 (61.42)	55.73 (7.37)	143.72 (142.10)
(iii) Disputed dues – MSME	- (-)	- (-)	- (-)	- (-)	- (-)
(iv)Disputed dues - Others	- (-)	- (-)	- (-)	- (-)	- (-)
Total	**76.20 (66.85)**	**6.86 (6.50)**	**4.93 (61.44)**	**55.89 (7.51)**	**143.88 (142.30)**

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

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

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to any supplier as at the year end	0.16	0.29
Interest due on the principal amount unpaid at the year end to any supplier	0.11	0.09
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, alongwith the amount of the payment made to the supplier beyond the appointed day during the accounting year	0.00	0.00
Payment made to the enterprises beyond appointed date under Section 16 of MSMED	0.80	0.72
Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year but without adding the interest specified under MSMED	0.01	0.01
Amount of interest accrued and remaining unpaid at the end of each accounting year	0.13	0.10
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	0.07	0.06

2.15 Other Financial Liabilities		
Capital Creditors (Refer note 2.33)	**3.56**	3.60
Other Payables	**0.03**	0.02
Book overdraft	**5.75**	10.56
	9.34	14.18

2.16 Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Income Received in advance (refer note 2.36(b))	**20.27**	27.21
Advance from Customers(refer note 2.36(b))	**12.74**	12.61
Statutory Dues (refer note 2.33)	**3.55**	4.63
Other Liabilities	**40.48**	28.87
	77.04	73.32

2.17 Provisions		
Provision for Employee Benefits		
Employee Benefits	**0.30**	0.31
	0.30	0.31

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on accounts to the Financial Statements

(₹ in crore)

Particulars	For the year ended March 31,2022	For the year ended March 31,2021
2.18 Revenue from Operations		
Income from Data Centre Services (Net of GST) (refer note 2.36(b))	**174.81**	223.11
	174.81	223.11

Revenue for the year from sale of services as disclosed above pertains to revenue from contracts with customers over a period of time. The Company has not given any volume discounts, service level credits, etc during the year. There is no disaggregation of Revenue as it pertains to service revenue of India Operations.

The Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to pending performance obligations which are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). No consideration from contracts with customers is excluded from the amount mentioned above.

2.19 Other Income		
Interest on IT refund	**-**	3.02
Interest on FD	**0.36**	0.06
Miscellaneous income	**1.15**	5.44
Reversal of Interest on delayed GST payments	**-**	1.35
	1.51	9.87
2.20 Operating Expenses		
Power, Fuel and Utilities (refer note 2.36(b))	**93.16**	108.85
Repairs and Maintenance - Plant and Machinery	**14.55**	11.07
Leased Capacity Charges & Other Rent (refer note 2.36(b))	**25.21**	30.21
Stores and Spares	**3.60**	2.04
Rates & Taxes - Others	**0.72**	-
Inventory written off	**-**	0.04
Network Expenses others	**0.94**	0.89
	138.18	**153.10**
2.21 Employee Benefits Expenses		
Salaries	**5.26**	4.68
Contribution to Provident, Gratuity and Superannuation Fund*	**0.33**	0.28
Employee Welfare and Other Amenities	**0.34**	0.19
	5.93	5.15

* Based on Acturial Valuation Report (Refer note 2.29)

2.22 Finance Cost		
Interest on Financial Liability measured at amortised cost	**0.02**	0.03
	0.02	0.03

2.23 Sales and General Administration Expenses				
Sales and Marketing Expenses				
Bad Debts written off		**0.41**		-
General Administration Expenses				
IT Services Expenses(refer note 2.36(b))	**0.41**		1.02	
Professional Fees	**0.38**		0.06	
Provision for Doubtful Debts/advances	**-**		21.34	
Hire Charges	**7.35**		7.28	
Interest paid Others	**0.24**		0.03	
Security Expenses	**3.12**		3.06	
Other General and Administrative Expenses(refer note 2.36(b))	**1.87**	**13.37**	1.15	33.94
Payment to Auditors		**0.05**		0.05
		13.83		33.99

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on accounts to the Financial Statements

Note : 2.24

Previous year figures have been re-grouped, re-arranged and re-classified wherever necessary as required. Amount in financial statements are presented Rupees in crore, except as otherwise stated.

Note : 2.25

Earning Per Share (before and after Exceptional Items)	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Net Profit (Numerator used for calculation) (₹ in crore)	**21.61**	27.57
Weighted Average number of Equity Shares used as denominator for calculating EPS	**21 00 000**	21 00 000
Basic and Diluted Earning Per Share of ₹ 10 each (₹)	**102.89**	131.27

Note : 2.26

(₹ in crore)

	Corporate Social Responsibility Expenditure (as per section 135 of the Companies Act, 2013 read with Schedule VII)		
(a)	Gross amount required to be spent by the company during the year .	**0.45**	0.24
(b)	Amount Spent During the year on	-	-
(i)	Construction /Acquisition of any Assets	-	-
(ii)	On purposes other than(i) above	0.24	-

The Company has contributed towards PM CARE FUND during the year for CSR expenses of FY 20-21

(₹ in crore)

Note : 2.27

	Contingent Liabilities	**As at March 31, 2022**	As at March 31, 2021
(i)	Estimated amount of contracts remaining to be executed on capital accounts and not provided for.	**0.29**	1.33
(ii)	Disputed Liabilities in Appeal: Service Tax	**412.56**	**-**

Note : 2.28

Capital Management

Capital of the company,for the purpose of capital management, includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maximise shareholdres value.

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

The company monitors capital using a gearing ratio which is net divivded by total capital plus net debt.

(₹ in crore)

		As at March 31, 2022	As at March 31, 2021
(a)	Total Debt	**185.00**	185.00
(b)	Equity	**79.68**	58.05
(c)	Total Debt and Equity (a+b)	**264.68**	243.05
(d)	Capital Gearing Ratio (a/c)	**69.90%**	76.12%

Reduction in capital gearing ratio reflects increase in Equity on account of profit during the year.

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on account to the Financial Statements

Note : 2.29

Employees Benefits

Gratuity: In accordance with the applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) for all its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employees last drawn salary and for the years of employment with the company

The defined benefit plan expose the company at actuarial risk such as logentivity risk, interest risk and market (investment) risk.

The following table sets out the status of the Gratuity Plan as required under Indian Accounting Standard ("Ind AS") 19 "Employee Benefits".

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31 2021
i)	**Reconciliation of opening and closing balances of the present value of the defined benefit obligation**		
	Obligation at the beginning of the year	**0.43**	0.38
	Service cost	**0.07**	0.06
	Interest cost	**0.02**	0.02
	Liability Transferred In		
	Liability Transferred out		
	Actuarial (gain) / loss recognised in other comrehensive income		
	Change in financial assumptions	**-**	-
	Experience adjustments	**0.26**	(0.03)
	Benefits paid	**(0.38)**	-
	Obligation at the end of the year	**0.39**	**0.43**
ii)	**Change in plan assets**		
	Plan assets at Year beginning, at fair value	**-**	**-**
	Expected return on plan assets	**-**	**-**
	Actuarial gain / (loss) recognised in other comrehensive income	**-**	**-**
	Contributions	**-**	**-**
	Liability Transferred In	**-**	**-**
	Liability Transferred out	**-**	**-**
	Benefits paid	**-**	**-**
	Plan assets at the end of the year, at fair value	**-**	**-**
iii)	**Reconciliation of present value of the obligation and the fair value of the plan assets**		
	Fair value of plan assets at the end of the year	**-**	-
	Present value of the defined benefit obligations at the end of the year	**0.39**	0.42
	Liability recognized in the Balance Sheet	**0.39**	**0.42**
iv)	**Expense Recognised in Statement of Profit or Loss**		
	Service Cost	**0.07**	0.06
	Interest Cost	**0.02**	0.02
	Total	**0.09**	**0.08**
	Amount Recognised in Other Comprehensive Income		
	Actuarial (gain) / loss recognised in other	**0.02**	0.03
	Expected return on plan assets		
	Total	**0.02**	**0.03**
v)	**Investment details of plan assets**		
	100% of the plan assets are invested in debt instruments	**-**	**-**

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on account to the Financial Statements

(₹ in crore)

		As at March 31 2022	As at March 31 2021
vi)	**Actual return on plan assets**	-	-
vii)	**Assumptions**		
	Estimated return on plan assets	N.A	N.A
	Interest rate	4.97%	4.54%
	Salary Growth rate	0.00%	0.00%
	Employee turnover rate	50% for all age group	50% for all age group

The estimates, of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(₹ in crore)

viii)	**Particulars of the amounts for the year and Previous years**	**Gratuity for the period ended March 31,2022**	Gratuity for the year ended March 31 2021
	Present Value of benefit obligation	**0.39**	0.43
	Fair Value of Plan assets	-	-
	Excess of obligation over plan assets (plan assets over obligation)		

ix)	**Experience Adjustment**	**2022**	2021
	On Plan Liabilities	**0.26**	(0.03)
	On Plan Assets	-	-

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at March 31, 2022	As at March 31, 2021
Discount rate (+ 1% movement)	(0.01)	(0.01)
Discount rate (- 1% movement)	0.01	0.01
Future salary growth (+ 1% movement)	0.01	-
Future salary growth (- 1% movement)	(0.01)	-
Employee turnover (+ 1% movement)	-	-
Employee turnover (- 1% movement)	-	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Maturity analysis of defined benefit plan (fund)

Project benefit payable in future from the date of reporting

0 to 1 Year	0.17	0.18
1 to 2 Year	0.13	0.12
2 to 3 Year	0.05	0.07
3 to 4 Year	0.03	0.03
4 to 5 Year	0.01	0.02
5 to 6 Year	0.01	0.01
6 Year onwards	0.00	0.01

Provident Fund : The employee and employer each make monthly contribution to the plan equal to 12% of the covered employee’s salary. Contributions are made to Government fund. For the year ended March 31,2022, the Company has contributed ₹ 0.12 crore (Previous year ₹ 0.09 crore) towards Provident Fund.

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on account to the Financial Statements

Note : 2.30

2.30.1 Financial Instruments

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

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

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

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

Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There is no fair valuation of Financial instruments.The carrying value of financial instruments as of March 31, 2022 were as follows:

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.06)	**18.78**	66.64
Bank Balances (Refer Note 2.07)	**56.30**	5.70
Trade receivables (Refer Note 2.05)	**61.75**	59.04
Other financial assets (Refer Note 2.08)	**137.14**	141.30
Total	**273.97**	272.69
Financial assets at fair value through Profit and Loss:	**Nil**	Nil
Financial assets at fair value through other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:		
Trade payables (Refer note 2.15)	**143.88**	142.30
Other financial liabilities (Refer Note 2.16)	**9.34**	14.18
Borrowings (Refer Note 2.13 & 2.14)	**185.00**	185.00
Total	**338.23**	341.49
Financial liabilities at fair value through Profit and Loss:	**Nil**	Nil
Financial Liabilitites at fair value through other Comprehensive Income:	**Nil**	Nil

2.30.2 Financial Risk Management Objectives and Policies

The Company Has instituted a framework at enterprise and operating level across the functions to facilitate that financial risks are identified , measured and managed in accordance with the policies and objectives of the company.

Market risk

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

Interest Rate Risk

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

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The Company adopts a policy of ensuring that maximum of its interest rate risk exposure is at a fixed rate. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

The Company's interest-bearing financial instruments is reported as below

Fixed Rate Instruments		
Financial Assets	-	-
Financial Liabilities	**185.00**	**185.00**
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	-	-

Fair value sensitivity analysis for fixed-rate instruments

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

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

Impact on Profit and loss /equity	**For the period ended March 31, 2022**	For the year ended March 31, 2021
Impact of Profit and loss / equity	-	-

If interest rate is adversely affected with i.e decrese by 100 basis profit shall accordingly be affected vise versa.

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

Credit risk

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

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

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks.

Ageing of Trade Receivable (₹ in crore)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Less than 6 months	**40.63**	48.19
6 months to 1 Year	**5.73**	5.30
1 to 2 Years	**6.70**	5.09
2 to 3 Years	**4.93**	0.46
> 3 Years	**3.76**	0.00
Total	**61.75**	59.04

Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has stress on liquidity profile and it closely monitors liquidity position. The company is managing its current requitements thorough working capital. Accordingly, liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding.

(₹ in crore)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Borrowings	**-**	-
Trade payables	**143.88**	142.30
Other financial liabilities	**9.34**	14.18

Note : 2.31

Post reporting Events

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

Note : 2.32

Corporate Insolvency Resolution (CIR) Process has been initiated against the Ultimate Holding Company. finalisation of CIR process of Ultimate Holding Company, The Company will carry out a comprehensive impairment review of its assets and liabilities including Trade receivables and Trade payable which are pending for confirmation.Further, the Company is in the process of reconciling Goods & Service Tax (GST) and Tax Deducted at source. Consistent with the practice followed in earlier years, interest has not been charged on loans given to subsidiaries / fellow subsidiaries.

Note : 2.33

Leases

Since the Ultimate Holding company is under Corporate Insolvency Resolution (CIR) Process, IND AS 116 has not been applied

Note : 2.34

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

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on Accounts to Balance Sheet and Statement of Profit and Loss

Note : 2.35

Segment Information

The Company is operating only in India and providing Internet Data Centre Services only. So there is neither more than one business segment and nor more than one geographical segment. Hence segment information as per Ind AS - 108 is not required to be disclosed.

Note : 2.36

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

a)	Name of the Related Party	Relationship
1	Reliance Communications Limited	Ultimate Holding Company
2	Reliance Webstore Limited	Holding Company
	List of other Related Parties where there have been transactions	
3	Reliance Telecom Limited	**Fellow Subsidiary Companies**
4	Reliance Infratel Limited	
5	Reliance Tech Services Limited	
6	Reliance Communications Infrastructure Limited	
7	Reliance Reality Limited (Formerly Reliance Infocomm Infrastructure Limited)	
8	Reliance Big Broadcasting Private Limited	**Enterprise over which Promoter of Holding Company having control.**
9	Reliance Big Entertainment Private limited	
10	Zapak Digital Entertainment Limited	
11	Big Animation (India) Private Limited	
12	Reliance Capital Limited	
13	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)	
14	Reliance Securities Limited	
15	Reliance General Insurance Company Limited	
16	Reliance Spot Exchange Infrastucture Limited	
17	Reliance Power Limited	
18	Reliance Infrastructure Limited	
19	Reliance Defence Limited	
20	Reliance Energy Limited	
21	NIS Sparta Education & Learning Technologies Private Limited	
22	Reliance Commercial Finance Limited (formerly Reliance Gilts Limited)	
23	Reliance Home Finance Limited	
24	Reliance Defence and Engineering Limited	
25	Reliance Defence Systems & Tech Limited	
26	BSES RAJADHANI POWER LTD.	
27	BSES Yamuna Power Limited	
28	Reliance Naval And Engineering Limited	
29	Rosa Power Supply Company Ltd	
30	Sasan Power Limited	
31	Shri Anil D. Ambani	**Promoter having significant influence over Holding Company**

Globalcom IDC Limited (Formerly Reliance IDC Limited)
Notes on account to the Financial Statements

(b) Transactions with related parties :

* (figures Shown in brackets pertains to Previous year) (₹ in crore)

Sr. No.	Nature of Transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Enterprise over which promoter of Holding Company having control	Total
1	**Trade Receivable**					
	Gross Trade Receivable	**14.25**	**12.41**	**3.40**	**21.47**	**51.52**
		(5.51)	(12.69)	(3.40)	(23.10)	(44.70)
	Bad debts written off	**-**	**-**	**-**	**-**	**-**
					-	-
	Net Trade Receivable	**14.25**	**12.41**	**3.40**	**21.47**	**51.52**
		(5.51)	(12.69)	(3.40)	(23.10)	(44.70)
2	**Other Financial Assets**					
	Unbilled Revenue	**-**	**-**	**-**	**0.10**	**0.10**
		-	-	-	(0.34)	(0.34)
	Loans to Related party	**-**	**-**	**131.92**	**-**	**131.92**
		-	**-**	(131.92)	**-**	(131.92)
3	**Other Current Assets**					
	Advance to vendor	**2.14**	**3.49**	**14.07**	**0.62**	**20.31**
		(4.77)	(3.41)	(13.05)	(0.62)	(21.85)
4	**Borrowings - Current**					
	Balance as at April 01, 2021	**185.00**	**-**	**-**	**-**	**185.00**
		-	**-**	**-**	**-**	**-**
	Taken During the year	**-**	**-**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**
	Repaid during the year	**-**	**-**	**-**	**-**	**-**
		-	**-**	**-**	**-**	**-**
	Balance as at March 31, 2022	**185.00**	**-**	**-**	**-**	**185.00**
		(185.00)	-	-	-	**-**
5	**Trade Payable**	**-**	**-**	**110.29**	**7.23**	**117.52**
		-	-	(113.50)	(8.52)	(122.02)
6	**Other Current Liabilities**					
i)	Advance from customer	**-**	**-**	**-**	**1.04**	**1.04**
		-	-	**-**	(1.08)	(1.08)
ii)	Income Received in Advance	**-**	**-**	**-**	**1.48**	**1.48**
		-	-	-	(3.37)	(3.37)
iii)	Provision for expenses	-	-	9.32	-	**9.32**
		-	-	(9.32)	-	(9.32)
7	**Revenue from Operations**					
	Services Income	**30.05**	**-**	**-**	**9.24**	**39.29**
		(31.50)	-	-	(19.27)	(50.77)
8	**Expenditure**					
i)	Operating Expenditure	**-**	**-**	**74.81**	**-**	**74.81**
		-	-	(66.18)	-	(66.18)
ii)	General Administration Expenditure	**-**	-	**0.41**	-	**0.41**
		-	-	(20.33)	-	(20.33)
iii)	Receiving of services (Insurance expenses)	**0.55**	-	-	-	**0.55**
		(0.61)	-	-	-	(0.61)
9	**Corporate Guarantee on behalf of The Company**	**1.20**	**-**	**-**	**-**	**1.20**
		(1.20)	-	-	-	(1.20)

Globalcom IDC Limited (Formerly Reliance IDC Limited)

Note : 2.37

Undisclosed Income (Reconciliation of Income Tax and Companies Act):

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 : 2.38

Note on Wilful Defaulter

The Company is not declared as Wilful Defaulter by any bank or financial institutions or other lenders.

Note : 2.39

Accounting Ratios

Sr.N	Ratios	Numerator	Denominator	March'22	March'21	Variance
1)	Current Ratio (in times)	Current assets	Current Liabilities	0.78	0.78	0%
2)	Debt Equity ratio (in times)	Total Debt	Equity	2.32	3.19	-27%
4)	Return on equity (%)	Net Profit	Equity	27.13%	47.49%	-43%
5)	Inventory Turnover ratio (in times)	Turnover	Average Turnover	336.53	612.00	-45%
6)	Trade Receivable turnover ratio (in times)	Turnover	Average Trade Receivable	2.89	4.03	-28%
7)	Trade Payable turnover ratio (in times)	Turnover	Average Trade Payable	1.22	1.55	-21%
8)	Net Capital Turnover ratio (in times)	Turnover	Working Capital	(1.92)	(2.42)	-21%
9)	Net profit ratio (%)	Net Profit	Turnover	12.37%	12.36%	0%
10)	Return on Capital employed (%)	Profit before tax	Equity	17.55%	61.68%	-72%

<u>Remarks for major variance:-</u>

i) Debt Equity ratio has decreased due to increase in retained earnings during FY 21-22.

ii) Return on Equity ratio &Trade Receivable ratio have reduced by more than 25% due to decrease in Turnover during FY 21-22 ,as a result of some major customers churnout & services deactivation.

iii) Inventory Turnover ratio has decreased because inventory as at March'22 has increased but Turnover has decreased during FY 21-22.

iv) Return on Capital employed has reduced significantly due to decrease in total expenses and thereby Profit before tax in FY 21-22

v) There are no debt repayments during the year, hence Debt Service Coverage Ratio is not applicable.

vi) The Company does not have investments during the year , hence Return on Investment Ratio is not applicable.

Note : 2.40

Authorisation of Financial Statements

The Financial Statements for the year ended March 31, 2022 were approved by the Board of Directors on 27th May 2022.

Independent Auditors' Report

To the Members of Reliance Infratel Limited

Report on the Audit of the Standalone Financial Statements

Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by an operational creditor against Reliance Infratel Limited ("the Company") and appointed Resolution Professional (RP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

The resolution plan, submitted by Reliance Projects and Property Management Services Limited("the Resolution Applicant (RA)") in respect of the Company as approved by Committee of Creditors in its meeting held on March 2, 2020, has been approved by Hon'ble NCLT, Mumbai Bench, vide order dated December 3, 2020. Upon approval of the resolution plan, Mr. Anish NiranjanNanavaty has ceased to be the RP of the Company, and the Company is currently under the supervision of a Monitoring Committee (of which the erstwhile RP is a member) constituted under the provisions of the approved resolution plan. The monitoring committee is in discussions with the RA in respect of the implementation of the approved resolution plan, and a status report in respect of implementation of the resolution plan has been submitted to the NCLT.

Qualified Opinion

We have audited the standalone financial statements of **Reliance Infratel Limited** ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss, and the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules,2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its changes in equity, and its loss (including other comprehensive income) and its cash flows for the year ended on that date.

Basis for Qualified Opinion

a) We draw attention to Note no. 2.12&2.29 of the standalone financial statements regarding, "Assets Held for Sale (AHS)" including Towers and Fibre continue to be classified as held for sale at the value ascertained at the end of March 31, 2018, along with liabilities, for the reasons referred to in the aforesaid note. Non determination of fair value as on the reporting date is not in compliance with Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations". Accordingly, we are unable to comment on the consequential impact, if any, on the carrying amount of Assets Held for Sale and on the reported losses for the year ended March 31, 2022.

b) We draw attention to Note no. 2.26.01 of the standalone financial statements regarding admission of the Company into Corporate Insolvency Resolution Process ("CIRP"), and pending determination of obligations and liabilities with regard to various claims submitted by the Operational/financial/other creditors and employees including interest payable on loans during CIRP. We are unable to comment the accounting impact thereof pending reconciliation and determination of final obligation.

The Company accordingly, has not provided interest on borrowings amounting to Rs. 289 crore for the year ended March 31, 2022 and Rs.1,132 crore up to March 31, 2021 calculated based on the basic rate of interest as per the terms of the loan. Also the Company has not provided net foreign exchange loss amounting to Rs.67 crore for the year ended March 31, 2022 and net foreign exchange loss of Rs.198 crore up to March 31, 2021, 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, 2022 would have been higher by Rs.356 crore and Net worth of the Company would have been lower by Rs. 1,686 crore and Rs.1,330 crore as on March 31, 2022 and March 31, 2021 respectively. Non provision of interest is not in compliance with Ind AS 23 "Borrowing Costs" and non-recognition of foreign exchange losses / gains is not in compliance with Ind AS 21 "The Effects of Changes in Foreign Exchange Rates".

c) We draw attention to Note no. 2.29 of the standalone financial statements, regarding pending comprehensive review of carrying amount of all assets (including investments and balances lying under Goods & Service Tax and Tax Deducted at Source) & liabilities and non provision for impairment of carrying value of the assets and write back of liabilities if any, pending implementation of the approved resolution plan. In the absence of comprehensive review as mentioned above for the carrying value of all the assets and liabilities, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the year ended March 31, 2022. 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 standalone financial statements regarding non adoption of Ind AS 116 "Leases" effective from April 01, 2019 and the consequent impact thereof. The aforesaid accounting treatment is not in accordance with the relevant Ind AS 116.

e) We draw attention to Note no. 2.20.01 of the standalone financial statements regarding unbilled revenue recognized by the Company amounting to Rs. 1,021 Crore with respect to services provided during the period and earlier years, which has not yet been billed by the Company for the reasons mentioned in the aforesaid note. We are unable to comment on the ultimate outcome of reconciliation and its realisability and its impact on the revenue recognized during the year and in earlier years.

f) We draw attention to Note no 2.29 of the standalone financial statements, regarding continuous losses incurred by the Company, current liabilities exceeding its current assets, default in repayment of borrowings and default in payment of statutory dues. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The accounts however have been prepared by the management on a going concern basis for the reason stated in the aforesaid note. We however are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the standalone financial statements, in view of pending implementation of approved resolution plan, the outcome of which cannot be presently ascertained.

The Networth of the Company excludes the effect of qualification under (a), (c), (d), (e) and (f) above which are non-quantifiable as referred therein.

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

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The standalone financial statements, which is the responsibility of the Company's Management is relied upon by Monitoring Committee based on the assistance provided by the Directors and taken on record by the Monitoring Committee as fully described in Note no. 2.50 of standalone financial statements. The Company's Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (changes in equity) and cash flows of the

Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management / Monitoring Committee is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management / Monitoring Committee either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management/Monitoring Committee are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matter

Pursuant to applications filed by Ericsson India Pvt. Ltd. before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the applications and ordered the commencement of corporate insolvency resolution process ("CIRP") of Reliance Infratel Limited ("the Company") vide its orders dated May 15, 2018. The NCLT had appointed Mr.Manish Kaneria as the interim resolution professional of the Company, ("Interim Resolution Professional") vide its orders dated May 18, 2018.Thereafter, the committee of creditors ("CoC") of the Company, at the meetings of the CoC held on May 30, 2019, in terms of Section 22 (2) of the Code, resolved with the requisite voting share, to replace the Interim Resolution Professional with the resolution professional ("RP") for the Company, which has been confirmed by the NCLT in its orders dated June 21, 2019 (published on the website of the NCLT on June 28, 2019).

Subsequently, the NCLT, Mumbai Bench, vide order dated December 3, 2020, has approved the resolution plan submitted by Reliance Projects and Property Management Services Limited. Upon approval of the resolution plan Mr. Anish NiranjanNanavaty has ceased to be the resolution professional of the Company, and the Company is currently under the supervision of a Monitoring Committee constituted under the provisions of the approved resolution plan comprising of two nominees/representatives of approving financial creditors, two nominees of the Resolution Applicant (RA) and Mr. Anish NiranjanNanavaty (as the Insolvency Professional). The monitoring committee is in discussions with the RA in respect of the implementation of the approved resolution plan, and a status report in respect of implementation of the resolution plan has been submitted to the NCLT.

The standalone financial statements of the Company should be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it should be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone financial statements. As mentioned in Note No 2.50 of the standalone financial statements, in view of the on going Corporate Insolvency Resolution Process, the powers of the board of directors stand suspended and are exercised by the Monitoring Committee.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 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 stated in Basis for qualified Opinion paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

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

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015as amended,except requirement of Ind AS 105 "Non Current Assets Held for Sale and Discontinued Operations", Ind AS 23 "Borrowing Cost", Ind AS 21 "Effects of Changes in foreign exchanges",Ind AS 36 "Impairment of Assets", Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", Ind AS 109 "Financial Instruments" and Ind AS 116 "Leases"with regard to matters described in the Basis of Qualified Opinion paragraph above.

(e) The matters described under the basis for qualified opinion paragraph above and Qualified Opinion paragraph of Annexure B to this report in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in standalone financial statements of the Company;

(f) On the basis of the written representations received from one of the directors of the Company as on March 31, 2022 taken on record by the Board of Directors, one of the directors is not disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act. Further as mentioned in Note 2.49of the standalone financial statements, two of the directors of the Company have resigned from the position of director, however their resignation has not been accepted by Committee of Creditors (COC) for the reasons stated in the said note, further the Company has not received declaration from these directors in this regard, accordingly we are unable to comment whether these directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

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

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.32 to the standalone financial statements;

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

iii. There is no amount, 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.

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

Jigar T. Shah
Partner
Membership No:161851
UDIN:22161851ALPCMP2226

Date:May 28, 2022
Place: Mumbai

Reliance Infratel Limited
'Annexure A' to the Independent Auditor's Report –March 31, 2022

With reference to the Annexure A referred to in the Independent Auditors' Report to the Members of Reliance Infratel Limited ('the Company') on the standalone financial statements for the year ended March 31, 2022, 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) We are informed that the Company physically verifies its assets over a three year period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this policy, the Company has physically verified some of the Property, Plant and Equipmenton sample basis which is not under electronic surveillance and certain assets which are under electronic surveillance and no material discrepancies were identified on such physical verification.

(c) According to the information and explanations given to us and records examined by us, the title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2.01.05of the standalone financial statements, are held in the name of the Company, except for the following where the Company is in the process of transferring the title deeds in its name as these were acquired through various schemes of arrangement entered in the earlier years

Sr. No.	Description of Property	Gross carrying value (Rs. in Crore)	Title deed Held in name of	Whether title deeds held in name of promoter, director or relative of promoter/ director	Property held since date (Financial Year)	Reason for not being held in the name of the Company
1	Freehold Land	4.42	Reliance Communications Limited (RCOM)	Ultimate Holding Company	April 10, 2007	Pending Mutation
2	Freehold Land	4.35	Reliance Communications Infrastructure Limited (formerly known asReliance Infocom Limited)	Holding Company	April 10, 2007	
4	Freehold Land	0.24	Reliance Infocomm Limited (Merged into RCOM by a court approved scheme of amalgamation)	Ultimate Holding Company	April 10, 2007	
5	Freehold Land	*	Reliance Telecom Limited	Fellow Subsidiary	April 10, 2007	

*(Rs. 44,253)

(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 paragraph3 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.

(e) 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.

(f) 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 Crore)

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand (A)	2,287	-	2,287
- Agreement does not specify any terms or period of repayment (B)		-	
Total (A+B)	**2,287**	**-**	**2,287**
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 paragraph3 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 paragraph3 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) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under subsection 1 of Section 148 of the Act, in respect of telecommunication activities and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that there are delays in amounts deposited with appropriate authorities for amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and services tax, service tax, duty of customs, sales tax, value added tax, entry tax, employees state insurance, cess and other material statutory dues.According to the information and explanations given to us, undisputed amounts payable in respect of provident Fund, income tax, goods and services tax, sales tax, value added tax, employees state insurance and other material statutory dues which were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable are as under:

Name of Statute*	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Due Date	Date of Payment
Bihar Value Added Tax Act, 2005	VAT Payable	72 944	2017-18	Various dates	Unpaid
Karnataka Value Added Tax Act,	VAT Payable	1 23 328	2017-18	Various dates	Unpaid

Name of Statute*	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Due Date	Date of Payment
2003					
Madhya Pradesh Value Added Tax Act, 2003	VAT Payable	12 586	2016-17	Various Dates	Unpaid
Gujarat Value Added Tax Act, 2003	VAT Payable	18 953	2016-17	Various dates	Unpaid
Haryana Value Added Tax Act, 2003	WCT Payable	63 595	2017-18	Various dates	Unpaid
Himachal Pradesh Value Added Tax Act, 2005	WCT Payable	23 273	2017-18	Various dates	Unpaid
Punjab Value Added Tax Act, 2005	WCT Payable	1 26 220	2017-18	Various dates	Unpaid
Uttar Pradesh Value Added Tax Act, 2008	WCT Payable	35 586	2017-18	Various dates	Unpaid
Maharashtra Value Added Tax Act, 2002	WCT Payable	9 20 447	2017-18	Various dates	Unpaid
Chhattisgarh Value Added Tax Act, 2003	WCT Payable	1 31 101	2017-18	Various dates	Unpaid
Orissa Value Added Tax Act, 2004	WCT Payable	3 77 339	2017-18	Various dates	Unpaid
West Bengal Value Added Tax Act, 2003	WCT Payable	5 618	2017-18	Various dates	Unpaid
Rajasthan Value Added Tax Act, 2003	WCT Payable	69 967	2017-18	Various dates	Unpaid
Central Sales Tax Act, 1956- Tamil Nadu	CST Payable	25 569	2017-18	Various dates	Unpaid
Central Sales Tax Act, 1956- Andhra Pradesh	CST Payable	3 19 317	2017-18	Various dates	Unpaid
Professional Tax Act – Various State	Profession Tax Payable	624993	2018-19 onwards	Various dates	Unpaid
Income Tax Act, 1961	Tax Deducted at Source	45 376	2017-18	Various dates	Unpaid

*The above does not include the GST on unbilled revenue of Rs. 1,021 Crore, pending reconciliation with customers, as management states that GST is payable upon completion of reconciliation and invoicing thereon. (Refer note no. 2.20.01)

(b) Details of statutory dues referred to in clause vii (a) above, which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (Rs. In Crore)*	Period to which the amount relates	Forum where Pending
Central Sales Act, 1956	Central Sales Tax	0.02	2008-09	Jt. Commissioner (Appeals), Bihar
		0.39	2008-09	Sales Tax Appellate Tribunal, Uttar Pradesh
		0.01	2010-11	Jt. Commissioner (Appeals), Uttarakhand
		0.01	2011-12	Dy. Commissioner (Appeals), Chhattisgarh
		0.09	2011-12	Jt. Commissioner (Appeals), Madhya Pradesh
		0.01	2011-12	Dy. Commissioner of State Goods and Service Tax Department, Kerala
		0.18	2012-13	Jt. Commissioner (Appeals), Madhya Pradesh and Uttarakhand
		0.01	2013-14	Dy. Commissioner of Commercial Taxes, Uttar Pradesh
		0.78	2013-14	Special Audit Officer, West Bengal
		0.02	2014-15	Dy. Commissioner, Appeals, Madhya Pradesh
		0.01	2014-15	Special Audit Officer, West Bengal
		0.04	April 2007 to March 2009	Sales Tax Appellate Tribunal, Odisha
		0.65	April 2009 to September 2012	Jt. Commissioner, Odisha
Entry tax of various states	Entry Tax	0.57	2007-08	Commercial Taxes Tribunal, Chhattisgarh
		0.49	2007-08	Madhya Pradesh Tax Board
		0.56	2007-08	Sales Tax Appellate Tribunal, Uttar Pradesh
		4.35	2007-08	Supreme Court
		0.12	2008-09	Commercial Tax Appellate Tribunal, Bihar

Name of Statute	Nature of Dues	Amount (Rs. In Crore)*	Period to which the amount relates	Forum where Pending
		0.01	2008-09	Madhya Pradesh Tax Board
		0.33	2009-10	Supreme Court
		0.50	2010-11 to 2013-14	Himachal Pradesh High Court**
		0.10	2010-11	Supreme Court
		0.08	2011-12	Dy. Commissioner (Appeals), Chhattisgarh
		0.20	2011-12	Supreme Court
		0.04	2011-12	Dy. Commissioner (Appeals), Madhya Pradesh
		0.16	2012-13	High Court of Punjab and Haryana
		0.22	2012-13	Supreme Court
		0.26	2013-14	Appellate Authority, Rajasthan
		0.09	2013-14	Jt. Commissioner (Appeals), West Bengal
		0.14	2014-15	Appellate Authority, Rajasthan
		1.67	April 2007 to March 2009	Orissa High Court
		0.20	April 2009 to September 2012	Orissa High Court
		0.20	July 2010 to December 2012	Orissa High Court
		0.00	2015-16	Supreme Court
Finance Act, 1994	Service Tax	95.08	2009-10 to 2012-13	Customs, Excise and Service Tax Appellate Tribunal
		7.04	2013-14	Customs, Excise and Service Tax Appellate Tribunal
		3.17	2012-13 to 2013-14	Customs, Excise and Service Tax Appellate Tribunal
		348.08	2016-17 & April 2017 to June 2017	Commissioner CGST & Central Excise Commissionerate, Belapur
VAT of various states		0.07	2008-09	Commercial Taxes Tribunal, Uttar Pradesh

Name of Statute	Nature of Dues	Amount (Rs. In Crore)*	Period to which the amount relates	Forum where Pending
		0.01	2009-10	Sales Tax Appellate Tribunal, Uttar Pradesh
		0.12	2010-11	Asst. Commissioner (Sales Tax), Uttarakhand
		0.00	2011-12	Dy. Commissioner of Commercial Taxes, Madhya Pradesh
		0.01	2011-12	Dy. Commissioner (Appeals) of Commercial Taxes, Chhattisgarh
		0.41	2012-13	Jt. Commissioner (Appeals), Uttarakhand
		0.02	2013-14	Dy. Commissioner of Commercial Taxes, Uttar Pradesh
		0.03	2013-14	Jt. Commissioner (Appeals), Uttar Pradesh
		0.15	2013-15	Dy. Commissioner of Commercial Taxes, Kerala
		0.30	April'09 to Sept'12	Asst. Commissioner (Sales Tax), Orissa
		0.00	2014-15	Jt. Commissioner (Appeals), Tamil Nadu
		0.01	2014-15	Special Audit Officer, West Bengal
		0.28	2014-15	Dy. Commissioner of State Tax, Kerala
		0.07	2015-16	Dy. Commissioner of State Tax, Kerala
Income Tax Act, 1961	Income Tax	21.70	2012-13	Commissioner of Income Tax (Appeals)
		125.56	2017-18	Commissioner of Income Tax (Appeals)
		0.79	2017-19	Commissioner of Income Tax (Appeals)

*Net of amounts paid/deposited under protest
** Stay granted by High Court

(viii) 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.

Name of Lender	Amount (Rs. in crore)	Amount (Rs. in crore)	Period (No. of Days)	Period (No. of days)
	Borrowings	**Interest**	**Borrowings**	**Interest**
Loan from Banks				
State Bank Of India	485	Nil	1796	-
Standard Chartered Bank	192	Nil	1819	-
Syndicate Bank (merged with Canara Bank)	3	Nil	1840	-
S C Lowy Primary Investments Limited	407	7	1761	1761
Doha Bank Q.S.C	326	6	1761	1761
Emirate NBD Bank PJSC	261	5	1761	1761
Industrial & Commercial Bank of China	222	4	1761	1761
VTB Capital PLC	407	7	1761	1761
Reliance Capital Limited	Nil	2	Nil	1761
Mahima Mercantile Credits Limited	433	Nil	821	-
Total	**2,736**	**31**		

(Refer Note no 2.17.3 of the standalone financial statements)

The Company has not provided interest of Rs. 289 crore and Rs. 1,421 crore for the year and upto March 31, 2022 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 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 noticefromthe bankas to why the Company should not be declared willful defaulter (refer note 2.32).

(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 x(a) ofparagraph 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. 2.29 of the standalone 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) As the Company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 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, clause (xv) of paragraph3 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. 666 crore in the financial year 2021-22 and Rs. 443 crore 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) ofparagraph 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:22161851ALPCMP2226

Date: May 28, 2022
Place: Mumbai

Reliance Infratel Limited

‘Annexure B’ to the Independent Auditor’s Report –March 31, 2022

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

We have audited the internal financial controls with reference to standalone financial statements of **Reliance Infratel Limited** (“the Company”) as of March 31, 2022in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls 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 audit opinion on the Company’s internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company’s internal financial controls with reference to standalone financial statements as at March 31, 2022:

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.2.29).

ii. The Company’s internal control process in respect of closure of outstanding entries in Bank Reconciliation Statements which are pending to be reconciled.

iii. In respect of delays in payment of certain statutory dues and filing of certain statutory returns during the year with the respective authorities.

iv. The Company’s internal financial control with regard to the compliance with the applicable Indian Accounting Standards and evaluation of carrying values of assets and liabilities and other matters, as fully explained in basis for qualified opinion paragraph of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the standalone financial statements.

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

Qualified Opinion

In our opinion, except for the effects / possible effects of the material weaknesses described above under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 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.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March31, 2022 standalone financial statements of the Company and these material weaknesses affect our opinion on standalone financial statements of the Company for the year ended March 31,2022[our audit report dated May 28, 2022, which expressed an qualified opinion on those standalone financial statements of the Company].

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

Jigar T. Shah
Partner
Membership No: 161851
UDIN:22161851ALPCMP2226

Date: May 28, 2022
Place: Mumbai

Reliance Infratel Limited

Balance Sheet as at March 31, 2022

(₹ in Crore)

Particulars	Note	As at March 31, 2022		As at March 31, 2021	
Assets					
Non Current Assets					
(a) Property, Plant and Equipment	2.01	**9**		9	
(b) Intangible Assets	2.02	**3**		4	
(c) Income Tax Assets (net)	2.03	**341**		271	
(d) Other Non Current Assets	2.04	**73**	**426**	73	357
Current Assets					
(a) Financial Assets					
(i) Investment	2.05	**-**		-	
(ii) Trade Receivables	2.06	**349**		347	
(iii) Cash and Cash Equivalents	2.07	**162**		307	
(iv) Bank Balances other than (iii) above	2.08	**167**		-	
(v) Loans	2.09	**1,200**		1,200	
(vi) Other Financial Assets	2.10	**1,309**		1,303	
(b) Other Current Assets	2.11	**503**		506	
(c) Assets held for sale	2.12	**9,023**	**12,713**	9,023	12,686
Total Assets			**13,139**		13,043
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	2.13	**2,793**		2,793	
(b) Other Equity	2.14	**(2,004)**	**789**	(1,827)	966
Liabilities					
Non-Current Liabilities					
(a) Deferred Tax Liabilities (net)	2.15	**818**		952	
(b) Provisions	2.16	**3**	**821**	3	955
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.17	**6,736**		6,736	
(ii) Trade Payables	2.18				
Due to Micro and Small Enterprises		**28**		25	
Due to creditors other than Micro and Small Enterprises		**811**		746	
(iii) Other Financial Liabilities	2.19	**1,350**		1,030	
(b) Other Current Liabilities	2.20	**2,369**		2,350	
(c) Provisions	2.21	**235**	**11,529**	235	11,122
Total Equity and Liabilities			**13,139**		13,043

Reliance Infratel Limited

Balance Sheet as at March 31, 2022

- -

Significant Accounting Policies **1**

Notes on Accounts **2**

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

As per our Report of even date

For Pathak H.D. & Associates LLP

Chartered Accountants

Firm Regn No. 107783W/W100593

For Reliance Infratel Limited

Anish Niranjan Nanavaty

Authorised Member of Monitoring Committee

Jigar T. Shah

Partner

Membership No. 161851

Mahesh Mungekar

Director

DIN 00778339

Dolly Dhandhresha

Director

DIN 07746698

Mangesh Chavan

Chief Financial Officer

Namrata Shinde

Company Secretary and Manager

A57072

Place : Mumbai

Date : May 28, 2022

Reliance Infratel Limited

Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Crore)

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Revenue from Operations	2.22	**1,186**	1,208
Other Income	2.23	**4**	8
Total Income		**1,190**	1,216
EXPENDITURE			
Network Expenses	2.24	**1,455**	1,412
Employee Benefits Expenses	2.25	**22**	21
Finance Costs	2.26	**-**	-
Depreciation and Amortization Expenses	2.01 & 2.02	**1**	2
General and Administration Expenses	2.27	**23**	32
Total Expenses		**1,501**	1,467
Profit/ (Loss) before Tax		**(311)**	(251)
Tax Expenses:			
Current Tax		**-**	-
Deferred Tax Charge/ (Credit)		**(134)**	(62)
Total Tax Expenses		**(134)**	(62)
Profit/ (Loss) after Tax for the year		**(177)**	(189)
Other Comprehensive Income			
Remeasurement Gain/ (Loss) of Defined Benefit plan (net of tax) ₹ 4,616,016 [(₹ 265,478)]		**-**	-
Total Comprehensive Income		**(177)**	(189)
Earnings per Share	2.36		
- Basic and Diluted (₹)		**(0.63)**	(0.68)

Reliance Infratel Limited

Statement of Profit and Loss for the year ended March 31, 2022

Significant Accounting Policies	**1**
Notes on Accounts	**2**

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

As per our Report of even date

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

For Reliance Infratel Limited

Anish Niranjan Nanavaty
Authorised Member of Monitoring Committee

Jigar T. Shah
Partner
Membership No. 161851

Mahesh Mungekar
Director
DIN 00778339

Dolly Dhandhresha
Director
DIN 07746698

Mangesh Chavan
Chief Financial Officer

Namrata Shinde
Company Secretary and Manager
A57072

Place : Mumbai
Date : May 28, 2022

Reliance Infratel Limited

Statement of changes in equity for the year ended March 31, 2022

(a) Equity Share Capital (Refer Note 2.13)

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	**2,793**	2,793
Changes in equity share capital due to prior period errors	**-**	-
Restated balance at the beginning of the year	**2,793**	2,793
Change in equity share capital during the year	-	-
Balance at the end of the year	**2,793**	2,793

(b) Other Equity (Refer Note 2.14)

Particulars	Attributable to the Equity Shareholders					Total
	Reserves and Surplus				Other Comprehensive income	
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of defined benefit plans	
Balance as at March 31, 2021	**1,793**	**675**	**536**	**(4,833)**	**2**	**(1,827)**
Surplus / (Deficit) of Statement of Profit and Loss	-	-	-	(177)	-	(177)
Other Comprehensive Income ₹ 4,616,016	-	-	-	-	-	-
Balance as at March 31, 2022	**1,793**	**675**	**536**	**(5,010)**	**2**	**(2,004)**
Balance as at March 31, 2020	1,793	675	536	(4,644)	2	(1,638)
Surplus / (Deficit) of Statement of Profit and Loss	-	-	-	(189)	-	(189)
Other Comprehensive Income (₹ 265,478)	-	-	-	-		-
Balance as at March 31, 2021	1,793	675	536	(4,833)	2	(1,827)

Significant Accounting Policies **1**

Notes on Accounts **2**

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

As per our Report of even date

For Pathak H.D. & Associates LLP

Chartered Accountants

Firm Regn No. 107783W/W100593

For Reliance Infratel Limited

Anish Niranjan Nanavaty

Authorised Member of Monitoring Committee

Jigar T. Shah

Partner

Membership No. 161851

Mahesh Mungekar

Director

DIN 00778339

Dolly Dhandhresha

Director

DIN 07746698

Mangesh Chavan

Chief Financial Officer

Namrata Shinde

Company Secretary and Manager

A57072

Place : Mumbai

Date : May 28, 2022

Reliance Infratel Limited

Statement of Cash Flow for the year ended March 31, 2022

(₹ in Crore)

Particulars		**For the year ended March 31, 2022**		For the year ended March 31, 2021
A: CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit/ (Loss) before tax as per Statement of Profit and Loss		**(311)**		(251)
Adjusted for:				
Depreciation and Amortisation	**1**		2	
Write back of provision for liabilities no longer required	**-**		(8)	
Provision for Doubtful Debts	**-**		3	
Interest Income	**(4)**	**(3)**	-	(3)
Operating Profit/ (Loss) before Working Capital Changes		**(314)**		(254)
Adjusted for:				
Receivables and other Advances	**(4)**		105	
Inventories	**-**		-	
Trade Payables and Other Liabilities	**407**	**403**	415	520
Cash Generated from Operations		**89**		266
Income tax paid		**(70)**		(66)
Income tax refund		**-**		-
Net Cash Generated from Operating Activities		**19**		200
B: CASH FLOW FROM INVESTING ACTIVITIES:				
Additions to Fixed Assets and CWIP		**-**		-
Term Deposits with Bank		**(167)**		-
Interest Income		**3**		-
Net Cash Used in Investing Activities		**(164)**		-
C: CASH FLOW FROM FINANCING ACTIVITIES:				
Finance Costs		**-**		-
Net Cash Used / (from) in Financing Activities		**-**		-
Net Increase / (Decrease) in Cash and Cash Equivalents		**(145)**		200
Opening balance of Cash and Cash Equivalents (net)		**307**		107
Closing balance of Cash and Cash Equivalents (net)		**162**		307

Notes

1. Figures in brackets indicate cash outgo.
2. Cash and Cash equivalents includes cash on hand and bank balances including Fixed Deposits.
3. Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 "Statement of Cash Flows".

Reliance Infratel Limited

Statement of Cash Flow for the year ended March 31, 2022

(₹ in Crore)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
4	**Break up of Cash and Cash Equivalents**		
	Cash and Cash Equivalents	**162**	307
	Less : Bank overdraft	**-**	-
	Cash and Cash Equivalents (net) as per Ind AS 7	**162**	307

Significant Accounting Policies **1**

Notes on Accounts **2**

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

As per our Report of even date

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

For Reliance Infratel Limited

Anish Niranjan Nanavaty
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Chief Financial Officer

Namrata Shinde
Company Secretary and Manager
A57072

Place : Mumbai
Date : May 28, 2022

Reliance Infratel Limited

Significant Accounting Policies to the Financial Statements

Note 1 General Information and Significant Accounting Policies

1.01 General Information

Reliance Infratel Limited ("the Company") is registered under the Companies Act, 1956 having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710 and is a subsidiary of Reliance Communication Infrastructure Limited. The Company is a leading passive telecommunication infrastructure provider in India, based on the number of telecommunication towers that it owns. The Company builds, owns and operates telecommunication towers, optic fibre cable assets and related assets at designated sites and provide these passive telecommunication infrastructure assets on a shared basis to wireless service providers and other communications service providers under long term contracts.

Corporate Insolvency Resolution Process ("CIRP") was initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code) and the Company is in the process of implementing the approved resolution plan. Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stands vested with the Monitoring Committee . Refer Note 2.29

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention / fair valuation under a Scheme approved by the Hon'ble High Court, in accordance with the generally accepted accounting principals (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ("the Act") except matters specified in Note 2.12, 2.26.01, 2.29 and Note 2.33, read with relevant rules of the Companies (Indian Accounting Standards) Rule 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act, to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

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

1.03 Functional Currency and Presentation Currency

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

1.04 Property, Plant and Equipment and Capital Work in Progress

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

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

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

(iii) Expenses incurred relating to projects prior to commencement of commercial operation are considered as project development expenditure and shown under Capital Work in Progress.

(iv) As per Para 46A of Accounting Standard 11, ‘The Effects of Changes in Foreign Exchange Rates‘, related to acquisition of depreciable assets pursuant to the notifications dated December 29, 2011 and August 9, 2012 issued by Ministry of Corporate Affairs (MCA), under the Companies (Accounting Standard) (Second Amendment) Rules 2011, the cost of depreciable capital assets includes foreign exchange differences arising on translation of long term foreign currency monetary items as at the balance sheet date in so far as they relate to the acquisition of such assets is capitalised and subsequently on adoption of Indian Accounting Standard also the same is allowed for the transactions recorded upto March 31, 2016.

(v) Depreciation on Property, Plant and Equipments (PPE) is provided on Straight Line Method w.e.f. April 01, 2017 (till March 31, 2017 depreciation was provided on Written Down Value (WDV) Method), at the rates and in the manner prescribed in Schedule II of the Companies Act 2013, except in respect of the following assets where useful life is different than those prescribed in Schedule II:-

(i) In respect of Telecom Towers and OFC, the Company is providing depreciation over the useful life of 35 years as technically assessed.

(ii) In respect of Batteries, the Company is providing depreciation over the useful life of 9 years as technically assessed.

(vi) OFC assets provided to customers as Indefeasible Right to Use (IRU) are amortised fully in the same year on matching principle basis in line with revenue recognition.

(vii) As per the exemption provided under Indian Accounting Standard, depreciation on foreign exchange differences capitalised pursuant to para 46A of Accounting Standard 11 ‘The Effects of Changes in Foreign Exchange Rates‘ vide notifications dated December 29, 2011 and August 9, 2012 by Ministry of Corporate Affairs (MCA), is provided over the remaining useful life of the depreciable capital asset.

1.05 Intangible Assets

(i) Intangible assets are stated at cost or fair value, as applicable, less accumulated amortisation.

(ii) Indefeasible Right to Use is stated at cost less accumulated amortisation.

(iii) Indefeasible Right to Use in respect of cables purchased from other operators is amortised over the period of IRU.

(iv) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(v) Amortisation methods, useful lives and residual values are reviewed periodically at each reporting period.

1.06 Impairment of Non Financial Assets

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

1.07 Inventories of Stores and Spares

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

1.08 Foreign Currency Transactions

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

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

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

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

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

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

(v) Accounting of transactions that include the receipt or payment of advance consideration in a foreign currency the date of transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

(vi) All long term foreign currency monetary items consisting of loans taken before March 31, 2016 and which relate to the acquisition of depreciable capital assets at the end of the period/ year are restated at the rate prevailing at the balance sheet date. Exchange difference including attributable to the interest arising as a result is added to or deducted from the cost of the assets as per notification dated December 29, 2011 and August 9, 2012 issued by the Ministry of Company Affairs (MCA), Government of India and depreciated over the balance life of the capital asset. Exchange difference on other long term foreign currency loans is accumulated in “Foreign Currency Monetary Item Translation Difference Account (FCMITDA)” which will be amortized over the balance period of monetary assets or liabilities.

1.09 Non-Current assets held for sale

Non-current assets (or disposal group) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction. Non - current assets (or disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the assets (or disposal group) is available for immediate sale in its present condition subject to terms that are usual, customery and regulatory for sale of such assets and sale is expected to be concluded within twelve months from the date of classification.

Assets and liabilities classified as held for sale are presented separately in the balance sheet. A disposal group qualifies as discontinued operations if it is a component of the company that either has been disposed off or is classified as held for sale, and; represents a separate major line of business or geographical area of operations, or part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or a subsidiary acquired exclusively with a view to resale. Non-current assets are not depreciated or amortised while they are classified as held for sale.

Loss is recognised for any initial or subsequent write down of such non current assets (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell an asset (or disposal group) but not in excess of any cumulative loss previously recognised.

If the criteria for assets held for sale are no longer met, it ceases to be classified as held for sale and are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation or any amortisation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

1.10 Revenue Recognition

(i) Revenue from Contracts with Customers

The Company has applied the practical expedient in Ind AS 115, Revenue from Contracts with Customer with effect from April 01, 2018. Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

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

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

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

(iii) Service Revenue is recognised net of taxes as and when the Base Transceiver Station (BTS) Tower is Ready for Installation of customer equipment, as per the terms of agreement.

(iv) Income related to Optic Fibre Infrastructure given on operating lease is recognised net of taxes on straight line basis over the lease term.

(v) The Company sells rights of use (ROU) that provide customers with Passive Infrastructure services, typically over a 10 to 20 year without transferring the legal title or giving an option to purchase Passive Infrastructure. Infrastructure/ capacity services revenues are accounted as operating lease and recognised in the Company's income statement over the life of the contract. Bills raised on customers / payments received from customers for long term contracts and for which revenue is not recognised are included in deferred revenue. Revenue on non cancellable contracts for right to use of specified fibre pairs/ ducts for a period of 15 - 20 years are recognized as revenue on delivery of such assets to customers. Advances from customers are presented net of unbilled revenue, if any.

(vi) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset's net carrying amount on initial recognition. Dividend is considered when right to receive is established. The Company recognises income from the units in the Fixed Income Schemes of Mutual Funds where income accrued is held till declaration or payment thereof for the benefit of the unit holders.

1.11 Taxes on Income and Deferred Tax

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

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

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

1.12 Provision including Asset Retirement Obligation (ARO), and Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are determined by discounting expected future cashflows at the pre tax rate that reflects current market assumptions of time value of money and risk specific to the liability. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Asset Retirement Obligation (ARO) relates to removal of telecom towers when they will be retired from its active use. Provision is recognised based on the best estimate, of the management, of the eventual costs (net of recovery), using discounted cash flow, that relates to such obligation and is adjusted to the cost of such assets. Estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset. Contingent Assets are neither recognised nor disclosed in the financial statements of the Company.

1.13 Borrowing Cost

Borrowing costs that are attributable for construction of qualifying assets are capitalised, net of income from temporary investment of the borrowings, as part of the cost of such assets up to the commencement of commercial operation. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.14 Earnings per Share

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

1.15 Employee Benefits

Short term employee benefits

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

Long term employee benefits

(i) Defined benefit plan

Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value , mortality rate and the fair value of plan assets is deducted. Mortality rate is based on publically available mortality table in India.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Remeasurements which comprise of actuarial gain and losses, the return of plan assets (excluding interest) and the effect of asset ceiling (if any, excluding interest) are recognised in OCI.

(ii) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and employees' state insurance scheme (ESIC). The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(iii) Other Long term employment benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

1.16 Measurement of fair value of financial instruments

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

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred. (Refer to note 2.34.1) 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 are also include derivative contracts such as foreign exchange forward contracts.

Financial Assets

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

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

Financial Assets measured at amortised cost

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

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

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

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

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

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

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

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

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

Equity Investment

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

Derecognition of Financial Assets

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

Financial Liabilities

i Initial recognition and measurement

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

ii Subsequent measurement

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

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

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

Derecognition of Financial Liabilities

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

1.18 Use of Estimates

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

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

Critical estimates and judgements

The Company has based its assumptions and estimates on parameter available when the financial statements where prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of Company. Such changes are reflected in assumptions when they occur. The areas involving critical estimates or judgements pertaining to useful life of property, plant and equipment including intangible assets (Note 2.01 and 2.02) , current tax expense and payable, recognition of Deferred Tax Liabilities (Note 2.15) and measurement of defined benefit obligation (Note 2.38). Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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

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

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

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

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

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

vii Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

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

ix Determination of net realisable value for Assets held for Sale and related liabilities.

1.19 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.01

Property, Plant and Equipment

Particulars	Freehold Land	Buildings	Vehicle
	₹ in Crore	₹	₹
Gross carrying value			
As at March 31, 2020	9	374,037	4,133,655
Additions	-	-	-
Deductions/ Adjustment		-	-
As at March 31, 2021	**9**	**374,037**	**4,133,655**
Additions	-	-	-
Deductions/ Adjustment		-	-
As at March 31, 2022	**9**	**374,037**	**4,133,655**
Accumulated Depreciation			
As at March 31, 2020	-	64,840	1,098
Depreciation for the year	-	5,922	-
As at March 31, 2021	**-**	**70,762**	**1,098**
Depreciation for the year	-	5,922	-
As at March 31, 2022	**-**	**76,684**	**1,098**
Net carrying value			
As at March 31, 2021	9	303,275	4,132,557
As at March 31, 2022	**9**	**297,353**	**4,132,557**

2.01.01

Reliance Communications Limited (RCOM), the Ultimate Holding Company had, during the earlier years, allotted, 1,500, 11.25% Secured Redeemable, Non Convertible Debentures (NCDs) of the face value of ₹ 1,00,00,000 each, aggregating to ₹ 1,500 crore (current outstanding ₹ 750 crore), and 3,000, 11.20% Secured Redeemable, Non Convertible Debentures (NCDs) of the face value of ₹ 1,00,00,000 each, aggregating to ₹ 3,000 crore. The NCD's, alongwith 6.5% Senior Secured Notes (SCN's), Foreign Currency Loans and Rupee Term Loans of ₹ 25,424 crore availed by RCOM and Foreign Currency Loans of ₹ 1,341 crore and rupee loan of ₹ 611 crore availed by Reliance Telecom Limited (RTL), a fellow subsidiary were secured by a first pari passu charge on the whole of the movable plant and machinery of the Company including (without limitations) tower assets and optic fibre cables, if any (whether attached or otherwise), capital work-in-progress (pertaining to movable Property, Plant and Equipment) both present and future including all the rights, title, interest, benefits, claims and demands in respect of all insurance contracts relating thereto of the Borrower Group; comprising of the Company, RCOM, RTL and Reliance Communications Infrastructure Limited (RCIL), the Holding Company in favour of the Security Trustee for the benefit of the NCD Holders and the Lenders of the said secured loans. Further, Rupee Term Loan of ₹ 2,359 crore availed by RCOM from Banks has also been secured by second pari passu charge on the said assets. Rupee loans availed by RCOM and RTL also includes ₹ 6,074 crore secured by current assets, movable assets including intangible, both present and future of the Borrower Group. Further non fund based outstanding of ₹ 1,361 crore availed by RCOM, ₹ 246 crore availed by RTL and ₹ 4 crore by RCIL have been secured by second pari passu charge on movable Property, Plant and Equipment of the Borrower Group.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

2.01.02

Refer Note 2.17.01 and 2.17.02 for security in favour of the Lenders.

2.01.03

Above notes to be read with note 2.12 "Assets held for sale".

2.01.04

Vehicles are amortised upto salvage value hence no depreciation has been charged.

2.01.05

The title deeds of following **Freehold Land**, which were acquired through various schemes of arrangement entered in the earlier years, are in the process of transferring in the name of the Company:

Title deeds held in the name of	Gross carrying value ₹ in Crore	Whether title deed holder is a promoter, director or relative/ employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Reliance Communications Limited (RCOM)	**4.42**	Ultimate Holding Company	10-Apr-07	Pending Mutation
Reliance Communications Infrastructure Limited (formerly known as Reliance Infocom Limited)	**4.35**	Holding Company	10-Apr-07	Pending Mutation
Reliance Infocomm Limited (Merged into RCOM by as Court approved scheme of Amalgamation)	**0.24**	Ultimate Holding Company	10-Apr-07	Pending Mutation
Reliance Telecom Limited *(₹ 44 253)	*	Fellow subsidiary	10-Apr-07	Pending Mutation

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.02

Intangible Assets (₹ in Crore)

Particulars	**Indefeasible Right of Use (IRU)**
Gross carrying value	
As at March 31, 2020	13
Additions	-
Deduction / Adjustment/ Rectification	-
As at March 31, 2021	13
Additions	**-**
Deduction / Adjustment/ Rectification	-
As at March 31, 2022	**13**
Accumulated amortisation	
As at March 31, 2020	7
Amortisation for the year	2
As at March 31, 2021	9
Amortisation for the year	1
As at March 31, 2022	**10**
Net carrying value	
As at March 31, 2021	4
As at March 31, 2022	**3**
Remaining useful life	3- 5 years

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.03

Income Tax Assets (net)

(₹ in Crore)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Advance Income Tax and Tax Deducted at Source [net of tax provision] (Refer Note 2.29)	**341**	271
	341	271

Note 2.04

Other Non Current Assets (Unsecured,Considered good)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Deposits	**73**	73
	73	73

Note 2.05

Investments (Valued at cost unless stated otherwise)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Investment in unquoted equity shares of fellow subsidiary		
500 (500) Equity Shares of Towercom Infrastructure Private Limited ₹ 10 each: ₹ 5,000 (₹ 5,000)	**-**	-
Investment in unquoted equity shares of wholly owned subsidiary		
50,000 (50,000) Equity Shares of Reliance Bhutan Limited ₹ 10 each: ₹ 5,00,000 (₹ 5,00,000)	**-**	-
	-	-
Aggregate Book Value of Investments		
Unquoted ₹ 5,05,000 (Previous year ₹ 5,05,000)	**-**	-
Aggregate Book Value of Impairment	**Nil**	Nil

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.06

Trade Receivables (Refer Note 2.40)

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Considered Good	**36**	36
Which have significant increase in credit risk	**313**	311
Credit impaired	**34**	34
Less: Allowance for credit impaired	**(34)**	(34)
	349	347

2.06.01

Ageing Trade Receivables from the due date of payment as at 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 – considered good	**15** (26)	**14** (8)	**6** (2)	**1** (-)	**-** (-)	**36** (36)
Undisputed Trade Receivables –which have significant increase in credit risk	**-** (-)	**-** (-)	**1** (6)	**3** (14)	**301** (283)	**305** (303)
Undisputed Trade Receivables – credit impaired	**-** (-)	**-** (-)	**-** (-)	**-** (-)	**4** (4)	**4** (4)
Disputed Trade Receivables- considered good	**-** (-)	**-** (-)	**-** (-)	**-** (-)	**-** (-)	**-** (-)
Disputed Trade Receivables-which have significant increase in credit risk	**-** (-)	**-** (-)	**-** (-)	**-** (-)	**8** (8)	**8** (8)
Disputed Trade Receivables – credit impaired	**-** (-)	**-** (-)	**-** (-)	**-** (-)	**30** (30)	**30** (30)
Total-A	**15** (26)	**14** (8)	**7** (8)	**4** (14)	**343** (325)	**383** (381)
Allowance for Credit Impaired (B)	**-** (-)	**-** (-)	**-** (-)	**-** (-)	**34** (34)	**34** (34)
Total-(A-B)	**15** (26)	**14** (8)	**7** (8)	**4** (14)	**309** (291)	**349** (347)

Note 2.07

Cash and Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Banks		
In Current Accounts	**151**	307
In Bank Deposits with less than three months maturity	**11**	-
	162	307

* includes balance of ₹ 18,173 in respect of 1 Bank account (Previous Year ₹ 34,956 in respect of 3 Bank accounts), which is subject to confirmation from Bank.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.08

Bank Balances other than Cash and Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Bank Deposits with less than twelve months maturity	167	-
	167	-

Note 2.09

Loans (Unsecured,Considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans to Related Parties (Refer Note 2.29 & 2.40)	1,200	1,200
	1,200	1,200

Note 2.10

Other Financial Assets (Unsecured,Considered good)*

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to Related Parties (Refer Note 2.40)	1,087	1,087
Interest Accrued on Bank Deposits	1	-
Unbilled Revenue (Previous year ₹ 13,35,428)	5	-
Security Deposits	216	216
	1,309	1,303

*(Refer Note 2.29)

Note 2.11

Other Current Assets*

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to Related Parties (Refer Note 2.40)	1	2
Other Advances	298	299
Prepaid Expenses	1	1
Balance with GST Authorities etc.	203	204
	503	506

*(Refer Note 2.29)

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.12

Assets Held for Sale

During the year ended March 31,2018, as the Company had intended to sell Tower and Optic Fibre Cables (OFC) assets. Accordingly assets, liabilities, revenue and expenses was classified in line with Ind AS 105 “Non-current Assets Held for Sale and Discontinued Operations”. These assets have been classified as assets held for sale at the value ascertained as at March 31, 2018 and recorded at lower of carrying amount and fair value less selling cost. On implementation of approved resolution plan through Hon'ble NCLT, the Company will carry out a comprehensive impairment review of its tangible and intangible assets and assets held for sale. Refer note 2.29.
Details of Assets held for sale are as under:

(₹ in Crore)

Particulars	**Deletion during the year**		**Provision for Impairment**		**Asset Held for Sale**	
	For the year ended March 31,	For the year ended March 31,	**For the year ended March 31,**	For the year ended March 31,	**As at March 31,**	As at March 31,
	2022	2021	**2022**	2021	**2022**	2021
Property, Plant and Equipment *	#	#	-	-	**8,935**	8,935
Capital Work in Progress	**-**	-	-	-	**88**	88
Total	**-**	-	**-**	-	**9,023**	9,023

2.12.01

Refer Note 2.01.01, 2.17.01 and 2.17.02 for security in favour of the Lenders.

2.12.02

*Property, Plant and Equipment includes Optic Fibre Cables (OFC) given on Operating Lease.

Gross Block	₹ 10,108 crore (Previous year ₹ 10,108 crore)
Accumulated Depreciation including Impairment	₹ 7,267 crore (Previous year ₹ 7,267 crore)
Net Block	₹ 2,841 crore (Previous year ₹ 2,841 crore)
Depreciation Charged during the year	₹ Nil (Previous year ₹ Nil)

2.12.03

Deletion ₹ 42,99,727 (Previous year ₹ 15,76,444) represents Insurance claims made/ Forced sale, during the year.

2.12.04

As mentioned above, the Company intended to sell its Tower and OFC assets including Capital Work-in-Progress. Accordingly, these assets were classified as "Assets held for Sale". Further, the Capital Work-in- Progress mainly includes project inventory. Hence, cost comparision and delay in project to original plan is not relevant.

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 2.13		
Equity Share Capital		
Authorised		
7 50 00 00 000 Equity Shares of ₹ 10 each (7 50 00 00 000)	**7,500**	7,500
50 00 00 000 Preference Shares of ₹ 10 each (50 00 00 000)	**500**	500
	8,000	8,000
Issued, Subscribed and fully Paid up		
2 79 31 41 868 Equity Shares of ₹ 10 each fully paid up (2 79 31 41 868)	**2,793**	2,793
	2,793	2,793

2.13.01 Equity Shares

a. Shares held by Promoters of the Company:

Particulars	No of Shares	% of Total Shares	% Change during the year
Reliance Communications Infrastructure Limited and its nominees.	**222 64 15 796** (222 64 15 796)	**80** (80)	**Nil** (Nil)

b. Shares held by holding/ Ultimate holding Company and/ or their subsidiaries:

Particulars	No of Shares	No of Shares
Reliance Communications Infrastructure Limited and its nominees.	**222 64 15 796**	222 64 15 796
Reliance Telecom Infrastructure (Cyprus) Holdings Limited	**13 37 50 582**	13 37 50 582
Reliance Globalcom BV, the Netherlands	**30 00 04 130**	30 00 04 130

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

Particulars	No of Shares	%	No of Shares	%
Reliance Communications Infrastructure Limited and its nominees.	**222 64 15 796**	**80**	222 64 15 796	80
Reliance Globalcom BV, the Netherlands	**30 00 04 130**	**11**	30 00 04 130	11

d. Reconciliation of Shares outstanding at the beginning and at the end of reporting period

Particulars	No of Shares	(₹ in Crore)	No of Shares	(₹ in Crore)
At the beginning of the year	**279 31 41 868**	**2,793**	279 31 41 868	2,793
Add/ (Less) : Changes during the year	**-**	**-**	-	-
Outstanding at the end of the year	**279 31 41 868**	**2,793**	279 31 41 868	2,793

e. Terms/ rights attached to the shares

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

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

(₹ in Crore)

Particulars		As at March 31, 2022		As at March 31, 2021
Note 2.14				
Other Equity				
Capital Reserve (Refer Note 2.30)		**1,793**		1,793
Securities Premium				
As per last Balance Sheet	**675**		675	
Add: Addition during the year	**-**	**675**	-	675
General Reserve				
As per last Balance Sheet		**536**		536
Surplus in the Statement of Profit and Loss				
As per last Balance Sheet	**(4,833)**		(4,644)	
Add: Profit / (Loss) during the year	**(177)**	**(5,010)**	(189)	(4,833)
Other Comprehensive Income				
As per last Balance Sheet	**2**		2	
Add: Addition during the year (net)	**-**	**2**	-	2
Balance Carried forward		**(2,004)**		(1,827)

Nature and Purpose of Reserve

Capital Reserve

Capital Reserve represents excess of assets over liabilities taken over upon merger of Netizen Rajasthan Limited (NRL), a wholly owned subsidiary of the Company into the Company.

Securities Premium

Securities premium represents the premium charged to the shareholders at the time of issuance of shares. The securities premium is utilised based on the relevant requirements of the Companies' Act, 2013

General Reserve

Balance in General Reserve was created out of retained earnings in an earlier year as per Board resolution.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.15

Deferred Tax Liabilities

(₹ in Crore)

Particulars	**As at March 31**		**For the year ended March 31,**	
	2022	2021	**2022**	2021
(i) Deferred Tax Liabilities				
Related to temporary difference on depreciation of Property, Plant and Equipment	**1,959**	1,748	**211**	247
Related to temporary difference on other items	**736**	814	**(78)**	(25)
(ii) Deferred Tax Assets				
Related to other disallowances	**213**	213	**-**	60
Related to Unabsorbed depreciation	**1,664**	1,397	**267**	224
Net Deferred Tax Liabilities	**818**	952	**(134)**	(62)

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

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
(a) Amounts recognised in profit and loss		
Current income tax	-	-
Short / (Excess) provision of tax for earlier years	-	-
Deferred income tax liability / (asset), net	(134)	(62)
Tax expense for the year	**(134)**	(62)

(b) Amounts recognised in other comprehensive income - ₹ Nil (Previous year ₹ Nil)

(c) Reconciliation of Tax Expenses		
Profit/ (Loss) before Tax	**(311)**	(251)
Applicable Tax Rate	**34.94%**	34.94%
Computed Tax Expenses	**(109)**	(88)
Add: Items not considered for Tax Computation		
Disallowance of Expenses	**(25)**	26
Write Off/ Expenses not allowed for tax purpose	-	-
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss	**(134)**	(62)

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.16

Provisions

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Retirement Benefits (Refer Note 2.31 & 2.38)	**3**	3
	3	3

Note 2.17

Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured (Refer Note 2.17.01)		
Rupee Loans from Banks (Refer Note 2.17.02)	**192**	192
Current Maturities of Long Term Debts		
Foreign Currency Loans from Banks	**1,623**	1,623
Rupee Loans from Banks	**485**	485
From Financial Instituitions	**433**	433
Unsecured		
From Banks		
Rupee Loans from Banks	**3**	3
From Others		
Preference Shares (Refer Note 2.17.08)	**4,000**	4,000
	6,736	6,736

2.17.01

Foreign Currency Loans ("Secured Loans") are secured, by first pari passu charge on the whole of the movable plant and machinery, including (without limitation) tower assets and optic fibre cables, if any (whether attached or otherwise), capital work in progress(pertaining to movable Property, Plant and Equipment) both present and future including all the rights, titles, interest, benefits, claims and demands in respect of all insurance contracts relating thereto of the Borrower Group; comprising of the Company, Reliance Communications Limited, (RCOM), the Ultimate Holding Company, Reliance Telecom Limited (RTL), a fellow subsidiary and Reliance Communications Infrastructure Limited (RCIL), the Holding Company, in favour of the Security Trustee for the benefit of Lenders and also guaranteed by Ultimate Holding Company. Outstanding Rupee Loan of ₹ 918 crore is secured by second pari passu charge over movable plant and machinery and capital work in progress of the Borrower Group and also guaranteed by Ultimate Holding Company, out of which ₹ 485 crore has also been secured by Towers receivables, pledge of Equity Shares of Globalcom IDC Limited (GIDC) held by Reliance Webstore Limited (RWSL), a subsidiary of RCOM and guaranteed by a Director of Ultimate holding company. Further charge over Tower receivables is pending to be executed.

During the earlier year, lenders have invoked guarantees provided by borrower group for outstanding rupee loan of ₹ 485 crore availed by the Company, ₹ 5,950 crore availed by RCOM and ₹ 611 crore availed by RTL.

During the earlier year, the Company created first ranking exclusive charge (pari passu inter se the Lenders) over Designated Account with future rights, title and interest therein, including all of its rights in respect of any amount standing to the credit of the Designated Account and the debt represented by it, in favour of State Bank of India, the Convener (for the benefit of the Lenders) as continuing security.

Foreign Currency Loans taken by the Company has been stated at exchange rate prevailing as at March 31, 2018

2.17.02

Outstanding Rupee Loan of ₹ 192 crore is secured by second pari passu charge over movable Assets of the Borrower Group and guaranteed by Ultimate Holding Company.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

2.17.3 Delay/ Default in repayment of Borrowing (Current and Non Current) and Interest

The Company has delayed/ defaulted in the payment of dues to the banks and financial institutions. The lender wise details are as under:

Amount represents ₹ in crore and period represents maximum days

Name of Lender	**Borrowings As on March 31, 2022**		**Interest As on March 31, 2022**		Borrowings As on March 31, 2021		Interest As on March 31, 2021	
	Amount	**Period**	**Amount**	**Period**	Amount	Period	Amount	Period
State Bank of India	485	1,796	-	-	485	1,431	-	-
Standard Chartered Bank	192	1,819	-	-	192	1,454	-	-
Syndicate Bank (Merged with Canara Bank)	3	1,840	-	-	3	1,475	-	-
Mahimna Mercantile Credits Ltd.	433	821	-	-	433	456	-	-
S C Lowy Primary Investments Limited**	407	1,761	7	1,761	407	1,396	7	1,396
Doha Bank Q.S.C.	326	1,761	6	1,761	326	1,396	6	1,396
Emirates NBD Bank PJSC	261	1,761	5	1,761	261	1,396	5	1,396
Industrial and Commercial Bank of China	222	1,761	4	1,761	222	1,396	4	1,396
VTB Capital PLC	407	1,761	7	1,761	407	1,396	7	1,396
Reliance Capital Limited *	-	-	2	1,841	-	-	2	1,476
Total	**2,736**		**31**		2,736		31	

2.17.4

Since the Company is in the process of implementing the approved resolution plan and claims have been filed by lenders under CIRP, the overall obligations and liabilities including obligation for interest on loans shall be determined as per the Code. The total loan amount has been disclosed in delay/ default and the delay/ defaults are based on original terms of facility or from the date of recall, where loans have been recalled.

2.17.5

Apart from above outstanding of Interest, the Company has not provided Interest Expenses of ₹ 1,421 crore upto March 31, 2022 (Previous year upto March 31, 2021 ₹ 1,132 crore) calculated based on basic rate of interest as per terms of loan as at March 31, 2022 and therefore it has not been disclosed.

2.17.6

* During the earlier year, the Company was in the process of finalising and implementing its asset monetization and debt resolution plan, comprising the Company's restructuring of Debt including allotment of shares against debt from lenders by Ultimate Holding Company. Accordingly, during the year ended March 31, 2019, in order to allot the shares of Ultimate Holding Company, debt aggregating to ₹ 721 crore was transferred by the Company to Ultimate Holding Company.

2.17.7

** During the earlier year,Standard Chartered Bank has assigned the loan to S C Lowy Primary Investments Limited.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

2.17.08

Preference Share Capital

Particulars	**As at March 31, 2022**	As at March 31, 2021
Issued, Subscribed and fully Paid up		
4,00,00,000 (4,00,00,000) 0.1% Redeemable, Non Cumulative, Non Convertible Preference Shares of Face value of ₹ 10 each	**40**	40
	40	40

a. **Shares held by Promoters of the Company:**

Particulars	**No. of Shares**	**% of Total Shares**	**% Change during the year**
Reliance Communications Limited	**4,00,00,000**	**100**	**Nil**
	(4,00,00,000)	(100)	(Nil)

b. **Shares held by Holding / Ultimate Holding Company and / or their Subsidiaries:**

Particulars	**No. of Shares**	No. of Shares
Reliance Communications Limited	**4,00,00,000**	4,00,00,000

c. **Details of Shareholders holding more than 5% shares in the Company:**

Particulars	**No. of Shares**	**%**	No. of Shares	%
Reliance Communications Limited	**4,00,00,000**	**100**	4,00,00,000	100

d. **Reconciliation of Shares outstanding at the beginning and at the end of reporting period**

Particulars	**No. of Shares**	**₹ in crore**	No. of Shares	₹ in crore
At the beginning of the year	**4,00,00,000**	**40**	4,00,00,000	40
Add / (Less) : Change during the year	**-**	**-**	-	-
Outstanding at the end of the year	**4,00,00,000**	**40**	4,00,00,000	40

e. **Terms /right attached to the shares**

Preference Shares

Yield on Redeemable Preference Shares (RPS) is revised to 0.1% per annum, RPS shall be redeemed at the end of 20 years from the date of allotment thereof at 0.1% yield per annum on face value of ₹10 each plus premium of ₹ 990 each paid at the time of application. However, if dividend has been paid in any year same will be reduced while calculating the yield at the time of redemption. At the option of the Preference Shareholders, the Preference Shares can be redeemed at 0.1% yield p.a. on face value plus premium paid at the time of application, any time after the date of allotment by giving not less than 3 months advance request to the Company. Such Preference Share shall carry a preferential right over the equity shares of the Company as regard to payment of dividend and repayment of capital in the event of winding up of the Company.

f. Since the Ultimate Holding Company is undergoing CIRP and the Company is in the process of implementing the approved resolution plan , expenses in respect of Yield on Preference Shares has not been recognised from financial year 2019-20 onwards amounting to ₹ 4 crore per year.

Note 2.18

Trade Payables (Refer Note 2.29) (₹ in Crore)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Due to Micro and Small Enterprises (Refer Note 2.18.01)	**28**	25
Due to creditors other than Micro and Small Enterprises	**811**	746
	839	771

2.18.01

Disclosure relating to Micro, Small and Medium Enterprises

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

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Principal amount due to any supplier as at the year end	**29**	26
(ii)	Interest due on the principal amount unpaid at the year end to any supplier	**8**	5
(iii)	Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	**-**	-
(iv)	Payment made to the enterprises beyond appointed date under Section 16 of MSMED	**112**	115
(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 (* ₹ 47,47,283)	*	1
(vi)	Amount of interest accrued and remaining unpaid at the end of each accounting year	**9**	6
(vii)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	**8**	4

2.18.02

Ageing of Trade payables from the due date of payment as at March 31, 2022

Particulars	Not Due	Less then 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues-MSME	**-**	**12**	**-**	**11**	**5**	**28**
	(-)	(4)	(16)	(2)	(3)	(25)
Undisputed dues-Others	**-**	**109**	**9**	**50**	**643**	**811**
	(-)	(44)	(57)	(57)	(588)	(746)
Disputed dues-MSME	**-**	**-**	**-**	**-**	**-**	**-**
	(-)	(-)	(-)	(-)	(-)	(-)
Disputed dues-Others	**-**	**-**	**-**	**-**	**-**	**-**
	(-)	(-)	(-)	(-)	(-)	(-)
Total	**-**	**121**	**9**	**61**	**648**	**839**
	(-)	(48)	(73)	(59)	(591)	(771)

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.19

Other Financial Liabilities (₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Yield payable on Preference Shares	**35**	35
Interest accrued and due on loans	**31**	31
Capital Creditors	**7**	7
Other Liabilities		
-From Related Parties*	**253**	253
-Others**	**1,024**	704
	1,350	1,030

* The amount was received from Reliance Realty Limited during financial year 2018-19. Pending finalisation of terms, interest has not been charged and the same has been shown as "Other Financial Liabilities".

** Includes provision for material and services received, employee's dues and stale cheques.

Note 2.20

Other Current Liabilities (Refer Note 2.29) (₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Received in Advance (Refer Note 2.20.01)	**1,989**	1,973
Advance from Customers	**86**	81
Security Deposit	**270**	268
Other Liabilities*	**24**	28
	2,369	2,350

2.20.01

Income received in Advance is net off unbilled revenue ₹ 1,021 crore (Previous Year ₹ 917 crore) . The Company is in the process of reconciliation of unbilled revenue with customers on account of various business parameters and any GST applicable thereon shall be paid upon completion of pending reconciliation and billing thereof.

* Includes amounts payable to Government Authorities.

Note 2.21

Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Provision for Asset Retirement Obligations (Refer Note 2.31)	**233**	233
Employee Benefits (Refer Note 2.31 & 2.38)	**2**	2
	235	**235**

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 2.22		
Revenue From Operations		
Service Revenue	**1,186**	1,208
	1,186	1,208

2.22.01

Revenue for the year from sale of services as disclosed above pertains to revenue from contracts with customers over a period of time. The Company has not given any volume discounts, service level credits, etc during the year. Revenue for the year has been disaggregated as under:

(a) Tower	**1,104**	1,104
(b) OFC	**82**	112
(c) Others	**4**	-
(d) Total Revenue including other Income	**1,190**	1,216

The Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to pending performance obligations which are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). No consideration from contracts with customers is excluded from the amount mentioned above.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue if revenue is accrued. Receivable and unbilled revenue are a right to consideration that is unconditional upon passage of time. Receivable is presented net of impairment in the Balance Sheet. Invoicing in excess of earnings are classified as unearned revenue. Unearned revenue at March 31, 2022 was ₹ 1,989 crore (net off unbilled revenue of ₹ 1,021 crore pending reconciliation with customer on account of various business parameters). Any GST applicable on the said unbilled revenue shall be paid upon completion of reconciliation with customers and billing thereof.

2.22.02

In line with the directive of the Monitoring Committee (MC) Operational Loss of ₹ 104 crore, incurred during the quarter ended March 31, 2022 has been adjusted and recognized as unbilled revenue.

Note 2.23		
Other Income		
Interest Income*	**4**	-
Miscellaneous Income**	**-**	8
	4	8

* Interest on Bank Deposits

** includes write back of provision for liabilities no longer requirement ₹ Nil (Previous year ₹ 8 crore)

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 2.24		
Network Expenses		
Power and Utilities (Net off recovery from Customers)	**413**	353
Repairs and Maintenance - Plant and Machinery	**310**	331
Rent	**705**	705
Rates and Taxes	**19**	15
Insurance	**8**	8
	1,455	1,412
Note 2.25		
Employee Benefits Expenses		
Salaries (Including Managerial Remuneration) (Refer note 2.40)	**18**	17
Contribution to Provident and Gratuity Fund (Refer note 2.38 & 2.40)	**1**	1
Employee welfare and other amenities	**3**	3
	22	21
Note 2.26		
Finance Costs		
Interest Expense	**-**	-
Other Finance Costs	**-**	-
	-	-

2.26.01 Non Provision of Interest and Foreign Exchange Variation

Considering various factors including admission of the Company to debt resolution process under the IBC with effect from May 15, 2018 and pursuant to the commencement of Corporate Insolvency Resolution Process (CIRP) of the Company under Insolvency and Bankruptcy Code, 2016 (IBC), there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The Overall obligation and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined as per approved resolution plan and accounting impact/ disclosure, if any, will be given on implementation of the approved resolution plan. Further, prior to May 15, 2018, the Company was under Strategic Debt Restructuring (SDR) and asset monetization and debt resolution plan was being worked out. The Company has not provided Interest of ₹ 289 crore calculated based on basic rate of interest as per terms of loan and foreign exchange variation (loss) to ₹ 67 crore for the year ended March 31, 2022. Had the Company provided Interest and foreign exchange variation, the Loss would have been higher by ₹ 356 crore for the year ended March 31, 2022. The Net worth of the Company would have been lower by ₹ 1,686 crore and ₹ 1,330 crore as on March 31, 2022 and March 31, 2021 respectively. During the previous years, Interest of ₹ 1,132 crore and foreign exchange variation (loss) to ₹ 198 crore was not provided during the financial year ended March 31, 2018 March 31, 2019, March 31, 2020 and March 31, 2021.

Note 2.27		
General And Administration Expenses		
CIRP Expenses	**5**	15
Hire Charges	**11**	11
Provision for Doubtful Debts	**-**	3
Other Administration and Miscellaneous Expenses	**7**	3
Payment to Auditors '-Statutory Audit Fee ₹ 5,00,000 (₹ 5,00,000)	**-**	-
	23	32

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note : 2.28

Previous Year

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

Note : 2.29

Going Concern

Pursuant to an application filed by Ericsson India Pvt. Ltd before the National Company Law Tribunal, Mumbai Bench (“NCLT”) in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed there under (“Code”), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process (“CIRP”) of Reliance Infratel Limited (“the Company”) vide its order dated May 15, 2018. The NCLT had appointed Mr. Manish Kaneria as the interim resolution professional for the Company vide its order dated May 18, 2018. However, the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by an order dated May 30, 2018 had stayed the order passed by the Hon'ble NCLT for initiating the CIRP of the Company and allowed the management of the Company to function. In accordance with the order of the Hon'ble NCLAT, Mr. Manish Kaneria handed over the control and management of the Company back to the erstwhile management of the Company on May 30, 2018. Subsequently, by order dated April 30, 2019, the Hon'ble NCLAT allowed stay on CIRP to be vacated. On the basis of the order of the Hon'ble NCLAT, Mr. Manish Kaneria, wrote to the management of the Company on May 02, 2019 requesting the charge, operations and management of the Company to be handed over back to IRP. Therefore, Mr. Manish Kaneria had in his capacity as IRP taken control and custody of the management and operations of the Company from May 02, 2019. Subsequently, the committee of creditors of the Company pursuant to its meeting held on May 30, 2019 resolved, with requisite voting share, to replace the existing interim resolution professional, i.e. Mr. Manish Kaneria with Mr. Anish Niranjan Nanavaty as the resolution professional for the Company in accordance with Section 22(2) of the Code. Subsequently, upon application by the CoC in terms of Section 22(3) of the Code, the NCLT appointed Mr. Anish Niranjan Nanavaty as the resolution professional for the Company (“RP”) vide its order dated June 21, 2019, which was published on June 28, 2019 on the website of the NCLT. Accordingly, the IRP handed over the matters pertaining to the affairs of the Company to the RP as on June 28, 2019 who assumed the powers of the board of directors of the Company and the responsibility of conducting the CIRP of the Company.

On the basis of the Hon'ble NCLAT's order dated April 30, 2019, the CIRP in respect of the Company has been re-commenced and interim resolution professional has been appointed. Subsequently, appointment of Mr. Anish Niranjan Nanavaty as the Resolution Professional (RP) of the Company has been confirmed by the NCLT vides its order dated June 21, 2019, which was published on June 28, 2019 on the NCLT’s website.

Further, a resolution plan, submitted by Reliance Projects and Property Management Services Limited in respect of the Company as approved by Committee of Creditors in its meeting held on March 2, 2020, has been approved by Hon’ble NCLT, Mumbai Bench, vide order dated December 3, 2020. Upon approval of the resolution plan, Mr. Anish Niranjan Nanavaty has ceased to be the resolution professional of the Company.

Pursuant to the terms of the approved resolution plan, with effect from the date of the NCLT approval order, the Monitoring Committee is required to oversee the management of the affairs of the Company. The Monitoring Committee has been constituted comprising of Mr. Anish Niranjan Nanavaty (as the insolvency professional), a representative each of State Bank of India and China Development Bank nominees/representatives of approved financial creditors and two nominees of the successful resolution applicant, and has assumed its roles and responsibilities in accordance with the terms of the approved resolution plan. During the period between NCLT approval date and the effective date (as defined under the resolution plan), the powers of the existing board of directors of the Company shall continue to remain suspended and such powers shall be exercised by the Monitoring Committee in accordance with the approved resolution plan. The approved resolution plan is yet to be implemented and a status report in respect of implementation of the resolution plan has been submitted to the NCLT.

Certain lenders had appointed an auditor for conducting forensic audit on the affairs of the Company, Reliance Communications Limited ("RCOM") and Reliance Telecom Limited ("RTL"), and a forensic audit report has been purportedly issued by the auditor to such lenders (however, a copy of the report has not been provided to the relevant Companies or their RP/erstwhile RP as it was a report prepared only for the benefit of the lenders). An application has been filed by Reliance Projects and Property Management Services Limited, the successful resolution applicant of the Company before the NCLT, Mumbai Bench seeking inter alia copies of the forensic audit report on the basis of which certain banks have declared the accounts of the Company (and that of RCOM and RTL) as “fraud” in terms of the Master Directions on Frauds dated July 01, 2016 issued by the Reserve Bank of India, and other information and documents in respect thereof. The Company has not been arraigned as a party to the said application. The matter was disposed off on March 16, 2022 with directions to State Bank of India to share excerpts of the report with the successful resolution applicant subject to the successful resolution applicant entering into a non-disclosure agreement, if any, as such knowledge of facts will facilitate smooth implementation of resolution plan. It was further clarified in the said order that there shall be no change in terms of the approved resolution plan including payment schedule etc. The resolution plan is yet to be implemented and deliberations are ongoing in the monitoring committee seeking expeditious implementation of the approved resolution plan.

Certain applications had been filed by Doha Bank and other banks before the NCLT, Mumbai Bench challenging the constitution of the CoC of the Company basis certain corporate guarantees issued by the Company in respect of facilities availed by RCOM, allegedly without consent of the applicant lenders. The NCLT vide order dated March 2, 2021 has partly allowed the appeal and directed “R2 to R7" are not recognised as Financial Creditors of the Company. R1 (RP) is directed to re-constitute the CoC” An appeal has been filed by certain lenders against the order of the NCLT before NCLAT. On April 12, 2021, the NCLAT has stayed the operation of the impugned order until next date. The matter remains sub judice before the NCLAT.

An application had been filed by Doha Bank before the NCLT, Mumbai Bench challenging the decision of the RP of the Company of admission of claims of certain indirect lenders in the CIRP of the Company, on the basis of deed of hypothecation. The NCLT has, vide order dated March 2, 2021, dismissed the application. An appeal has been filed by Doha Bank against the order of the NCLT before the NCLAT. On June 22, 2021, the NCLAT has granted stay on distribution of proceeds under the plan among financial creditors as interim relief. The matter, is currently sub judice.

On implementation of the approved resolution plan, the Company will carry out a comprehensive review of all the assets and liabilities and accordingly provide for impairment of assets including balances lying with Goods & Service Tax (GST) and write back of liabilities, if any. Consistent with the practice followed in earlier years, interest has not been charged on loans given to subsidiaries / fellow subsidiaries. Receivable and Payable balances are subject to confirmation from the respective parties.

Considering these developments including, in particular, the erstwhile RP having taken over the management and control of the Company inter alia with the objective of running it as going concern during the CIRP and thereafter, upon approval of the resolution plan, the Monitoring Committee having been constituted for supervision of the management of the Company until the effective date (as defined in the approved resolution plan), the financial statements continue to be prepared on going concern basis. However, since the Company continues to incur loss, current liabilities exceed current assets and the Company has defaulted in repayment of borrowings, payment of regulatory and statutory dues, these events indicate that material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern.

Note : 2.30

Schemes of Amalgamation and Arrangement of earlier years

Pertaining to earlier years: The Company, during earlier years undertook various Schemes so as to align the interest of the shareholders. Accordingly, pursuant to Schemes of Amalgamation and Arrangement ('the Schemes") under Sections 391 to 394 of the Companies Act, 1956 approved by the Hon'ble High Court of respective Judicature, the Company, during the respective years, recorded all necessary accounting effects, along with requisite disclosure in the Notes on Account, in accordance with the provisions of the said Schemes. Capital Reserve of ₹ 1,793 crore represents excess of assets over liabilities taken over upon merger of Netizen Rajasthan Limited (NRL), a wholly owned subsidiary of the Company into the Company.

Note 2.31

Movement of Provisions (Current/ Non current) (₹ in Crore)

Particulars	Current		Non Current	
	For the year ended March 31		For the year ended March 31	
	2022	2021	**2022**	2021
Provision for Retirement Benefit				
Balances at the beginning of the year	**2**	1	**3**	2
Additional provision	**-**	1	**-**	1
Balances at the close of the year	**2**	2	**3**	3
Asset Retirement Obligations				
Balances at the beginning of the year	**233**	233	**-**	-
Additional provision on account of Asset Retirement Obliga	**-**	-	**-**	-
Balances at the close of the year	**233**	233	**-**	-

The aforesaid provisions shall be utilised on settlement of the claims, if any, there against.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.32

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

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Commitment for Capital		
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	**-**	-
(b) Contingent Liabilities		
Disputed Liabilities in tower construction pending adjudication	**100**	100
Disputed Liability for Entry Tax, VAT / CST and Service Tax *	**488**	140
Disputed Liability for Direct Tax*	**340**	289
Employee Related	**1**	1

* The Company has deposited ₹ 15 crore (Previous year ₹ 15 crore) ,₹ 49,20,482 (Previous year ₹49,20,482),₹ 6 crore (Previous year ₹ 6 crore) and ₹ 141 crore (Previous year ₹ 141 crore) under protest with Entry Tax, VAT/CST,Service Tax and Income Tax authorities respectively against the demand, which are included in Other Current Assets (Note 2.11) and Income Tax Assets (Note 2.03).

(c) Considering various factors including admission of the Company to debt resolution process under the Code with effect from May 15, 2018 and pursuant to the commencement of Corporate Insolvency Resolution Process (CIRP) of the Company under the Code, there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The Overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans including foreign currency denominated loans shall be determined as per the approved resolution plan and accounting impact/ disclosure, if any, will be given on implementation of the approved resolution plan.

(d) The Company has been served with copies of writ petitions filed by Mr. Punit Garg and certain others, being directors of the Company, its ultimate holding company and its fellow subsidiary before the Hon’ble High Court of Delhi, challenging the provisions of the RBI Master Directions on Frauds-Classification and Reporting by commercial banks and select FIs bearing No. RBI/ DBS/ 2016-17/ 28 DBS. CO. CFMC. BC. No. 1/ 23.04.001/ 2016-17 dated July 1, 2016 (“Circular”) and the declaration by certain banks classifying the loan accounts of the Company, Reliance Communications Limited ("RCOM") and Reliance Telecom Limited (“RTL”) being fraudulent in terms of the Circular.

The Company, RCOM and RTL have been represented through their advocates and accepted notice in the petitions. The respective respondent-banks have been directed, on various dates of hearing, to maintain status quo until the next date of hearing by the Hon’ble High Court, the said petitions have been listed on various dates where counsels of various parties have made arguments and are presently sub judice before the Hon’ble High Court of Delhi. Currently, there is no impact of such declaration by the banks, in the financial statements.

During the previous year and current year, a bank had issued show cause notices to the Company, its ultimate holding company, its holding company, 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 ultimate holding company, its holding company 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 ultimate holding company, its holding company 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 2.33

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.

Note 2.34

2.34.01 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 willing parties, other than in a forced or liquidation sale.

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

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

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty.

Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

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

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Investments (Refer Note 2.05)	-	-
Cash and cash equivalents (Refer Note 2.07)	162	307
Bank Balances other than (iii) above (Refer Note 2.08)	167	-
Loans (Refer Note 2.09)	1,200	1,200
Trade receivables (Refer Note 2.06)	349	347
Other financial assets (Refer Note 2.10)	1,309	1,303
Total	**3,187**	3,157
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 2.18)	839	771
Other financial liabilities (Refer Note 2.19)	1,350	1,030
Borrowings (Refer Note 2.17)	6,736	6,736
Total	**8,925**	8,537
Financial liabilities at fair value through Profit and Loss:	Nil	Nil
Financial Liabilities at fair value through other Comprehensive Income:	Nil	Nil

2.34.02 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 financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and financial assets includes trade receivables, deposits, cash and bank balances, other receivables etc. arises from its operation.

Corporate Insolvency Resolution Process ("CIRP") was initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stands vested with the Monitoring Committee. The framework and the strategies for effective management will be established post implementation of approved resolution plan. Presently, the financial management activities are restricted to management of current assets and liabilities of the company and the day to day cash flow and its associated risks are as under:

Market risk

The Company purchase its assets and spares in several currencies and consequently the Company is exposed to foreign exchange risk to the extent that there is mismatch between the currencies in which its purchases from overseas suppliers and borrowings in various foreign currencies. Market risk is the risk that change in market price such as foreign exchange rates, interest rates will affect income or value of its holding financial assets/instruments. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against US dollar. Since the Company is in the process of implementing the approved resolution plan, it is not required to meet any loan or interest obligation . As the overall obligation and liabilities shall be determined as per approved resolution plan, foreign currency loans are stated at exchange rate as at March 31, 2018.

Foreign Currency Risk from financial instruments as of : (₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	(1,623)	(1,623)
Trade payables	(9)	(9)
Net assets / (liabilities)	**(1,632)**	**(1,632)**

Sensitivity Analysis

Not relevant till the implementation of resolution plan.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. Since the Company is in the process of implementing the approved resolution plan, it is not required to meet interest obligation .

Exposure to interest rate risk / Sensitivity Analysis

Not relevant till the implementation of resolution plan.

Credit risk

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

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has been continuously monitored and is low based on historical experience of collecting the receivables. Since, the Company is in process of implementation of approved resolution plan, any impairment relating to trade receivable will be recognised on implementation of approved resolution plan.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Liquidity risk

The Company is in the process of implementing the approved resolution plan. The Company depends upon timely receipt from sales and delay in sales realisation as well as vendor payments can severely impact the current level of operation. Liquidity crises had led to default in repayment of principal and interest to lenders. Since the Company is in the process of implementing the approved resolution plan, it is not required to meet any loan or interest obligation.

Note 2.35

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing the capital is to safeguard the Company's ability to continue as a going concern and the Company is in the process of implementing the approved resolution plan and operating as a going concern.

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

(₹ in Crore)

Particulars		As at March 31, 2022	As at March 31, 2021
(a)	Equity	**789**	966
(b)	Debt	**6,736**	6,736
(c)	Equity and Debt (a+b)	**7,525**	7,702
(d)	Capital Gearing Ratio (b/c)	**90%**	87%

Note 2.36

Earnings per Share (EPS)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Basic and Diluted EPS			
(a)	Profit / (Loss) attributable to Equity Shareholders (₹ in crore) (used as numerator for calculating Basic EPS)	**(177)**	(189)
(b)	Weighted average number of Equity Shares (used as denominator for calculating Basic EPS)	**279 31 41 868**	279 31 41 868
(c)	Basic and Diluted Earnings per Share of ₹ 10 each (₹)	**(0.63)**	(0.68)

Note 2.37

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.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.38

Employee Benefits

(a) Gratuity : In accordance with the applicable Indian laws, the Company provides for the gratuity, a defined benefit retirement plan (Gratuity Plan) for all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employee's last drawn salary and for the years of employment with the Company.

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act). The Company is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan vis-à-vis settlements. The management is responsible for the overall governance of the plan.

The following table sets out the status of the Gratuity Plan (unfunded) as required under Accounting Standard ("AS") 15 (Revised) "Employee Benefits".

(Amount in ₹)

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	**Reconciliation of opening and closing balances of the present value of the defined benefit obligation**		
	Obligation at the beginning of the year	**3 57 34 475**	2 01 97 571
	Service Cost	**24 32 918**	29 63 211
	Interest Cost	**16 22 345**	10 17 958
	Liability Transferred from other Company	**-**	1 31 97 023
	Actuarial (gain) / loss - Due to Experience	**(43 97 460)**	(12 005)
	Actuarial (gain) / loss - Due to Change in Financial Assumptions	**(2 18 556)**	2 77 483
	Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	**-**	-
	Benefits Paid	**(34 28 301)**	(19 06 766)
	Obligation at the end of the year	**3 17 45 421**	3 57 34 475
(ii)	**Reconciliation of present value of the obligation and the fair value of the plan assets**		
	Fair value of plan assets at the end of the year	**-**	-
	Present value of the defined benefit obligation at the end of the year	**3 17 45 421**	3 57 34 475
	Liability recognized in the Balance Sheet	**3 17 45 421**	3 57 34 475
(iii)	**Expense Recognised in the Statement of Profit and loss**		
	Service Cost	**24 32 918**	29 63 211
	Interest Cost	**16 22 345**	10 17 958
	Total	**40 55 263**	39 81 169

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

(Amount in ₹)

	Particulars	As at March 31, 2022	As at March 31, 2021
(iv)	**Amount Recognised in Other Comprehensive Income**		
	Actuarial (gain) / loss - Due to Experience	**(43 97 460)**	(12 005)
	Actuarial (gain) / loss - Due to Change in Financial Assumptions	**(2 18 556)**	2 77 483
	Actuarial (Gains)/Losses on Obligations - Due to Change in	**-**	
	Total	**(46 16 016)**	2 65 478
(v)	**Assumptions**		
	Interest rate	**4.97%**	4.54%
	Estimated return on plan assets	**-**	-
	Salary growth rate	**-**	-

The estimates, of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(Amount in ₹)

	Particulars	As at March 31				
		2022	2021	2020	2019	2018
(vi)	**Particulars of amounts for the year and Previous years**					
	Present Value of benefit obligation	**3 17 45 421**	3 57 34 475	2 01 97 571	1 76 40 495	2 27 55 479
	Fair value of plan assets	-	-	-	-	-
	Excess of obligation over plan assets (plan assets over obligation)	**3 17 45 421**	3 57 34 475	2 01 97 571	1 76 40 495	2 27 55 479
(vii)	**Experience Adjustment**					
	On Plan Liabilities	**(43 97 460)**	(12 005)	75 98 899	(6 79 733)	(28 18 909)
	On Plan Assets	**-**	-	-	-	-

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

(viii) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Amount in ₹)

	Particulars	As at March 31, 2022	As at March 31, 2021
	Delta Effect of +1% Change in Rate of Discounting	**(4 99 842)**	(5 54 960)
	Delta Effect of -1% Change in Rate of Discounting	**5 09 704**	5 66 048
	Delta Effect of +1% Change in Rate of Salary Increase		-
	Delta Effect of -1% Change in Rate of Salary Increase		-
	Delta Effect of +1% Change in Rate of Employee Turnover	**(113)**	(86)
	Delta Effect of -1% Change in Rate of Employee Turnover	**124**	94
(ix)	**Maturity analysis of defined benefit plan (fund)**		
	1st Following Year	**1 38 56 952**	1 63 82 004
	2nd Following Year	**91 03 100**	1 00 73 446
	3rd Following Year	**47 17 215**	47 20 418
	4th Following Year	**22 47 236**	24 29 373
	5th Following Year	**10 25 314**	11 65 811
	Sum of Year 6 and above	**7 95 304**	9 63 323

(b) **Defined contribution plan**

Provident Fund contribution of ₹ 1 core (Previous year ₹ 1 crore) is recognised as an expense and included in "Employee Benefit Expenses" (Refer Note 2.25) to Statement of Profit and Loss.

Note 2.39

Corporate Social Responsibility Expenditure (as per section 135 of the Companies Act, 2013 read with Schedule VII)

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.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note 2.40

Related Party Disclosures

As per the Indian Accounting Standard ("Ind AS") 24 of "Related Party Disclosures", the disclosure of transactions with the related parties as defined therein are given below. All transactions entered into by the Company with related parties, were in ordinary course of business and on arms' length basis.

A. List of Related Parties - where control exists

1	Reliance Innoventures Private Limited	Holding Company of Ultimate Holding Company (upto February 6, 2019)
2	Reliance Communications Limited	Ultimate Holding Company
3	Reliance Communications Infrastructure Limited	Holding Company
4	Reliance Bhutan Limited	Wholly owned Subsidiary
5	Shri Gourav Ranawat (till February 15, 2022)	Key Managerial Personnel
6	Ms. Namrata Shinde (w.e.f. March 14, 2022)	Key Managerial Personnel

B. List of other Related Parties where there have been transactions

(i) Fellow Subsidiary Companies

1 Reliance Telecom Limited

2 Reliance Webstore Limited

3 Reliance Globalcom BV, the Netherlands

4 Reliance Telecom Infrastructure (Cyprus) Holdings Limited

5 Globalcom IDC Limited

6 Towercom Infrastructure Private Limited

7 Reliance Realty Limited

(ii) Enterprise over which Promoter of Ultimate Holding Company having control

1 Reliance Capital Limited

2 Reliance Infrastructure Limited

3 Reliance General Insurance Company Limited

4 BSES Rajdhani Power Limited

5 BSES Yamuna Power Limited

6 Reliance Defence Limited

(iii) Employee Benefit Trust- Ultimate Holding Company having control

1 Reliance Infocomm Limited Employee Gratuity Fund

C. Transactions with related parties during the year April 1, 2021 to March 31, 2022

(₹ in Crore)

Sr. No.	Nature of Transactions	Holding Company	Ultimate Holding Company	Subsidiaries / Fellow Subsidiaries	Enterprise having Common Control	Employee Benefit Trust	Key Managerial Personnel	Total
1	**Allotment of Shares**							
	Equity Shares:							
	Balance as at April 1, 2021 #	**2,226**	**-**	**434**	**-**	**-**	**-**	**2,660**
		(2,226)	(-)	(434)	(-)	(-)	(-)	(2,660)
	Allotted during the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31,2022 #	**2,226**	**-**	**434**	**-**	**-**	**-**	**2,660**
		(2,226)	(-)	(434)	(-)	(-)	(-)	(2,660)

(₹ in Crore)

Sr. No.	Nature of Transactions	Holding Company	Ultimate Holding Company	Subsidiaries / Fellow Subsidiaries	Enterprise having Common Control	Employee Benefit Trust	Key Managerial Personnel	Total
	Preference Shares:							
	Balance as at April 1, 2021	**-**	**4,000**	**-**	**-**	**-**	**-**	**4,000**
	(Including Premium)	(-)	(4,000)	(-)	(-)	(-)	(-)	(4,000)
	Allotted during the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	**-**	**4,000**	**-**	**-**	**-**	**-**	**4,000**
	(Including Premium)	(-)	(4,000)	(-)	(-)	(-)	(-)	(4,000)
2	**Investments**							
	Equity Shares:							
	Balance as at March 31, 2021 ** ₹ 5,05,000 (Previous year ₹ 5,05,000)	-	-	**	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Purchased during the year	-	-			-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Sold During the Year	-	-		-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31, 2022 ** ₹ 5,05,000 (Previous year ₹ 5,05,000)	-	-	**	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
3	**Service Revenue**	**-**	**38**	**-**	**-**	**-**	**-**	**38**
		(-)	(136)	(-)	-	(-)	(-)	(136)
4	**Expenses including Sharing of Expenses**	**-**	**19**	**1**	**19**	**-**	**-**	**39**
		(-)	(10)	(1)	(19)	(-)	(-)	(30)
5	**Trade Payable**	**-**	**30**	**1**	**5**	**-**	**-**	**36**
		(-)	(-)	(1)	(7)	(-)	-	(8)
6	**Other Financial Liabilities**	**-**	**-**	**253**	**-**	**-**	**-**	**253**
		(-)	(15)	(253)	(-)	(-)	(-)	(268)
7	**Advance from Customers**	**-**	**86**	**-**	**-**	**-**	**-**	**86**
		(-)	(81)	(-)	(-)	(-)	(-)	(81)
8	**Redemption Premium Payable on Preference Share**	**-**	**35**	**-**	**-**	**-**	**-**	**35**
		(-)	(35)	(-)	(-)	(-)	(-)	(35)

(₹ in Crore)

Sr. No.	Nature of Transactions	Holding Company	Ultimate Holding Company	Subsidiaries / Fellow Subsidiaries	Enterprise having Common Control	Employee Benefit Trust	Key Managerial Personnel	Total
9	**Loan Given**							
	Balance as at April 1, 2021	-	-	**1,200**	-	-	-	**1,200**
		(-)	(-)	(1,200)	(-)	(-)	(-)	(1,200)
	Given/adjusted during the year	-	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Refund/assigned during the year	-	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	-	-	**1,200**	-	-	-	**1,200**
		(-)	(-)	(1,200)	(-)	(-)	(-)	(1,200)
10	**Advance Given/ Deposits**	**1,087**	-	***	**4**	-	-	**1,091**
		(1,087)	(-)	***	(4)	(1)	(-)	(1,092)
	*** ₹ 37,11,636 (Previous Year ₹ 37,11,636)							
11	**Trade Receivables**	-	-	**167**	-	-	-	**167**
		(-)	(-)	(167)	(-)	(-)	(-)	(167)
12	**Corporate Guarantee on behalf of the Company**	-	**3,011**	-	-	-	-	**3,011**
		(-)	(2,984)	(-)	(-)	(-)	(-)	(2,984)
13	**Managerial Remuneration**							
	Shri Gourav Ranawat	-	-	-	-	-	@	@
		(-)	(-)	(-)	(-)	(-)	@	@
	@ ₹ 6,37,012 (Previous Year ₹ 4,81,250)							
	Namrata Shinde	-	-	-	-	-	**$**	**$**
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	$ ₹ 31,183 (Previous Year ₹ Nil)							

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, 2022	For the year ended March 31, 2021
Salaries and other benefits	**633,994**	454,276
Contributions to defined contribution plans	**24,415**	19,047
Contributions to gratuity plans	**9,786**	7,927
Total	**668,195**	481,250

Note:

a Previous year figures are given in brackets.

b # Includes shares purchased by fellow subsidiary from outside.

Note 2.41

Pursuant to first proviso to sub-section (3) of section 129 of the Act, read with rule 5 of Companies (Accounts) Rules, 2014, the Company has attached salient features of the financial statement of its subsidiary in form AOC-1 with its Consolidated Financial Statements.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

2.42 Accounting Ratios

Sr.	Name of the Ratio	Numerator	Denominator	2021-22	2020-21	% Variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.32	0.26	23%
2	Debt-Equity Ratio (in times)	Total Debt	Equity	8.54	6.97	22%
3	Trade receivables turnover ratio (in times)	Net Sales	Average Trade Receivables	3.41	3.21	6%
4	Trade payables turnover ratio (in times)	Net Purchases	Average Trade Payables	1.84	1.89	-3%
5	Net capital turnover ratio (in times)	Net sales	Working Capital	(0.15)	(0.16)	-7%
6	Net Profit	Net Profit	Net sales	(0.15)	(0.16)	-5%

7 The Company is under going CIRP and does not have Inventory and negative Net Profit during the year and previous year. Accordingly, other ratios i.e. Debt Service coverage, Return on equity, Inventory turnover, Net capital turnover, Return on capital employed and Return on investment are not applicable.

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

Definitions:

a Current Assets = Total Current Assets Less Assets held for Sale

b Total Debts includes Preference Shares classified as Debts

c Average Trade Receivables = (Opening Trade Receivables Plus Closing Trade Receivables)/2

d Average Trade Payables = (Opening Trade Payables Plus Closing Trade Payables)/2

e Working Capital = Total Current Assets Less Assets held for Sale - Total Current Liabilities

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note : 2.43

Segment Information:

The Company has identified two reportable segments viz. Tower Division, Optic Fibre Cable (OFC) Division. Segments have been identified and reported taking into account nature of services provided, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for Segment Reporting.

a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment assets and liabilities represent assets and liabilities in respective segments.

Primary Segment Information (₹ in Crore)

Particulars	Tower Division	OFC Division	Unallocable	Total
Segment Revenue				
Revenue	**1,104**	**82**	**4**	**1,190**
	1,104	*112*	-	*1,216*
Inter Segment Revenue	**-**	**-**	**-**	**-**
	-	-	-	-
Net Revenue	**1,104**	**82**	**4**	**1,190**
	1,104	*112*	-	*1,216*
Segment Result before interest &	**(246)**	**(69)**	**4**	**(311)**
taxes	*(186)*	*(65)*	-	*(251)*
Less: Finance Costs	**-**		**-**	**-**
	-	-	-	-
Segment Result before	**(246)**	**(69)**	**4**	**(311)**
taxes	*(186)*	*(65)*	-	*(251)*
Less: Deferred Tax	-	-	**(134)**	**(134)**
	-	-	(62)	*(62)*
Segment Result After Tax	**(246)**	**(69)**	**138**	**(177)**
	(186)	*(65)*	*62*	*(189)*
Other Information				
Segment Assets	**6,967**	**3,002**	**3,170**	**13,139**
	6,968	*2,996*	*3,079*	*13,043*
Segment Liabilities	**4,514**	**192**	**7,644**	**12,350**
	4,141	*154*	*7,782*	*12,077*
Capital Expenditure	**-**	**-**	**-**	**-**
	-	-	-	-
Depreciation and Amortisation	**-**	**1**	**-**	**1**
	-	*2*	-	*2*

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note:

The figure for the current year are reflected in bold. Previous Year figures are given in italic.

a) As per Indian Accounting Standard (Ind AS) on operating segment (Ind AS - 108), notified by Companies (Accounting Standards) Rules, 2006 (as amended), the Company has reported the above.

b) The reportable Segments are further described below:

- The Tower Division include maintenances, provision of BTS Towers.
- The OFC Division include maintenances, provision of Optical Fibre Cable connectivity.

c) Revenue from Major Customer

i) Revenue under the segment 'Tower Division' includes ₹ 805 crore (Previous year ₹ 808 crore) from one (Previous year two customers) customer having more than 10% of total revenue.

ii) Revenue under the segment 'OFC Division' includes ₹ 75 crore (Previous year ₹ 106 crore) from two customers having more than 10% of total revenue.

Note : 2.44

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 : 2.45

Post Reporting Events

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

Note : 2.46

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 : 2.47

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 : 2.48

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020. which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact once the subject rules under the Code are notified and will give appropriate impact in the financial statements when the code becomes effective.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

Note : 2.49

Director's disqualification

During the earlier year, two of the directors have resigned from the position of the Director, however their resignations have not been accepted by the Committee of Creditors (CoC) under the Code and the Company has not received declaration under section 164 (2) of the Companies Act, 2013.

Note : 2.50

Authorisation of Financial Statements

Upon application by the CoC in terms of Section 22(3) of the Code, the Hon'ble NCLT appointed Mr. Anish Niranjan Nanavaty as the resolution professional for the Company (“RP”) vide its order dated June 21, 2019, which was published on June 28, 2019 on the website of the NCLT. Accordingly, the IRP handed over the matters pertaining to the affairs of the Company to the RP as on June 28, 2019 who assumed the powers of the board of directors of the Company and the responsibility of conducting the CIRP of the Company. Further, upon approval of resolution plan, submitted by Reliance Projects and Property Management Services Limited in respect of the Company as approved by Hon’ble NCLT, Mumbai Bench, vide order dated December 3, 2020, Mr. Anish Niranjan Nanavaty has ceased to be the resolution professional of the Company and a Monitoring Committee constituted, pursuant to the terms of the approved resolution plan to oversee the management of the affairs of the Company, comprising of Mr. Anish Niranjan Nanavaty ("Member") .With respect to the financial statements for the year ended March 31, 2022, the Member has signed the same solely for the purpose of ensuring compliance by the Company with applicable laws, and subject to the following disclaimers:

(i) The Member has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the Member in terms of Section 233 of the Code; (ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the Member including, his authorized representatives and advisors; (iii) The Member, in review of the financial statements and while signing this financial statements, has relied upon the assistance provided by the directors of the Company, and certifications, representations and statements made by the directors of the Company, in relation to these financial statements. The financial statements of the Company for the year ended March 31, 2022 have been taken on record by the Member solely on the basis of and on relying the aforesaid certifications, representations and statements of the aforesaid directors and the management of the Company. For all such information and data, the Member has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Company as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial statements. (iv) In terms of the provisions of the Code, the Member is required to undertake a review of certain transactions. Such review has been completed and the Member has filed the necessary applications with the adjudicating authority.

Reliance Infratel Limited

Notes on Accounts to the Financial Statements

After review, the Director and Chief Financial Officer of the Company have approved the financial statements at their meeting held on May 28, 2022 which was chaired by Mr. Anish Niranjan Nanavaty, the authorised member of Monitoring Committee and the Member took the same on record basis recommendation from the Director and Chief Financial Officer.

As per our Report of even date

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

Jigar T. Shah
Partner
Membership No. 161851

Place : Mumbai
Date : May 28, 2022

For Reliance Infratel Limited

Anish Niranjan Nanavaty
Authorised Member of Monitoring Committee

Mahesh Mungekar
Director
DIN 00778339

Dolly Dhandhresha
Director
DIN 07746698

Mangesh Chavan
Chief Financial Officer

Namrata Shinde
Company Secretary and Manager
A57072

Independent Auditor’s Report

To The Members of Globalcom Mobile Commerce 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, 2022, 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, 2022, and Loss, changes in equity and its cash flows for the year ended *o*n 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 thesematters.

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.

lf, 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 doso.

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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 evaluatingthe 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJSIZX3411

Place: Mumbai
Date: 27/05/2022

Globalcom Mobile Commerce Limited(Formerly Reliance Mobile Commerce Limited)Annexure A to Independent Auditor's Report – 31st March 2022

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, 2022, we report the following:
We report that

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

(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,2022 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 - 31st March 2022

- 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.

(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). Thecompany 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: 22130514AJSIZX3411

Place: Mumbai
Date: 27/05/2022

Annexure B to Independent Auditor's Report – 31st March 2022 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 consols over financial reporting of **Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)** ('the Company') as of March 31, 2022in 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's Resposibi1ity

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.

AnnexureBtoIndependentAuditor’sReport-31st March2022onthe FinancialStatementsofGlobalcom 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 dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

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 maydeteriorate.

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
FirmRegn.No.: 129568W

Priti V.Mehta
(Proprietor)
M.No.130514
UDIN: 22130514AJSIZX3411

Place:Mumbai
Date: 27/05/2022

Globalcom Mobile Commerce Limited

(Formerly Reliance Mobile Commerce Limited)

Financial Statements

March 31, 2022

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Balance Sheet as at March 31, 2022

(Amount in ₹)

	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Current Assets					
(a) Financial Assets					
Cash and Cash Equivalents	**2.01**		**5 84 311**		5 84 311
TOTAL			**5 84 311**		5 84 311
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.02**	**2 00 00 000**		2 00 00 000	
(b) Other Equity	**2.03**	**(2 20 85 527)**	**(20 85 527)**	(2 20 36 697)	(20 36 697)
Liabilities					
Current Liabilities					
(a) Financial Liabilities					
Other Financial Liabilities	**2.04**		**26 69 838**		26 19 508
(b) Other Current Liabilities	**2.05**		**-**		1 500
TOTAL			**5 84 311**		5 84 311

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

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

As per our Report of even date
For 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

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : May 27, 2022

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

		Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
	Other Income		-	-
	Total Income (I)		-	-
II	**EXPENDITURE**			
	General Administration Expenses	**2.06**	**48 830**	34 160
	Total Expenses (II)		**48 830**	34 160
III	**Loss before Tax (I- II)**		**(48 830)**	(34 160)
IV	Tax expense:			
	Current Tax		-	-
	Short/ (Excess) provision of earlier years		-	-
V	**Loss after Tax**		**(48 830)**	(34 160)
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income / (Loss) during the year**		**(48 830)**	(34 160)
VIII	**Earning per share of face value of ₹ 10 each for fully Paid**	**2.08**		
	Basic (₹)		**(0.02)**	(0.02)
	Diluted (₹)		**(0.02)**	(0.02)

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
Partner
Membership No. 130514

Vishwanath D Rao
Director
DIN No :- 08607657

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : May 27, 2022

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Statement of Change in Equity for the year ended March 31, 2022

(Amount in ₹)

A: Equity	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Balance at the beginning of the year	**2 00 00 000**	2 00 00 000
Change in equity share capital during the year	**-**	-
Balance at the end of the year	**2 00 00 000**	2 00 00 000

B: Other Equity

Surplus/ (Deficit) in Statement of Profit and Loss

Particular	**Retained Earnings**
Balance as at April 01, 2020	(2 20 02 537)
Add : Loss during the year	(34 160)
Balance as at March 31, 2021	(2 20 36 697)
Add : Loss during the year	(48 830)
Balance as at March 31, 2022	**(2 20 85 527)**

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

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : May 27, 2022

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Statement of Cash Flow for the year ended March 31, 2022

(Amount in ₹)

	Particulars		For the year ended March 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Loss before tax as per Statement of Profit and Loss		**(48 830)**		(34 160)
	Operating Profit/(Loss) before Working Capital Changes		**(48 830)**		(34 160)
	Adjusted for:				
	Receivables and Other Advances	-			
	Other Current Liabilities	48 830	**48 830**	34 160	34 160
	Cash (Used in) Operations		**-**		
	Tax Refund		**-**		-
	Tax Paid		**-**		-
	Net Cash (used in) / Generated from Operating Activities		**-**		
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		**-**		-
	Opening Balance of Cash and Cash Equivalents		**5 84 311**		5 84 311
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)		**5 84 311**		5 84 311

Note:

(1) Figures in brackets indicate cash outgo.
(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits with Bank.
(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 "Statement of Cash Flow".

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

As per our Report of even date

For 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

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : May 27, 2022

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2022

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, 2022

1.04 Functional Currency and Presentation Currency

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

1.05 Borrowing Costs

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

1.06 Revenue Recognition and Receivables

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

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

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

1.07 Taxation

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

1.08 Provisions, Contingent Liabilities and Contingent Assets

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

1.09 Earning per Share

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

1.10 Financial Instruments

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

Financial Assets

Classification

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

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis and available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

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

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

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

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

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

(vi) **Derecognition of Financial Assets**

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

(vii) **Impairment of Financial Assets**

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

Financial Liabilities

(i) **Classification**

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

(ii) **Initial recognition and measurement**

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

(iii) **Subsequent measurement**

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

(iv) **Loans and Borrowings**

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

(v) **Derecognition of Financial Liabilities**

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

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

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

Notes on accounts to the Financial Statements as at March 31, 2022

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, 2022

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
2.01 Cash and Cash Equivalents		
Balance with Banks	5 84 311	5 84 311
	5 84 311	5 84 311
2.02 Equity Share Capital		
Authorised		
20 00 000 (20 00 000) Equity Shares of ₹ 10 each	2 00 00 000	2 00 00 000
	2 00 00 000	2 00 00 000
Issued, Subscribed and Paid up		
20 00 000 (20 00 000) Equity Shares of ₹ 10 each fully paid up	2 00 00 000	2 00 00 000
	2 00 00 000	2 00 00 000

2.02.01 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)

2.02.02 Shares held by Holding Company

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	**%**	No. of Shares	%
Reliance Communications Limited, the Holding Company & its nominees.	**50 000**	**100%**	20,00,000	100%

2.02.03 Equity Shares

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	**(Amount in ₹)**	**No. of Shares**	(Amount in ₹)
At the beginning of the year	20 00 000	2 00 00 000	20 00 000	2 00 00 000
Add/(Less): Changes during the year	-	-	-	-
	20 00 000	**2 00 00 000**	20 00 000	2 00 00 000

2.02.04 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, 2022	As at March 31, 2021
2.03 Other Equity		
Surplus/(Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	**(2 20 36 697)**	(2 20 02 537)
Add: Loss during the year	**(48 830)**	(34 160)
Closing Balance	**(2 20 85 527)**	(2 20 36 697)
2.04 Other Financial Liabilities		
Provision for Expenses	**83 900**	83 900
Payable to Related Parties (Refer Note 2.12)	**25 65 873**	25 22 623
Other Payables	**20 065**	12 985
	26 69 838	26 19 508
2.05 Other Current Liabilities		
Payable to Tax Authorities	**-**	1 500
	-	1 500

(Amount in ₹)

		For the year ended March 31, 2022	For the year ended March 31, 2021
2.06	**General administration Expenses**		
	Miscellaneous Expenses	**-**	-
	Professional Fees	**14 580**	-
	Payment to Auditors - Audit Fees	**14 160**	14 160
	Interest on TDS FY 2020-21	**90**	-
	Director's Sitting Fees	**20 000**	20 000
		48 830	34 160

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

2.08 Earnings per Share (EPS)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Numerator - Profit after tax (₹)	**(48 830)**	(34 160)
Denominator - Weighted number of equity shares	**20 00 000**	20 00 000
Basic as well as diluted, earning per equity share (₹)	**(0.02)**	(0.02)

2.09 Deferred Tax Assets (net)

(Amount in ₹)

		As at March 31, 2022	As at March 31, 2021
(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, 2022	For the year ended March 31, 2021
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	**(48 830)**	(34 160)
Applicable Tax Rate	**26.00%**	26.00%
Computed Tax Expenses (I)	**(12 696)**	(8 882)
Add: Tax on Expenses disallowed under Income Tax Act	**12 696**	8 882
	-	-

2.10 Segment Reporting

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

2.11 Going Concern

The Accounts have been prepared on a 'Going concern basis' as the Company has been able to meet its obligations in the ordinary course of business and considering the assurance of the financial support extended by the other body corporate.

2.12 Post Reporting Events

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

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2022

2.13 Related Parties :

As per Indian Accounting Standard ("Ind AS")-24 of "Related Party Disclosures", the disclosures", the disclosure of transactions with the related parties as defined therein are given below:

a)	**Name of the Related Party**	**Relationship**
i	Reliance Communications Limited	Holding Company
ii	Reliance Communications Infrastructure Limited	Fellow Subsidiary Company
iiI	Globalcomm IDC Limited	Fellow Subsidiary Company

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

(Amount in ₹)

Sr. No.	Nature of Transactions	Fellow Subsidiary Company	Total
1	**Other Financial Liabilities**	**25 65 873** (25 22 623)	**25 65 873** (25 22 623)

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

(Amount in ₹)

Particulars	March 31, 2022	March 31, 2021
Transaction during the year		
Reimbursement of expenses (net)		
Globalcom IDC Limited	**43 250**	18 500
Balance Sheet (Closing Balance)		
Other Financial Liabilities		
Reliance Communications Infrastructure Limited	**25 04 123**	25 04 123
Globalcom IDC Limited	**61 750**	18 500

Note : 2.14

1 **Financial Instruments**

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

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

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

Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

Particulars	**As at March 31, 2022**	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	**5 84 311**	5 84 311
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Investments	**Nil**	Nil
Financial liabilities at amortised cost:		
Borrowings	**Nil**	Nil
Other Financial Liabilities	**26 69 838**	26 19 508
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.

Globalcom Mobile Commerce Limited (Formerly Reliance Mobile Commerce Limited)

Notes on accounts to the Financial Statements as at March 31, 2022

Note : 2.15

Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholders value. The funding requirement is met through a mixture of equity, internal accruals and financial support extended by the other body corporate.

Note : 2.16

Accounting Ratio

Name of the Ratio	Numerator	Denominator	2021-22	2020-21	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	0.219	0.223	-0.018%

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

Authorisation of Financial Statements

The financial statements for the year ended March 31, 2022 are approved by the Board of Directors on May 27, 2022.

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

Rakesh Gupta
Director
DIN No :-00130829

Place : Mumbai
Date : May 27, 2022

Independent Auditor's Report

To the Members ofReliance BPOPrivate Limited

Report on the Standalone FinancialStatements

We have audited the accompanying Standalone financial statements of **Reliance BPO Private Limited**("the Company") which comprises the Balance Sheet as at March 31, 2022, 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, 2022, and Loss, changes in equity and its cash flows for the year ended *o*n 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 thesematters.

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.

lf, 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 doso.

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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 evaluatingthe 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJQXML8021

Place: Mumbai
Date: 26/05/2022

Reliance BPO Private Limited
Annexure A to Independent Auditor's Report – 31stMarch 2022

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, 2022, we report the following:
We report that

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

(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,2022 for a period of more than six months from the date they became payable.

- 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.

(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: 22130514AJQXML8021

Place: Mumbai
Date: 26.05.2022

Annexure B to Independent Auditor's Report – 31st March 2022 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 consols over financial reporting of **Reliance BPO Private Limited** ('the Company') as of March 31, 2022in 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's Resposibi1ity

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 2022 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
FirmRegn.No.129568W

Priti V.Mehta
(Proprietor)
M.No.130514
UDIN:22130514AJQXML8021

Place:Mumbai
Date: 26/05/2022

Reliance BPO Private Limited

Financial Statements
as at March 31, 2022

Reliance BPO Private Limited

Balance Sheet as at March 31, 2022

₹ in lakh

	Notes		As at March 31, 2022		As at March 31,2021
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
Total Assets			**39.37**		39.37
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.05**	1.00		1.00	
(b) Other Equity	**2.06**	(951.22)	**(950.22)**	(915.51)	(914.51)
LIABILITIES					
Current Liabilities					
(a) Other Current Liabilities	**2.07**		**989.59**		953.88
Total Equity and Liabilities			**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

Rakesh Gupta
Director
DIN: 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Vijay V Ahuja
Director
DIN: 08717328

Place: Mumbai
Dated : May 26, 2022.

Reliance BPO Private Limited

Statement of Profit and Loss for the year ended March 31, 2022

₹ in lakh

		Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
	INCOME			
I	Other Income	2.08	-	33.27
	Total Income		-	33.27
II	**EXPENSES**			
	Other Expenses	2.09	35.71	27.71
	Total Expenses		**35.71**	27.71
III	**Profit / (Loss) Before Tax (I-II)**		**(35.71)**	5.56
IV	Tax expense:			
	- Current Tax		-	-
	- Deferred Tax Charge/ (Credit) (net)	2.02	-	26.54
V	**Profit / (Loss) After Tax (III - IV)**		**(35.71)**	(20.98)
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income (V + VI)**		**(35.71)**	(20.98)
VIII	**Earnings per Share of ₹ 10 each fully paid up**	2.13		
	- Basic (₹)		(357.10)	(209.80)
	- Diluted (₹)		(357.10)	(209.80)

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

Rakesh Gupta
Director
DIN: 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Vijay V Ahuja
Director
DIN: 08717328

Place: Mumbai
Dated : May 26, 2022.

Reliance BPO Private Limited

Statements of Change in Equity for the year ended March 31, 2022

(a) Equity share capital

₹ in lakh

	For the year ended March 31, 2022	For the year ended March 31,2021
Balance at the beginning of the year	**1.00**	1.00
Change in equity share capital during the period	-	-
Balance at the end of the period	**1.00**	1.00

(b) Other Equity

₹ in lakh

Particulars	**Reserves and Surplus**		**Total**
	Securities Premium	**Retained Earnings**	
Balance as at April 1, 2020	100,848.52	(101,743.03)	(894.51)
Surplus/ (Deficit) of Statement of Profit and Loss	-	(20.98)	(20.98)
Other Comprehensive Income	-	-	
Balance as at March 31, 2021	**100,848.52**	**(101,764.01)**	**(915.49)**
Surplus/ (Deficit) of Statement of Profit and Loss	-	(35.71)	**(35.71)**
Other Comprehensive Income	-	-	**-**
Balance as at March 31, 2022	**100,848.52**	**(101,799.72)**	**(951.20)**

As per our Report of even date

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

For and on behalf of the Board

Rakesh Gupta
Director
DIN: 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Vijay V Ahuja
Director
DIN: 08717328

Place: Mumbai
Dated : May 26, 2022.

Reliance BPO Private Limited

Statement of Cash Flow for the year ended March 31, 2022

₹ in Lakh

			For the year ended March 31, 2022		For the year ended March 31, 2021
A:	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Net Profit / (Loss) before tax as per Statement of Profit and Loss		**(35.71)**		5.56
	Adjusted for:				
	Loss on Cancellation of Land	-		26.67	
	Unrealised Exchange Loss/ (Gain)	34.93		(33.27)	
			34.93		(6.60)
	Operating Profit / (Loss) before Working Capital Changes		**(0.78)**		(1.04)
	Adjusted for:				
	Receivables and other Advances	(39.35)		(39.35)	
	Trade Payables and Other liabilities	0.78		(11.43)	
			(38.57)		(50.78)
	Net Cash from /(Used in) Operating Activities		**(39.35)**		(51.82)
B:	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Deletion of Fixed Assets		-		51.82
	Net Cash from /(Used in) Investing Activities		**-**		51.82
C:	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Net Cash Used in Financing Activities		**-**		-
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**(39.35)**		-
	Opening Balance of Cash and Cash Equivalents		**0.02**		0.02
	Closing Balance of Cash and Cash Equivalents		**(39.33)**		0.02

Notes:

(1) Figures in brackets indicate cash outgo.

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

As per our Report of even date

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

For and on behalf of the Board

Rakesh Gupta
Director
DIN: 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Vijay V Ahuja
Director
DIN: 08717328

Place: Mumbai
Dated : May 26, 2022.

Reliance BPO Private Limited

Notes to the Financial Statements

Note:1
General Information and Significant Accounting Policies

1.01 General Information

Reliance BPO Private Limited (“RBPO” or “the Company”), a subsidiary of Reliance Communications Infrastructure Limited ("RCIL" or " the Holding Company") . The Company is registered under the Companies Act, 1956, having Registered Office at Manek Mahal, Flat No. 19-20, 6th Floor, 90- Veer Nariman Road, Church Gate Mumbai-400020.

1.02 Basis of Preparation of Financial Statements

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

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

1.03 Recent Accounting Developments

Standards issued but not yet effective:

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

1.04 Use of Estimates

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

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

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

Critical estimates and judgements

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

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

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

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

1.05 Functional Currency and Presentation Currency

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

1.06 Borrowing Costs

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

1.07 Revenue Recognition and Receivables

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

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

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

1.08 Taxation

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

1.09 Provisions, Contingent Liabilities and Contingent Assets

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

1.10 Earning per Share

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

1.11 Financial Instruments

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

Financial Assets

Classification

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

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

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

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

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

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

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

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

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

(vii) **Derecognition of Financial Assets**

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

(viii) **Impairment of Financial Assets**

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

Financial Liabilities

(i) **Classification**

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

(ii) **Initial recognition and measurement**

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

(iii) **Subsequent measurement**

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

(iv) **Loans and Borrowings**

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

(v) **Derecognition of Financial Liabilities**

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

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

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

Reliance BPO Private Limited

Notes to the Financial Statements

2.01 Property, Plant and Equipment

₹ in lakh

Particulars	Freehold Land	Capital Work in Progress
Gross carrying value		
As at April 1, 2020	78.49	-
Additions	-	-
Deletion	**(78.49)**	-
As at March 31, 2021	-	-
Additions	-	-
Deletion	-	-
As at March 31, 2022	**-**	**-**
Accumulated Depreciation		
As at April 1, 2020	-	-
Depreciation for the period	-	-
Disposals	-	-
As at March 31, 2021	-	-
Depreciation for the period	-	-
Disposals	-	-
As at March 31, 2022	-	-
Net Carrying value		
As at March 31, 2021	-	-
As at March 31, 2022	**-**	**-**

Reliance BPO Private Limited

Notes to the Financial Statements

2.02 Deferred Tax Assets ₹ in lakh

Particulars	As at March 31, 2022	As at March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Deferred Tax Assets				
Related to timing difference on Indexed Cost of PPE	-	-	-	(26.54)
	-	-	-	(26.54)
(ii) Deferred Tax Liabilities	-	-	-	-
Net Deferred Tax Assets	**-**	-	**-**	(26.54)

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

The Company has unused capital gain tax losses which according to the management will be used to setoff taxable profit arising in subsequent years from sale of asset of the Company. However, Deferred Tax Assets have not been recognised except timing difference on Indexed Cost of PPE. Year wise expiry of total Losses are as under:

Sr.	Year of Expiry	Amount of Loss (₹ in lakh)
i.	Financial Year 2023-24	0.45

(a) Amounts recognised in profit and loss ₹ in lakh

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	-	-
Deferred income tax liability / (asset), net	-	26.54
Tax expense for the year	**-**	26.54

(b) Amounts recognised in other comprehensive income	**Nil**	Nil

(c) Reconciliation of Tax Expenses

Profit/ (Loss) before Tax	(35.71)	5.56
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expenses (I)	(9.28)	1.45
Expenses not allowed in Taxable Income	9.28	(1.45)
Reversal of relating to Indexed Cost of PPE	-	26.54
Subtotal (II)	**9.28**	25.09
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I+II)	**-**	26.54

2.03 Cash and Cash Equivalents ₹ in lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Banks		
-In Current accounts	0.02	0.02
	0.02	0.02

2.04 Other Financial Assets ₹ in lakh

Particulars	As at March 31, 2022	As at March 31, 2021
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, 2022	As at March 31, 2021
Authorised			
100,000 (100,000)	Equity Shares of ₹ 10 each	10.00	10.00
10,500,000 (10,500,000)	Preference Shares of ₹ 10 each	1,050.00	1,050.00
		1,060.00	1,060.00
Issued, Subscribed and Paid up			
10,000 (10,000)	Equity Shares of ₹ 10 each fully paid-Up	1.00	1.00
		1.00	1.00

2.05.01 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, 2022		As at March 31, 2021	
	No of Shares	**%**	No of Shares	%
Reliance Communications Infrastructure Limited, the Holding Company and its nominees	10,000	100%	10,000	100%
	10,000	**100%**	10,000	100%

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

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	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, 2022**	As at March 31, 2021
Security Premium		
(i) Opening Balance	100,848.52	100,848.52
(ii) Additions during the year	-	-
	100,848.52	100,848.52
Surplus /(Deficit) in retained earnings		
(i) Opening Balance	(101,764.03)	(101,743.05)
(ii) Add: Profit /(Loss) for the year	(35.71)	(20.98)
(iii) Add: Other Comprehensive Income	-	-
	(101,799.74)	(101,764.03)
	(951.22)	(915.51)

2.07 Other Current Liabilities ₹ in lakh

Particulars	**As at March 31, 2022**	As at March 31, 2021
Creditors for Capital goods	986.83	951.88
Advance from Related Party (Ref Note No.2.12)	1.14	0.66
Other Liabilities	1.62	1.34
	989.59	953.88

Reliance BPO Private Limited

Notes to the Financial Statements

2.08 Other Income ₹ in lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gain on Foreign currency transactions and translation	-	33.27
	-	33.27

2.09 Other Expenses ₹ in lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Professional Fee	0.08	0.14
Loss on Foreign currency transactions and translation	34.93	-
Loss on Cancellation of Land	-	26.67
Director Sitting Fee *	0.40	0.60
Payment to Auditors		
-Statutory Audit Fee	0.30	0.30
	35.71	27.71

* Pertining to meetings held during the financial year of 2019-20.

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, 2022	As at March 31 ,2021
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**	**Measurement**	**Management**
Liquidity risk	Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines facilities
Market risk – foreign exchange	Recognised financial liabilities	Sensitivity analysis	Unhedged

Liquidity risk

Liquidity risk is the financial risk that is encountered due to difficulty in meeting its obligations. Based on the

assurance from other body corporates, the Company's management does not seems any Liquidity risk.

Market risk

The Company's liability towards Capex Creditors is payable in US Dollar hence exposed to foreign exchange risk to the extent, changes in market prices such as foreign exchange rates.

Reliance BPO Private Limited

Notes to the Financial Statements

Foreign Currency Risk from financial instruments as of :

₹ in lakh

		As at March 31, 2022	As at March 31 ,2021
Creditors for Capital goods	₹ in lakh	**986.83**	951.88
	USD in Million	**1.30**	1.30

Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as mentioned below:

₹ in lakh

	For the year ended March 31, 2022	For the year ended March 31, 2021
Impact of 2% increase in exchange rate of USD INR	**19.74**	19.04

If exchange rate is affected with decrease by 2%, profit shall also accordingly be affected.

2.12 Related Parties

As per the Indian Accounting Standard ("Ind AS") 24 of "Related Party Disclosures", the disclosure of transactions with the related parties as defined therein are given below:

Name of the Related Party	Relationship
Reliance Communications Infrastructure Limited (RCIL)	Holding Company
Globalcom IDC Ltd	Holding Company

Sr.	Nature of Transactions	Holding Company RCIL ₹ in Lakh	Holding Company GIDCL ₹ in Lakh
a)	Other Current Liabilities	**-**	**1.14**
		(12.47)	**(-)**
b)	Advances	**39.35**	**-**
		(-)	**(-)**

₹ in lakh

2.13	**Earning per Share**	For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Net Profit/(Loss) attributable to Equity Share Holders (₹ in Lakh)	**(35.71)**	(20.98)
(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)	**(357.10)**	(209.80)

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	2021-22	2020-21	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	3.98	4.13	(3.63%)

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.

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, 2022 are approved by the Board of Directors on May 26, 2022

As per our Report of even date

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

For and on behalf of the Board

Rakesh Gupta
Director
DIN: 00130829

Priti V Mehta
Proprietor
Membership No. 130514

Vijay V Ahuja
Director
DIN: 08717328

Place: Mumbai
Dated : May 26, 2022.

Independent Auditor's Report

To the Members of Reliance Communications Tamil Nadu Limited

Report on the Standalone FinancialStatements

We have audited the accompanying Standalone financial statements of **Reliance Communications Tamilnadu Limited**(“the Company") which comprises the Balance Sheet as at March 31, 2022, 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, 2022, and Loss, changes in equity and its cash flows for the year ended *o*n 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 thesematters.

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.

lf, 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 doso.

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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 evaluatingthe 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJQYCQ2741

Place: Mumbai
Date: 26/05/2022

Reliance Communications Tamil Nadu Limited
Annexure A to Independent Auditor's Report – 31st March 2022

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, 2022, we report the following:
We report that

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

(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,2022 for a period of more than six months from the date they became payable.

- 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.

(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: 22130514AJQYCQ2741

Place: Mumbai
Date: 26/05/2022

Annexure B to Independent Auditor's Report – 31st March 2022 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, 2022in 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's Resposibi1ity

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.

AnnexureBtoIndependentAuditor’sReport-31st March2022onthe FinancialStatementsofReliance 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 dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

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 maydeteriorate.

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
FirmRegn.No.129568W

Priti V.Mehta
(Proprietor)
M.No.130514
UDIN:22130514AJQYCQ2741

Place:Mumbai
Date: 26/05/2022

Reliance Communications Tamil Nadu Limited

Financial Statements

March 31, 2022

Reliance Communications Tamil Nadu Limited

Balance Sheet as at March 31, 2022

(Amount in ₹)

	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Non Current Assets					
Investments	**2.01**		**260 00 00 000**		260 00 00 000
Current Assets					
Financial Assets					
Cash and Cash Equivalent	**2.02**		**3 89 471**		3 89 471
TOTAL			**260 03 89 471**		260 03 89 471
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.03**	5 00 000		5 00 000	
(b) Other Equity	**2.04**	(1 70 06 070)	**(1 65 06 070)**	(1 69 24 545)	(1 64 24 545)
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.05**	261 67 24 026		261 67 24 026	
(b) Other Current Liabilities	**2.06**	1 71 515	**261 68 95 541**	89 990	261 68 14 016
TOTAL			**260 03 89 471**		260 03 89 471

Significant Accounting Policies	**1**
Notes on Accounts	**2**

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

As per our Report of even date

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

Priti V Mehta
Proprietor
Membership No.130514

Place: Mumbai
Dated : May 26, 2022

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
Arvind Purohit }
DIN:08349713 }

Reliance Communications Tamil Nadu Limited
Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

		Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
	Other Income		-	-
	Total Income		-	-
II	**EXPENSES**			
	Other Expenses	**2.07**	**81 525**	41 240
	Total Expenses		**81 525**	41 240
III	**Profit/ (Loss) Before Tax (I - II)**		**(81 525)**	(41 240)
IV	Tax expense:			
	- Current Tax		-	-
V	**Profit/ (Loss) After Tax**		**(81 525)**	(41 240)
	Earning Per Share of face value ₹10 each fully paid up			
	Basic & Diluted (₹)	**2.11**	**(1.63)**	(0.82)
	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 26, 2022

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
Arvind Purohit }
DIN:08349713 }

Reliance Communications Tamil Nadu Limited

Statement of Change in Equity for the year ended March 31, 2022

(Amount in ₹)

(A) Equity (Refer Note - 2.03)

Balance at April 1, 2020	5 00 000
Change in equity share capital during the year	-
Balance at March 31, 2021	5 00 000
Change in equity share capital during the period	-
Balance at March 31, 2022	**5 00 000**

(B) Other Equity (Refer Note - 2.04)

Attributable to Equity holder

Particulars	**Retained Earnings**
Balance at April 1, 2020	(1 68 83 305)
Add : Profit/ (Loss) for the year	(41 240)
Balance at March 31, 2021	(1 69 24 545)
Add : Profit/ (Loss) for the period	(81 525)
Balance at March 31, 2022	**(1 70 06 070)**

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 26, 2022

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
Arvind Purohit }
DIN:08349713 }

Reliance Communications Tamil Nadu Limited

Statement of Cash Flow for the year ended March 31, 2022 (Amount in ₹)

			For the year ended March 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) before tax as per Statement of Profit and Loss		**(81 525)**		(41 240)
	Operating Profit/(Loss) before Working Capital Changes		**(81 525)**		(41 240)
	Working Capital Changes:				
	Current assets	-	**-**	-	
	Current Liabilities	81 525	**81 525**	41 240	41 240
	Cash Generated from Operations				
	Tax Refund	-		-	
	Tax Adjustment	-	-	-	-
	Net Cash from / (used in) Operating Activities		**-**		
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Net Cash from / (used in) Investing Activities		**-**		-
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	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)		**-**		
	Opening Balance of Cash and Cash Equivalents		**3 89 471**		3 89 471
	Closing Balance of Cash and Cash Equivalents		**3 89 471**		3 89 471

Note:

(1) Figures in brackets indicate cash outgo.

(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits.

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

As per our Report of even date

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

Priti V Mehta
Proprietor
Membership No.130514

Place: Mumbai
Dated : May 26, 2022

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
Arvind Purohit }
DIN:08349713 }

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

1.06 Borrowing Costs

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

1.07 Revenue Recognition and Receivables

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

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

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

1.08 Taxation

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

1.09 Provisions, Contingent Liabilities and Contingent Assets

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

1.10 Earning per Share

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

1.11 Financial Instruments

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

Financial Assets

Classification

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

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**
Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**
A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit and Loss.

(vii) **Derecognition of Financial Assets**
A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

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

Financial Liabilities

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

(ii) **Initial recognition and measurement**
All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

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

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

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

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

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(Amount in ₹)

		As at March 31, 2022	As at March 31, 2021
2.01 Investments			
Trade Investments			
In Preference Shares			
Unquoted, fully Paid up, At Cost			
1 34 77 000 (1 34 77 000)	1% Redeemable Non Cumulative Non Convertible Preference Shares of Reliance Telecom Limited of ₹ 10 each	260 00 00 000	260 00 00 000
		260 00 00 000	260 00 00 000
Aggregate Amount of Investments			
Unquoted		260 00 00 000	260 00 00 000
Quoted		-	-
		260 00 00 000	260 00 00 000

	As at March 31, 2022	As at March 31, 2021
2.02 Cash and Cash Equivalent		
Balances with Banks in Current Account	3 89 471	3 89 471
	3 89 471	3 89 471

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
2.03 Share Capital		
Authorised		
50 000 Equity Shares of ₹ 10 each (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000
Issued, Subscribed and Paid up		
50 000 Equity Shares of ₹ 10 each fully paid up (50 000)	**5 00 000**	5 00 000
	5 00 000	5 00 000

a) Equity Shares held by Promoters

	No. of Shares	% of Total Shares	% Change during the year
Reliance Webstore Limited and its nominees	**50 000**	**100%**	**Nil**
	(50 000)	(100%)	(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, 2022		As at March 31, 2021	
	No. of Shares	**₹**	No. of Shares	₹
Equity Shares				
At the beginning of the year	**50 000**	**5 00 000**	50 000	5 00 000
Add : Changes during the year	**-**	**-**	-	-
At the end of the year	**50 000**	**5 00 000**	50 000	5 00 000

2.04 Other Equity

		As at March 31, 2022		As at March 31, 2021
Surplus/(Deficit) in the Statement of Profit and Loss				
As per last Balance Sheet	(1 69 24 545)		(1 68 83 305)	
Add: Profit/(Loss) for the year	(81 525)		(41 240)	
Balance Carried Forward		(1 70 06 070)		(1 69 24 545)
		(1 70 06 070)		(1 69 24 545)

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(Amount in ₹)

2.05 Borrowings	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loan from Body Corporate (Refer Note 2.17) (Repayable on demand)	261 67 24 026	261 67 24 026
	261 67 24 026	261 67 24 026

2.06 Other Current Liabilities	As at March 31, 2022	As at March 31, 2021
Audit Fees Payable	56 640	42 480
Others	1 800	9 630
Other Payable (Related Party Ref Note.2.17)	1 13 075	37 880
	1 71 515	89 990

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 2.07 Other Expenses		
Professional Fees	7 080	7 080
Payment to Auditors		
- Audit Fees	14 160	14 160
Interest paid (Int on ST & TDS)	285	-
Director's Sitting Fees	60 000	20 000
	81 525	41 240

Note 2.08 Previous Year

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

Note 2.09

Reliance Telecom Limited (RTL), a fellow subsidiary, is undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 effective from May 18, 2018. Pending the completion and implementation of the resolution plan of RTL , the Company has not provided for any impairment loss on account of investment amounting to Rs. 260 crore in 1% Redeemable, Non Cumulative, Non Convertible Preference Shares having face value of Rs. 10 each issued and redeemable at a Premium of Rs. 990 each of Reliance Telecom Limited (RTL). The impairment loss towards the said investment shall be recognised on completion and implementation of resolution plan of RTL.

Note 2.10

1 Financial Instruments

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

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

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

Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**3 89 471**	3 89 471
Financial assets at Fair value through Statement of Profit and Loss:	**Nil**	Nil
Financial assets at fair value through Statement of Profit and Loss/ other	**Nil**	Nil
Financial liabilities at amortised cost:		
Borrowings	**261 67 24 026**	261 67 24 026
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

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

(Amount in ₹)

Financial risk management

Market risk

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

Interest Rate Risk

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

Exposure to interest rate risk

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

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Note 2.11 Earnings per Share (EPS)

	As at March 31, 2022	As at March 31, 2021
Numerator - Profit /(Loss) after tax (₹)	**(81 525)**	(41 240)
Denominator - Weighted number of equity shares	**50 000**	50 000
Basic as well as diluted, earning per equity share (₹)	**(1.63)**	(0.82)

Note 2.12 Segment Reporting

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

Note 2.13 Deferred Tax

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

Note 2.14 Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company.

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

Note 2.15 Accounting Ratio

Name of the Ratio	**Numerator**	**Denominator**	**2021-22**	**2020-21**	**% Variance #**
Current Ratio (in times)	Current Assets	Current Liabilities	0.000148	0.000148	0.00%
Debt Equity Ratio (in times)	Total Debt	Equity	(158.53)	(159.32)	(0.49%)

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.

Reliance Communications Tamil Nadu Limited

Notes on Accounts to Financial Statements

(Amount in ₹)

Note 2.16 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 2.17 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 2.18 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 2.19 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 2.20 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 2.21 Related Parties

As per Indian Accounting Standard ("Ind AS")-24 of "Related Party Disclosures", the disclosure of transactions with the related parties as defined therein are given below:

A. List of related parties and relationships :

a) Ultimate Holding Company

1. Reliance Communications Limited (RCOM)

b) Holding Company

1. Reliance Webstore Limited (RWSL)

c) Fellow Subsidiary Companies

1. Reliance Communications Infrastructure Limited (RCIL)
2. Reliance Infratel Limited (RITL)
3. Reliance Telecom Limited (RTL)
4. Reliance Next Link Pvt Ltd (RNL)
5. Reliance IDC Ltd (RIDC)

B. Transactions during the year with Related Parties and closing balances.

(Figures relating to current year are reflected in Bold, relating to previous year are reflected in brackets)

(Amount in ₹)

Sr.	Nature of Transactions	Ultimate Holding	Holding	Fellow Subsidiary	Total
A	**Equity Shares**				
	Balance as at April 1, 2021	**-**	**5 00 000**	**-**	**5 00 000**
		(-)	(5 00 000)	(-)	(5 00 000)
	Shares issued during the year	-	-	**-**	-
		(-)	(-)	(-)	(-)
	Shares transferred during the year	-	-	**-**	-
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	**-**	**5 00 000**	**-**	**5 00 000**
		(-)	(5 00 000)	(-)	(5 00 000)
B	**Borrowings - Current**				
	Balance as at April 1, 2021	**55 757**	**-**	**261 66 68 269**	**261 67 24 026**
		(55 757)	(-)	(261 66 68 269)	(261 67 24 026)
	Unsecured Loan taken during the year	**-**	-	**-**	
		(-)	(-)	(-)	(-)
	Repayment/Adjustment of Loan	**-**	**-**	**-**	**-**
		(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	**55 757**		**261 66 68 269**	**261 67 24 026**
		(55 757)	(-)	(261 66 68 269)	(261 67 24 026)
C	**Non Current Investments**	**-**	**-**	**260 00 00 000**	**260 00 00 000**
		(-)	(-)	(260 00 00 000)	(260 00 00 000)
D	**Other Current Liabilities**	**-**	**18 630**	**87 365**	**1 05 995**
		(-)	(18 630)	(19 250)	(37 880)

Note 2.22 Authorisation of Financial Statements

The financial statements for the period ended March 31, 2022 are approved by the Board of Directors on May 26, 2022.

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 26, 2022

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
}
} **Directors**
}
Arvind Purohit }
DIN:08349713 }

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, 2022, 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, 2022, 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 thesematters.

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.

lf, 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 doso.

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 judgementand 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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 modifyyour 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 evaluatingthe 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJOUON4722

Place: Mumbai
Date: 25/05/2022

GlobalcomRealty Limited (Formerly Reliance Infra Realty Limited)
Annexure A to Independent Auditor's Report - 31stMarch 2022

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, 2022, we report the following:
We report that

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

(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, cessand 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.

- 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). Thecompany is not a NidhiCompany. 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 companyis 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).Thecompany has not entered into noncash transactions with directors or persons connected with him.

xvi). (a) Thecompany 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). Thecompany has not incurred cash lossesin 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 companyhas 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: 22130514AJOUON4722

Place: Mumbai
Date: 25/05/2022

Annexure B to Independent Auditor's Report - 31“ March2022 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 **theCompanies Act, 2013** (“the Act”)

We have audited the internal financial consolsover financial reporting of GlobalcomRealty Limited (Formerly Reliance Infra Realty Limited)(’the Company') as of March 31, **2022** 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 Accountantsof 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.

Auditors‘Resposibi1ity

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.

AnnexureBtoIndependentAuditor'sReport-31"March2022onthe FinancialStatementsofGlobalcom Realty Limited (Formerly Reliance Infra Realty Limited)

Meaning of Internal Financial Controls OverFinancial 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 unauthorisedacquisition, use, or dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

Inherent Limitations of Internal Financial Controls OverFinancial 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 periodsare 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 maydeteriorate.

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 PritiV.Mehta &Company
Chartered Accountants
FirmRegn.No. : 129568W

PritiV.Mehta
(Proprietor)
M.No.130514
UDIN:22130514AJOUON4722

Place:Mumbai
Date: 25/05/2022

Globalcom Realty Limited

Financial Statements

March 31, 2022

Globalcom Realty Limited

Balance Sheet as at March 31, 2022

(Amount in ₹)

	Note		As at March 31, 2022		As at March 31, 2021
ASSETS					
Current Assets					
(a) Financial Assets					
(i) Cash and Cash Equivalents	**2.01**		**4 09 142**		4 09 142
Total Assets			**4 09 142**		4 09 142
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.02**	**5 00 000**		5 00 000	
(b) Other Equity	**2.03**	**(2 95 274)**	**2 04 726**	(2 23 573)	2 76 427
Liabilities					
Current Liabilities					
(a) Other Current Liabilities	**2.04**		**2 04 416**		1 32 715
Total Equity and Liabilities			**4 09 142**		4 09 142
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

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

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

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : May 25, 2022

For and on behalf of the Board

Rakesh Gupta
DIN: 00130829

Arvind Purohit
DIN:08349713

} Directors

Globalcom Realty Limited

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

		Note	For the year ended March 31, 2022	For the year ended March 31, 2021
	INCOME			
I	Other Income		-	-
II	**Total Income**		-	-
III	**EXPENSES**			
	General and Administration Expenses	2.05	71 701	71 240
IV	**Total Expenses**		71 701	71 240
V	**Profit (Loss) Before Tax (II -IV)**		(71 701)	(71 240)
VI	Tax expense:			
	- Current Tax		-	-
VII	**Profit After Tax**		(71 701)	(71 240)
	Earning per Share of face value of ₹ 10 each fully paid up			
	Basic and Diluted (₹)	2.09	(1.43)	(1.42)
	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
Date : May 25, 2022

For and on Behalf of the Board

Rakesh Gupta }
DIN: 00130829 }
}
} **Directors**
}
Arvind Purohit }
DIN:08349713 }

Globalcom Realty Limited

Statement of Change in Equity for the year ended March 31, 2022

(Amount in ₹)

A Equity (Refer Note.2.02)

Balance at April 1, 2020	500,000
Change in equty share capital during the year	**-**
Balance at March 31, 2021	500,000
Change in equty share capital during the period	**-**
Balance at March 31, 2022	**500,000**

B Other Equity (Refer Note.2.03)

Particular	**Retained Earnings**
Balance at April 1, 2020	(1 52 333)
Add : (Loss) for the year	(71 240)
Balance at March 31, 2021	(2 23 573)
Add : (Loss) during the period	(71 701)
Balance at March 31, 2022	**(2 95 274)**

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

For and on Behalf of the Board

Rakesh Gupta }
DIN: 00130829 }
} **Directors**
}
}
Arvind Purohit }
DIN:08349713 }

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : May 25, 2022

Globalcom Realty Limited

Statement of Cash Flow for the year ended March 31, 2022

(Amount in ₹)

			For the year ended March 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit / (Loss) before tax as per Statement of Profit and Loss		**(71 701)**		(71 240)
	Adjusted for:				
	Write back of Provision for Liabilities no longer required		**-**		-
	Operating Profit/(Loss) before Working Capital Changes		**(71 701)**		(71 240)
	Adjusted for:				
	Receivables and other Advances	-		-	
	Trade Payable and Other Liabilities	71 701	**71 701**	71 240	71 240
	Cash Used in Operations				
	Tax Paid		-		-
	Net Cash from/(Used In) Operating Activities				
B	**CASH FLOW FROM INVESTING ACTIVITIES**		**-**		-
	Net Cash from / (Used in) Investing Activities		**-**		-
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Cash from Financing Activities		**-**		-
	Net Increase / Decrease in Cash and Cash Equivalents		**-**		
	Opening Balance of Cash and Cash Equivalents		**4 09 142**		4 09 142
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)		**4 09 142**		4 09 142

Note:

(1) Figures in brackets indicate cash outgo.

(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits.

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

As per our Report of even date

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

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : May 25, 2022

For and on Behalf of the Board

Rakesh Gupta
DIN: 00130829

Arvind Purohit
DIN:08349713

} **Directors**

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2022
Note: 1
General Information and Significant Accounting Policies

1.01 General Information

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

1.02 Basis of Preparation of Financial Statements

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

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

1.03 Recent Accounting Developments

Standards issued but not yet effective:

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

1.04 Use of Estimates

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

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

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

Critical estimates and judgements

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

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

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

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

1.05 Functional Currency and Presentation Currency

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

1.06 Borrowing Costs

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

1.07 Revenue Recognition and Receivables

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

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

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

1.08 Taxation

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

1.09 Provisions, Contingent Liabilities and Contingent Assets

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

1.10 Earning per Share

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

Notes on Accounts to Financial Statements as at March 31, 2022

1.11 Financial Instruments

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

Financial Assets

Classification

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

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

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

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

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

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

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

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

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

(vii) **Derecognition of Financial Assets**

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

(viii) **Impairment of Financial Assets**

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

Financial Liabilities

(i) **Classification**

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

(ii) **Initial recognition and measurement**

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

(iii) **Subsequent measurement**

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

(iv) **Loans and Borrowings**

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

(v) **Derecognition of Financial Liabilities**

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

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

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

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2022

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 2.01 Cash And Cash Equivalents		
Balances with Banks- In current account	4 09 142	4 09 142
	4 09 142	4 09 142
Note 2.02 Equity Share Capital		
Authorised		
50 000 Equity Shares of ₹ 10 each (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000
Issued, Subscribed and Paid up		
50 000 Equity Shares of ₹ 10 each fully paid up (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000

a) 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	₹	No of Shares	₹
Equity Shares				
At the beginning of the year	50 000	5 00 000	50 000	5 00 000
Add/ (Less) : Changes during the period	**-**	**-**	-	-
At the end of the period	**50 000**	**5 00 000**	50 000	5 00 000

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, 2022

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 2.03 Other Equity		
Balance carried from last balance sheet	(2 23 573)	(1 52 333)
Add : Profit / (Loss) during the year	(71 701)	(71 240)
Balance at the end of the year	**(2 95 274)**	(2 23 573)
Note 2.04 Other Current Liabilities		
Audit Fees Payable	15 643	43 963
Other payable	38 752	42 502
Other payable Related Party	1 50 021	46 250
	2 04 416	1 32 715

(Amount in ₹)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 2.05 Other Expenses		
Audit Fees	14 160	14 160
Professional Fees	7 080	7 080
Director's Sitting Fees	50 000	50 000
Interest on TDS (2020-21)	461	-
	71 701	**71 240**

Globalcom Realty Limited

Notes on Accounts to Financial Statements as at March 31, 2022

Note 2.06 Previous Year

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

Note : 2.07

1 **Financial Instruments**

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

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

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

Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	**4 09 142**	4 09 142
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:	**Nil**	Nil
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 **Financial Risk Management Objectives and Policies**

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

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

Financial risk management

Market risk

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

Interest Rate Risk

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

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.

Notes on Accounts to Financial Statements as at March 31, 2022

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Note 2.08 Earning per share :

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Numerator - Profit /(Loss) after tax (₹)	**(71 701)**	(71 240)
Denominator - Weighted number of equity shares	**50 000**	50 000
Basic as well as Diluted, earning per equity share (₹)	**(1.43)**	(1.42) -

Note 2.09 Segment Reporting

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

Note 2.10 Deferred Tax

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

Note 2.11 Capital Management

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

Note 2.12 Accounting Ratio

Name of the Ratio	Numerator	Denominator	2021-22	2020-21	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	2.0015	3.0828	-0.35%

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 2.13 Post Reporting Events

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

Note 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. List of related parties and relationships :

a) Holding Company

1. Reliance Communications Infrastructure Limited
2. Reliance IDC Limited

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, 2022

(Amount in ₹)

Sr.	**Nature of Transactions**	**Holding Company**
	Equity Shares	
01.	Reliance Communication Infrastructure Ltd	
	Balance as at April 1, 2021	**5 00 000** (5 00 000)
	Shares issued during the year	**-** (-)
	Balance as at March 31, 2022	**5 00 000** (5 00 000)
	Other Payables	
02.	Reliance IDC Limited	
	Balance as at April 1, 2021	**46 250** (-)
	Acquired during the period	**1 03 771** (46 250)
	Balance as at March 31, 2022	**1 50 021** (46 250)

Note 2.15 Authorisation of Financial Statements

The financial statements for the period ended March 31, 2022 are approved by the Board of Directors on May 25, 2022.

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

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : May 25, 2022

For and on Behalf of the Board

Rakesh Gupta }
DIN: 00130829 }
}
} **Directors**
}
Arvind Purohit }
DIN:08349713 }

Independent Auditor's Report

To The Members of Internet Exchangenext.Com Limited

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, 2022, 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 mannerso 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 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 provisionsof 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 thesematters.

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.

lf, 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, *financ'ial*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 undersection 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 doso.

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 judgementand 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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 modifyour 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 evaluatingthe 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 matterin 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJOUWB2656

Place: Mumbai
Date: 25/05/2022

Internet ExchangeNext.com Limited
Annexure A to Independent Auditor's Report – 31st March 2022

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, 2022, we report the following:
We report that

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

(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 orderare 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, cessand 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.

- 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). Thecompany is not a NidhiCompany. 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 companyis 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).Thecompany has not entered into noncash transactions with directors or persons connected with him.

xvi). (a) Thecompany 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). Thecompany has not incurred cash lossesin 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 companyhas not made investments in subsidiary company. Therefore, the company does not require to prepareconsolidated 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: 22130514AJOUWB2656

Place: Mumbai
Date: 25/05/2022

Annexure B to Independent Auditor's Report –31st March 2022 on 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 **theCompanies Act, 2013** ("the Act")

We have audited the internal financial consolsover financial reporting of **Internet ExchangeNext.com Limited**('the Company') as of March 31, **2022** 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 Accountantsof 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.

Auditors'Resposibi1ity

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 effectivelyin 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.

AnnexureBtoIndependentAuditor'sReport-31st March2022onthe FinancialStatementsofInternet ExchangeNext.com Limited.

Meaning of Internal Financial Controls OverFinancial 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 unauthorisedacquisition, use, or dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

Inherent Limitations of Internal Financial Controls OverFinancial 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 periodsare 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 maydeteriorate.

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 PritiV Mehta &Company
Chartered Accountants
FirmRegn.No.: 129568W

PritiV.Mehta
(Proprietor)
M.No.130514
UDIN:22130514AJOUWB2656

Place:Mumbai
Date: 25/05/2022

Internet Exchangenext.com Limited

Financial Statements

March 31, 2022

Internet Exchangenext.com Limited

Balance Sheet as at March 31, 2022 Amount (₹)

	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Non Current Assets					
Property, Plant and Equipment	**2.01**		-		-
Current Assets					
Financial Assets					
(i) Cash and Cash Equivalents	**2.02**	2 76 232		2 76 232	
(ii) Other Financial Assets	**2.03**	62 33 308	**65 09 540**	62 33 308	65 09 540
Total Assets			**65 09 540**		65 09 540
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.04**	15 07 000		15 07 000	
(b) Other Equity	**2.05**	(11 20 282)	**3 86 718**	(10 08 670)	4 98 330
LIABILITIES					
Current Liabilities					
Other Current Liabilities	**2.06**		**61 22 822**		60 11 210
Total Equity and Liabilities			**65 09 540**		65 09 540
Significant Accounting Policies	**1**		-		
Notes on Accounts	**2**				

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

For and on behalf of the Board

Arvind Purohit
DIN-08349713

Vinay Soni
DIN-08567944

} **Directors**

Priti V Mehta
Proprietor
Membership No.130514

Place: Mumbai
Dated: May 25, 2022

Internet Exchangenext.com Limited

Statement of Profit and Loss for the year ended March 31, 2022 Amount (₹)

		Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
	INCOME			
I	Other Income		**-**	-
	Total Income		**-**	-
II	**EXPENSES**			
	Sales and General Administration Expenses	**2.07**	1 11 612	58 320
	Total Expenses		**1 11 612**	58 320
III	**Profit/ (Loss) before Tax (I-II)**		**(1 11 612)**	(58 320)
IV	Tax expense:			
	- Current Tax		-	-
V	**Profit/ (Loss) After Tax (III-IV)**		**(1 11 612)**	(58 320)
	Earnings per Share of ₹ 10 each fully paid up	**2.10**		
	Basic and Diluted (₹)		**(0.74)**	(0.39)
	Significant Accounting Policies	**1**		
	Notes on Accounts	**2**		

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

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

Priti V Mehta
Proprietor
Membership No.130514

Place: Mumbai
Dated: May 25, 2022

For and on behalf of the Board

Arvind Purohit }
DIN-08349713 }
} **Directors**
Vinay Soni }
DIN-08567944 }

Internet Exchangenext.com Limited

Statement of Change in Equity for the year ended March 31, 2022

	Amount (₹)
(A) Equity (Refer Note - 2.04)	
Balance at April 1, 2020	15 07 000
Change in equity share capital during the year	-
Balance at March 31, 2021	15 07 000
Change in equity share capital during the period	-
Balance at March 31, 2022	**15 07 000**

(B) Other Equity (Refer Note - 2.05)

Attributable to Equity holder

Particular	**Retained Earnings**
Balance at April 1, 2020	(9 50 350)
Add : Profit / (Loss) for the year	(58 320)
Balance at March 31, 2021	(10 08 670)
Add : Profit / (Loss) for the period	(1 11 612)
Balance at March 31, 2022	**(11 20 282)**

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 25, 2022

For and on behalf of the Board

Arvind Purohit }
DIN-08349713 }

} **Directors**

Vinay Soni }
DIN-08567944 }

Internet Exchangenext.com Limited

Statement of Cash Flow for the year ended March 31, 2022

Amount (₹)

			For the year ended March 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) before tax as per Statement of Profit and Loss		**(1 11 612)**		(58 320)
	Adjusted for:				
	Write back of Provision for Liabilities no longer required		**-**		-
			(1 11 612)		(58 320)
	Operating Profit/(Loss) before Working Capital Changes		**(1 11 612)**		(58 320)
	Working Capital Changes:				
	Current Assets	-		-	
	Current Liabilities	1 11 612		58 320	
			1 11 612		58 320
	Cash Generated from Operations				
	Tax paid		**-**		-
	Net Cash from/(Used In) Operating Activities				
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Net Cash from/(Used in) Investing Activities		**-**		**-**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Cash from/(Used in) Financing Activities		**-**		**-**
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)				
	Opening Balance of Cash and Cash Equivalents		**2 76 232**		2 76 232
	Closing Balance of Cash and Cash Equivalents		**2 76 232**		2 76 232

Note:

(1) Figures in brackets indicate cash outgo.

(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits.

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

As per our Report of even date

For Priti V Mehta & Co

Chartered Accountants

Firm Registration No 129568W

For and on behalf of the Board

Arvind Purohit }
DIN-08349713 }
} Directors
Vinay Soni }
DIN-08567944 }

Priti V Mehta

Proprietor

Membership No.130514

Place: Mumbai

Dated: May 25, 2022

Internet Exchangenext.com Limited

Notes on Accounts to Financial Statements

Note: 1

General Information and Significant Accounting Policies

1.01 General Information

Internet Exchangenext.com Limited (“the Company”), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Infrastructure Limited ("RCIL" or " the Holding Company").

1.02 Basis of Preparation of Financial Statements

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

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

1.03 Recent Accounting Developments

Standards issued but not yet effective:

Recent pronouncements relating to Ind AS 116 "Leases", Ind AS 12 " Income Tax"and Ind AS 19 "Employee Benefits" issued by the Ministry of Corporate Affairs (the MCA), Government of India (GoI), applicable with effect from April 1, 2018, does not have any impact on Financial Statements of the Company.

1.04 Use of Estimates

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

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

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

Notes on Accounts to Financial Statements

Critical estimates and judgements

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

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

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

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

1.05 Functional Currency and Presentation Currency

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

1.06 Borrowing Costs

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

1.07 Revenue Recognition and Receivables

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

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

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

Notes on Accounts to Financial Statements

1.08 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.10 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest.Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit and Loss.

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Notes on Accounts to Financial Statements

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Internet Exchangenext.com Limited

Notes on Accounts to the Financial Statements

2.01. Property, Plant and Equipment

Amount (₹)

Particulars	Computer	Office Equipment	Total
Gross carrying value			
As at April 01, 2020	1 94 00 751	3 04 757	1 97 05 508
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2021	1 94 00 751	3 04 757	1 97 05 508
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2022	**1 94 00 751**	**3 04 757**	**1 97 05 508**
Accumulated Depreciation			
As at April 01, 2020	1 94 00 751	3 04 757	1 97 05 508
Depreciation for the year	-	-	-
Disposals	-	-	-
As at March 31, 2021	1 94 00 751	3 04 757	1 97 05 508
Depreciation for the year	-	-	-
Disposals	-	-	-
As at March 31, 2022	**1 94 00 751**	**3 04 757**	**1 97 05 508**
Closing net carrying value as at March 31, 2022	-	-	-
Closing net carrying value as at March 31, 2021	-	-	-

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Notes on Accounts to the Financial Statements

2.02 Cash and Cash Equivalents

Amount (₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Banks in Current Account	2 76 232	2 76 232
	2 76 232	2 76 232

2.03 Other Financial Assets

Amount (₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans and Advances to body corporate	62 33 308	62 33 308
	62 33 308	62 33 308

Internet Exchangenext.com Limited

Notes on Accounts to the Financial Statements

Amount (₹)

Particulars	As at March 31, 2022	As at March 31, 2021
2.04 Equity Share Capital		
Authorised		
10 00 000 Equity Shares of ₹ 10 each (10 00 000)	1 00 00 000	1 00 00 000
	1 00 00 000	1 00 00 000
Issued, Subscribed and Paid up		
1 50 700 Equity Shares of ₹10 each fully paid up (1 50 700)	15 07 000	15 07 000
	15 07 000	15 07 000

2.04.1 Equity Share held by 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%)	**Nil** (Nil)

2.04.2 Equity Share held by Holding Company

Particulars	No. of shares	No. of shares
Reliance Communication Infrastructure Limited the Holding Company and its nominees	**1 50 700**	1 50 700

2.04.3 Details of Shareholders Holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of Shares	**%**	No of Shares	%
Reliance Communications Infrastructure Limited	**1 50 700**	**100%**	1 50 700	100%
	1 50 700	**100%**	1 50 700	100%

2.04.4 Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Shares		
At the beginning of the year	1 50 700	1 50 700
Add / (Less) : Changes during the year	**-**	-
At the end of the year	**1 50 700**	1 50 700

2.04.5 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

Amount (₹)

Particulars		As at March 31, 2022		As at March 31, 2021
Surplus/(Deficit) in the Statement of Profit and Loss				
As per last Balance Sheet	(10 08 670)		(9 50 350)	
Add:Profit/ (Loss) for the year	(1 11 612)	**(11 20 282)**	(58 320)	(10 08 670)
		(11 20 282)		(10 08 670)

2.06 Other Current Liabilities

Amount (₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Expenses	1 34 359	1 21 699
Other Payables to Related Party (Refer Note 2.15)	59 88 463	58 89 511
	61 22 822	60 11 210

Internet Exchangenext.com Limited

Notes on Accounts to the Financial Statements

2.07 General Administration Expenses

Amount (₹)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Professional Fees	7 080	14 160
Director's Sitting Fees	90 000	30 000
Payment to Auditors	14 160	14 160
Interest on TDS (2020-21)	372	-
	1 11 612	58 320

2.08 Previous Year

The figures for the previous year have been regrouped and reclssified, wherever required. Amount in financial statements are presented in Rupees, except as otherwise stated.

2.09.01 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**2 76 232**	2 76 232
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:	**Nil**	Nil
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2.09.02 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company’s primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company’s financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

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 doesnot have any contractual maturities of financial liabilities.

2.10 Earnings per Share (EPS)	**As at March 31, 2022**	As at March 31, 2021
Numerator - Profit /(Loss) after tax (₹)	**(1 11 612)**	(58 320)
Denominator - Weighted number of equity shares	**1 50 700**	1 50 700
Basic and Diluted, earning per equity share (₹)	**(0.74)**	(0.39)

2.11 Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 - 'Operating Segment' .

2.12 Deferred Tax

The Company does not have any items on which deferred tax should be recognised.

2.13 Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholers value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Compant monitors on regular basis.

2.14 Accounting Ratio

Name of the Ratio	**Numerator**	**Denominator**	**2021-22**	**2020-21**	**% Variance #**
Current Ratio (in times)	Current Assets	Current Liabilities	1.06	1.08	(1.85%)

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.

2.15 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.

2.16 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)

2.17 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.

2.18 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

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Notes on Accounts to the Financial Statements

2.19 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) Ultimate Holding Company

1. Reliance Communications Limited

b) Holding Company

1. Reliance Communications Infrastructure Limited
2. Reliance IDC Ltd

B. Transactions during the year with Related Parties and closing balances.

(Figures relating to current year are reflected in Bold, relating to previous year are reflected in brackets)

Amount (₹)

Nature of Transaction	Holding Company
a) Equity Shares	
Balance as at April 1, 2021	**15 07 000**
	(15 07 000)
Taken during the year	**-**
	(-)
Repayment/Adjustment during the year	**-**
	(-)
Balance as at March 31, 2022	**15 07 000**
	(15 07 000)
b) Other Payables	
Balance as at April 1, 2021	**58 88 761**
	(58 53 931)
Taken during the year	**99,702.00**
	(34 830)
Repayment/Adjustment	**-**
	(-)
Balance as at March 31, 2022	**59 88 463**
	(58 89 511)

2.20 Authorisation of Financial Statements

The financial statements for the year ended March 31, 2022 are approved by the Board of Directors on May 25, 2022.

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 25, 2022

For and on behalf of the Board

Arvind Purohit }
DIN-08349713 }
} **Directors**
Vinay Soni }
DIN-08567944 }

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, 2022, 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, 2022, and Loss, changes in equity and its cash flows for the year ended *o*n 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 thesematters.

Information other than the financial statements andauditors' 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.

lf, 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 doso.

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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 evaluatingthe 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJQWPW8068

Place: Mumbai
Date: 26/05/2022

Realsoft Cyber Systems Private Limited
Annexure A to Independent Auditor's Report – 31st March 2022

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, 2022, we report the following:

We report that

i). (a) The company does not have fixed assets as on 31st March 2021. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.

(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,2022 for a period of more than six months from the date they became payable.

- 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.

(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: 22130514AJQWPW8068

Place: Mumbai
Date: 26/05/2022

Annexure B to Independent Auditor's Report – 31st March 2022 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 consols over financial reporting of **Realsoft Cyber Systems Private Limited** ('the Company') as of March 31, 2022in 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.

Auditors'Resposibi1ity

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.

AnnexureBtoIndependentAuditor’sReport-31st March2022onthe FinancialStatementsofRealsoft 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 dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

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 maydeteriorate.

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
FirmRegn.No.: 129568W

Priti V.Mehta
(Proprietor)
M.No.130514
UDIN:22130514AJQWPW8068

Place:Mumbai
Date: 26/05/2022

Realsoft Cyber Systems Private Limited

Financial Statements

March 31, 2022

Realsoft Cyber Systems Private Limited

Balance Sheet as at March 31, 2022

(Amount in ₹)

Particulars	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Current Assets					
(a) Financial Assets					
Cash and Cash Equivalents	**2.01**		**4 30 293**		4 30 293
Total Assets			**4 30 293**		4 30 293
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.02**	**1 00 000**		1 00 000	
(b) Other Equity	**2.03**	**(95 40 717)**	**(94 40 717)**	(94 41 847)	(93 41 847)
LIABILITIES					
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.04**	**92 06 153**		92 06 153	
(ii) Other Financial Liabilities	**2.05**	**6 64 857**	**98 71 010**	5 65 987	97 72 140
(b) Other Current Liabilities	**2.06**		**-**		
Total Equity and Liabilities			**4 30 293**		4 30 293
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Priti V Mehta & Co.
Chartered Accountants
Firm Registration No 129568W

For and on behalf of the Board

Priti V Mehta
Proprietor
Membership No. 130514

Rakesh Gupta
Director
DIN:00130829

Arvind Purohit
Director
DIN:08349713

Place : Mumbai
Dated : May 26, 2022

Realsoft Cyber Systems Private Limited

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31,2021
I	**INCOME**		-	-
	Total Income		-	-
II	**EXPENSES**			
	General and Administration Expenses	2.07	98 870	90 680
	Total Expenses		98 870	90 680
III	**Loss before Tax (I-II)**		(98 870)	(90 680)
IV	Tax expense:			
	- Current Tax		-	-
V	**Loss after Tax (III - IV)**		(98 870)	(90 680)
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income / (Loss) during the year**		(98 870)	(90 680)
VIII	**Earnings per Share of ₹ 10 each fully paid up**	2.14		
	- Basic (₹)		(9.89)	(9.07)
	- Diluted (₹)		(9.89)	(9.07)
	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

Rakesh Gupta
Director
DIN:00130829

Arvind Purohit
Director
DIN:08349713

Place : Mumbai
Dated : May 26, 2022

Realsoft Cyber Systems Private Limited

Statement of Change in Equity for the period ended March 31, 2022

(Amount in ₹)

(a) Equity share capital	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Balance at the beginning of the year	**1 00 000**	1 00 000
Change in equity share capital during the year	**-**	-
Balance at the end of the year	**1 00 000**	1 00 000

(b) Other Equity

Surplus/ (Deficit) in statement of Profit and Loss

Particular	**Retained Earnings**
Balance as at April 1,2020	(93 51 167)
Add : Loss for the year	(90 680)
Balance as at March 31, 2021	**(94 41 848)**
Add : Loss for the year	**(98 870)**
Balance as at March 31, 2022	**(95 40 718)**

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

Rakesh Gupta
Director
DIN:00130829

Arvind Purohit
Director
DIN:08349713

Place : Mumbai
Dated : May 26, 2022

Realsoft Cyber Systems Private Limited

Statement of Cash Flow for the year ended March 31, 2022

(Amount in ₹)

		For the year ended March 31, 2022	For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Loss before tax as per Statement of Profit and Loss	**(98 870)**	(90 680)
	Operating Profit/(Loss) before Working Capital Changes	**(98 870)**	(90 680)
	Adjusted for :		
	Other Receivables	**-**	-
	Trade Payables and other Liabilities	**98 870**	89 180
	Cash (used in) / Generated from Operations		(1 500)
	Tax Refund	**-**	-
	Tax paid	**-**	-
	Net Cash Used in Operating Activities		(1 500)
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Net Cash Flow from Investing Activities	**-**	-
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds Current Borrowings (net)	**-**	-
	Net Cash used in Financing Activities	**-**	-
	Net Increase/ (Decrease) in Cash and Cash Equivalents		(1 500)
	Opening Balance of Cash and Cash Equivalents	**4 28 793**	4 30 293
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)	**4 28 793**	4 28 793

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

Rakesh Gupta
Director
DIN:00130829

Arvind Purohit
Director
DIN:08349713

Place : Mumbai
Dated : May 26, 2022

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2022

1. General Information and Significant Accounting Policies

1.01 General Information

Realsoft Cyber System Private Limited (“the Company”), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Infrastructure Limited.

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.04 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company.

1.05 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.06 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

1.07 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.08 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.09 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis and available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(vii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1.11 Measurement of Fair value of financial instruments

The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred (Note 2.14) for information on detailed disclosures pertaining to the measurement of fair values.

1.12 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2022

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
2.01 Cash and Cash Equivalents		
Balances with Banks in Current Account	**4 30 293**	4 30 293
	4 30 293	4 30 293
2.02 Share Capital		
Authorised		
50 00 000 (50 00 000) Equity Shares of ₹ 10 each	**5 00 00 000**	5 00 00 000
	5 00 00 000	5 00 00 000
Issued, Subscribed and Paid up		
10 000 (10 000) Equity Shares of ₹ 10 each fully paid up	**1 00 000**	1 00 000
	1 00 000	1 00 000

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) Shares held by Holding Company

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	**%**	No. of Shares	%
Reliance Communication Infrastructure Limited	**10 000**	**100**	10 000	100
	10 000	**100**	10 000	100

c) 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

d) Equity Shares

	No. of Shares	**(Amount in ₹)**	No. of Shares	(Amount in ₹)
At the beginning of the year	**10 000**	**1 00 000**	10 000	1 00 000
Add/(Less): Changes during the year	-	-	-	-
	10 000	**1 00 000**	10 000	1 00 000

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, 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, 2022

2.03 Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at April 1, 2020	(93 51 167)	(93 51 167)
Add : Loss for the year	(90 680)	(90 680)
Balance as at March 31, 2021	(94 41 847)	(94 41 847)
Add : Loss for the year	**(98 870)**	**(98 870)**
Balance as at March 31, 2022	**(95 40 717)**	**(95 40 717)**

2.04 Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loan repayable on demand		
Loan from Related Parties (Refer Note 2.09)	**89 76 604**	89 76 604
Others	**2 29 549**	2 29 549
	92 06 153	92 06 153

2.05 Other Financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Expenses	**3 37 602**	3 37 602
Payable to Related Party (Refer Note 2.09)	**1 58 450**	65 580
Other Payables	**1 68 805**	1 62 805
	6 64 857	5 65 987

2.06 Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Payable to Tax Authorities	**-**	
	-	

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2022

2.07 General Administration Expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
General and Administrative Expenses		
Director's Sitting Fees	**60 000**	60 000
Interest on TDS (2020-21)	**270**	-
Professional Charges	**15 000**	7 080
Payment to Auditors	**23 600**	23 600
	98 870	90 680

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2022

Notes : 2.08

The figures for the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in ₹, except as otherwise stated.

Notes : 2.09

Related Parties :

As per Ind AS 24, issued by the Institute of Chartered Accountants of India, the disclosures of transaction with the related parties as defined in the Accounting Standard are given below

a)	Name of the Related Party	Relationship
i	Reliance Communications Limited	Ultimate Holding Company
ii	Reliance Communications Infrastructure Limited	Holding Company
iii	Globalcom IDC Limited	Holding Company

(Amount in ₹)

b) Transaction with the related parties :-

Sr. No.	Nature of Transactions	Holding Company	Ultimate Holding Company	Total
A	**Current Borrowings**			
	Balance as at April 1, 2021	**90 42 184**	-	**90 42 184**
		(89 76 604)	(-)	(89 76 604)
	Taken during the year	**92 870**	-	**92 870**
		(67 080)	(-)	(67 080)
	Repaid during the year	**-**	-	
		(1 500)	(-)	(1 500)
	Balance as at March 31, 2022	**91 35 054**	-	**91 35 054**
		(89 76 604)	(-)	(89 76 604)

c) Details of Material Transaction with Related Party

(Amount in ₹)

Particulars	March 31, 2022	March 31, 2021
Transaction during the year		
Reimbursement of expenses (net)		
Globalcom IDC Limited	**92 870**	65 580
Balance Sheet (Closing Balance)		
Current Borrowings		
Reliance Communications Infrastructure Limited	**89 76 604**	89 76 604
Other Financial Liabilities		
Globalcom IDC Limited	**1 58 450**	65 580

Notes : 2.10

1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash, borrowings and other financial Liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Realsoft Cyber Systems Private Limited

Notes on accounts to Financials Statements as at March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	**4 30 293**	4 30 293
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Investments	**Nil**	Nil
Financial liabilities at amortised cost:		
Borrowings (Refer Note 2.05)	**92 06 153**	92 06 153
Other Financial Liabilities (Refer Note 2.06)	**6 64 857**	5 65 987
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	2021-22	2020-21	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	0.0436	0.0440	-0.01%
Debt Equity Ratio (in times)	Total Debt	Equity	-0.975	-0.985	-0.01%

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.

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 Amount in ₹
I) 2013 - 2014*	NA	30 086
II) 2014 - 2015*	NA	35 531
III) 2016 - 2017	2023-2024	2 89 464

*The above loss represents unabsorbed depreciation pertaining to 2013-2014 & 2014-2015 which has indefinite life as per applicable tax laws and on which deferred tax is not recognised.

(a) Amounts recognised in profit and loss

	For the year ended 'March 31, 2022	For the year ended March 31, 2021
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, 2022

(b) Amounts recognised in other comprehensive income - Rs. Nil

(c) Reconciliation of Tax Expenses		
Profit/ (Loss) before Tax	**(98 870)**	(90 680)
Applicable Tax Rate	**26.00%**	26.00%
Computed Tax Expenses (I)	**(25 706)**	(23 577)
Add: Tax on Expenses disallowed under Income Tax Act	**25 706**	23 577
Less: Setoff from brought forward losses from earlier years	**-**	-
Subtotal (II)	**25 706**	23 577
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss	-	-

Notes : 2.14

Earning per share :	**Amount in ₹** **For the year ended March 31, 2022**	Amount in ₹ For the year ended March 31, 2021
Numerator - Loss after tax (₹)	**(98 870)**	(90 680)
Denominator - Weighted number of equity shares	**10 000**	10 000
Basic as well as diluted, earning per equity share (₹)	**(9.89)**	(9.07)

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, 2022 are approved by the Board of Directors on May 26, 2022.

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

Rakesh Gupta
Director
DIN:00130829

Arvind Purohit
Director
DIN:08349713

Place : Mumbai
Dated : May 26, 2022

Independent Auditor's Report

To The Members of Worldtel Tamilnadu Private Limited.

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Worldtel Tamilnadu Private Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2022, 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, 2022, and Loss, changes in equity and its cash flows for the year ended *o*n 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 thesematters.

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.

lf, 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 doso.

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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 evaluatingthe 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJOWMA8485

Place: Mumbai
Date: 25/05/2022

WorldtelTamilnadu Private Limited
Annexure A to Independent Auditor's Report – 31st March 2022

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, 2022, we report the following:
We report that

i). (a) The company does not have fixed assets as on 31st March 2021. Accordingly paragraphs 1(a),
(b) and (c) of the orders are not applicable to the company.

(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,2022 for a period of more than six months from the date they became payable.

WorldtelTamilnadu Private LimitedAnnexure A to Independent Auditor's Report - 31stMarch 2022

- 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.

(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: 22130514AJOWMA8485

Place: Mumbai
Date: 25.05.2022

Annexure B to Independent Auditor's Report – 31st March 2022 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 consols over financial reporting of **WorldtelTamilnadu Private Limited** ('the Company') as of March 31, **2022** 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'sResposibi1ity

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.

AnnexureBtoIndependentAuditor’sReport-31st March2022onthe FinancialStatementsofWorldtelTamilnadu 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 dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

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 maydeteriorate.

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
FirmRegn.No.129568W

Priti V.Mehta
(Proprietor)
M.No.130514
UDIN:22130514AJOWMA8485

Place:Mumbai
Date: 25/05/2022

Worldtel Tamilnadu Private Limited

Financial Statements

March 31, 2022

Worldtel Tamilnadu Private Limited

Balance Sheet as at March 31, 2022

(Amount in ₹)

	Notes		As at March 31, 2022		As at March 31, 2021
ASSETS					
Non Current Assets					
(a) Property, Plant and Equipment	**2.01**		**82 685**		**82 685**
Current Assets					
(a) Financial Assets					
(i) Cash and Cash Equivalents	**2.02**	4 87 668		4 87 668	
(b) Other Current Assets	**2.03**	-	**4 87 668**	-	4 87 668
Total Assets			**5 70 353**		5 70 353
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.04**	1 00 000		1 00 000	
(b) Other Equity	**2.05**	(101 29 53 210)	**(101 28 53 210)**	(101 28 61 610)	(101 27 61 610)
LIABILITIES					
Non-Current Liabilities			-		-
Current Liabilities					
Financial Liabilities					
Other Current Liabilities	**2.06**		**101 34 23 563**		101 33 31 963
Total Equity and Liabilities			**5 70 353**		5 70 353
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Priti V Mehta & Co	**For and on behalf of the Board**
Chartered Accountants	
Firm Registration No 129568W	
	Arvind Purohit }
	DIN:08349713 }
Priti V Mehta	}
Proprietor	} **Directors**
Membership No. 130514	}
	}
Place : Mumbai	**Vinay Soni** }
Dated : May 25, 2022	DIN: 08567944 }

Worldtel Tamilnadu Private Limited

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

		Notes	For the year ended March 31, 2022	For the year ended March 31,2021
	INCOME			
I	Other Income		-	-
	Total Income		-	-
II	**EXPENDITURE**			
	General Administration Expenses	2.07	91 600	38 320
	Total Expenses		91 600	38 320
III	**Profit (Loss) before Tax (I - II)**		(91 600)	(38 320)
IV	Tax Expense:			
	- Current Tax		-	-
	- Short provision of earlier years		-	-
V	**Profit (Loss) After Tax (III - IV)**		(91 600)	(38 320)
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income**		(91 600)	(38 320)
VIII	**Earnings per Share of ₹ 10 each fully paid up**	2.12		
	- Basic (₹)		(9)	(4)
	- Diluted (₹)		(9)	(4)
	Earning per Share			
	Significant Accounting Policies	1		
	Notes on Accounts	2		

The Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date

For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Dated : May 25, 2022

For and on behalf of the Board

Arvind Purohit
DIN:08349713

Vinay Soni
DIN: 08567944

} **Directors**

Worldtel Tamilnadu Private Limited

Statement of Change in Equity for the year ended March 31, 2022

(Amount in ₹)

A Equity Share Capital	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Balance at the beginning of the year	**1 00 000**	1 00 000
Change during the year	**-**	-
Balance at the end of the year	**1 00 000**	1 00 000

B Other Equity

Surplus/ (Deficit) in statement of Profit and Loss

Particular	**Retained Earnings**
Balance of Profit/ (Loss) as at April 1,2020	(101 28 23 290)
Add : Profit \ (Loss) for the year	(38 320)
Balance Profit/ (Loss) as at March 31, 2021	(101 28 61 610)
Add : Profit \ (Loss) for the period	(91 600)
Balance Profit/ (Loss) as at March 31, 2022	(101 29 53 210)

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 25, 2022

For and on behalf of the Board

Arvind Purohit }
DIN:08349713 }
}
} Directors
}
}
Vinay Soni }
DIN: 08567944 }

Worldtel Tamilnadu Private Limited
Statement of Cash Flow for the year ended March 31, 2022

(Amount in ₹)

		For the year ended March 31, 2022		For the year ended March 31, 2021
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax as per Statement of Profit and Loss		**(91 600)**		(38 320)
Adjusted for :				
Provision for Doubtful Receivables		-		-
Operating Profit/(Loss) before Working Capital Changes		**(91 600)**		(38 320)
Adjusted for :				
Receivables and other Advances	-		-	
Other Liabilities	91 600	**91 600**	38 320	38 320
Cash generated from Operations				
Tax Refund	-		-	
Tax Paid	-	-	-	-
Net Cash Used in Operating Activities		-		-
Net Increase/ (Decrease) in Cash and Cash Equivalents		-		-
Opening Balance of Cash and Cash Equivalents		**4 87 668**		4 87 668
Closing Balance of Cash and Cash Equivalents		**4 87 668**		4 87 668

Note:

i Figures in brackets indicate cash outgo.
ii Cash and Cash Equivalent includes cash on hand, cheques on hand, bank balance including Fixed Deposits with
iii Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard 7 "Statement of Cash Flow".

As per our Report of even date

For Priti V Mehta & Co
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Dated : May 25, 2022

For and on behalf of the Board

Arvind Purohit }
DIN:08349713 }
}
} **Directors**
}
}
Vinay Soni }
DIN: 08567944 }

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2022

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, 2022

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, 2022

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit and Loss.

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2022

2.01 Property, Plant and Equipment

(Amount in ₹)

Particulars	Computer	Office Equipment	Furniture and Fixtures	Total
Gross carrying value				
As at April 01, 2020	8 43 200	5 67 972	11 02 464	25 13 636
Additions / Adjustment	-	-	-	-
As at March 31, 2021	**8 43 200**	**5 67 972**	**11 02 464**	**25 13 636**
Additions / Adjustment	-	-	-	-
As at March 31, 2022	**8 43 200**	**5 67 972**	**11 02 464**	**25 13 636**
Accumulated Depreciation				
As at April 01, 2020	8 43 200	5 40 410	10 47 341	24 30 951
Depreciation for the year	-	-	-	-
As at March 31, 2021	**8 43 200**	**5 40 410**	**10 47 341**	**24 30 951**
Depreciation for the year	-	-	-	-
As at March 31, 2022	**8 43 200**	**5 40 410**	**10 47 341**	**24 30 951**
Net carrying value				
As at March 31, 2021	-	27 562	55 123	82 685
As at March 31, 2022	**-**	**27 562**	**55 123**	**82 685**

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2022

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
2.02 Cash and Cash Equivalents		
Balance with Banks	**4 87 668**	4 87 668
	4 87 668	4 87 668
2.03 Other Current Assets (Unsecured)		
Advances and Receivables		
Other Receivable		
Considered Good	**-**	**-**
Considered Doubtful	**-**	-
Less: Provision for doubtful debts	**-**	-
	-	-

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2022

2.04 Equity Share Capital

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
Authorised		
2 50 00 000 (2 50 00 000) Equity Shares of ₹ 10 each	**25 00 00 000**	25 00 00 000
2 50 00 000 (2 50 00 000) Unclassified Share of ₹ 10 each	**25 00 00 000**	25 00 00 000
	50 00 00 000	50 00 00 000
Issued, Subscribed and Paid up		
10 000 (10 000) Equity Shares of ₹ 10 each fully paid up	**1 00 000**	1 00 000
	1 00 000	1 00 000

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, 2022**		As at March 31, 2021	
	No. of Shares	**%**	No. of Shares	%
Reliance Communication Infrastructure Limited	**10 000**	**100**	10 000	100
	10 000	**100**	10 000	100

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%
	10 000	**100%**	10 000	100%

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.

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
2.05 Other Equity		
Surplus / (Deficit) in the Statement of Profit and Loss		
Opening Balance	**(101 28 61 610)**	(101 28 23 290)
Add: Profit/(Loss) for the year	**(91 600)**	(38 320)
Balance as at March 31, 2022	**(101 29 53 210)**	(101 28 61 610)
2.06 Other Current Liabilities		
Provision for Expenses	**1 48 175**	1 34 015
Other Payables (Related Party Refer Note 2.12)	**100 14 89 430**	100 14 11 990
Other Payables	**1 17 85 958**	1 17 85 958
	101 34 23 563	101 33 31 963

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2022

Other Income (Amount in ₹)

Particulars	For the year ended March 31, 2022	For the year ended 'March 31, 2021
Interest Income	**-**	-
	-	-

2.07 General Adinistration Expenses

Particulars	For the year ended March 31, 2022	For the year ended 'March 31, 2021
Other General and Administrative Expenses	**7 080**	14 160
Sitting Fees	**70 000**	10 000
Interest on TDS	**360**	-
Payment to Auditors	**14 160**	14 160
	91 600	38 320

Note 2.08

Previous Year

The figures for the previous year have been regrouped and reclassified, wherever required. Amount in financial statements are presented in Rupee, except as otherwise stated.

Note : 2.09

Deferred Tax Asset

Significant management judgement considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

The Company also has unused capital gain tax losses and Timing difference on depreciation of fixed assets, which according to the management will be used to setoff taxable profit arising in subsequent years. However, the Company on a conservative basis has restricted Deferred Tax Assets to Nil. The details are as under:

(Amount in ₹)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Timing difference on depreciation of fixed assets	**52 868**	52 868
Capital gain Losses	**9 129**	9 129
	61 997	61 997

Note : 2.10

Going Concern

The Accounts have been prepared on a 'Going concern basis' as the Company has been able to meet its obligations in the ordinary course of business and considering the assurance of the financial support extended by the other body corporate.

Note : 2.11

Related Parties

As per Ind AS- 24, issued by the Institute of Chartered Accountants of India, the disclosures of transaction with the related parties as defined in the Accounting Standard are given below:

a) Name of the Related Party	Relationship
i)Reliance Communications Limited	Ultimate Holding Company
ii)Reliance Communications Infrastructure Limited	Holding Company
iIi)Globalcom IDC Limited	Holding Company

Transaction with the related parties :- (Amount in ₹)

Nature of Transactions	Holding Company	Total
Other Payable		
Balance as at April 1, 2021	**100 14 11 990** (100 13 94 910)	**100 14 11 990** (100 13 94 910)
Taken during the year	**77 440** (17 080)	**77 440** (17 080)
Repayment/Adjustment	**-** ( )	**-** ( )
Balance as at March 31, 2022	**100 14 89 430** (100 14 11 990)	**100 14 89 430** (100 14 11 990)

Worldtel Tamilnadu Private Limited

Notes on accounts to Financial Statements as at March 31, 2022

Note : 2.12

Earning per share	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Numerator - Profit /(Loss) after tax (₹)	**(91 600)**	(38 320)
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 (₹)	**(9)**	(4)

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:

Particulars	**As at March 31, 2022**	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**4 87 668**	**4 87 668**
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:	**Nil**	Nil
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 **Financial Risk Management Objectives and Policies**

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company does not have any contractual maturities of financial liabilities.

Note : 2.14

Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 - 'Operating

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	2021-22	2020-21	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	0.0005	0.0005	0.00%

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, 2022 are approved by the Board of Directors on May 25, 2022.

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 25, 2022

For and on behalf of the Board

Arvind Purohit }
DIN:08349713 }
} **Directors**
Vinay Soni }
DIN: 08567944 }

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, 2022, 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, 2022, 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.

lf, 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 doso.

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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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, 2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJQWCZ4770

Place: Mumbai
Date: 25/05/2022

Towercom Infrastructure Private Limited
Annexure A to Independent Auditor's Report – 31st March 2022

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, 2022, we report the following:
We report that

i). (a) The company does not have fixed assets as on 31st March 2021. Accordingly paragraphs 1(a),(b) and (c) of the orders are not applicable to the company.

(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,2022 for a period of more than six months from the date they became payable.

- 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.

(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: 22130514AJQWCZ4770

Place: Mumbai
Date: 25/05/2022

Annexure B to Independent Auditor’s Report – 31st March 2022 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 consols over financial reporting of **Towercom Infrastructure Private Limited** (’the Company') as of March 31, **2022** 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 Resposibi1ity

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 2022 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 dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

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 maydeteriorate.

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: 22130514AJQWCZ4770

Place: Mumbai
Date: 25/05/2022

Towercom Infrastructure Private Limited
Balance Sheet as at March 31, 2022

(₹ in thousands)

Particulars	Note No.		As at March 31, 2022		As at March 31, 2021
ASSETS					
Non Current assets					
(a) Income Tax Assets			**-**		-
(b) Mat Credit			**43**		43
Current assets					
(a) Financial assets					
(i) Cash and cash equivalents	**2.01**	**1,178**		1,178	
(b) Other current assets	**2.02**	**412**		337	
Total current assets			**1,590**		1,516
Total Assets			**1,633**		1,559
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	**2.03**	**100**		100	
(b) Other equity	**2.04**	**(92)**		(124)	
Total equity			**8**		(24)
Liabilities					
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	**2.05**	**1,542**		1,514	
(ii) Trade payables	**2.06**	**83**		60	
(b) Other current liabilities	**2.07**	**-**		9	
Total current liabilities			**1,625**		1,583
Total Equity and Liabilities			**1,633**		1,559

Significant Accounting policies **1**
Notes on Accounts **2**
The Notes referred above form an integral part of the Financial Statements

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

Arvind Purohit
Director
DIN
8349713

Sandeep Garg
Director
DIN
9513285

Place : Mumbai
Dated : May 25, 2022

Towercom Infrastructure Private Limited
Statement of Profit and Loss for the year ended March 31, 2022

(₹ in thousands)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Other Income			
Interest	**2.08**	**83**	118
		83	118
EXPENSES			
Other expenses	**2.09**	**23**	27
Total expenses		**23**	27
Profit/ (Loss) before Tax		**60**	91
Tax Expenses			
Current Tax		**(28)**	(39)
Add : MAT Credit		**-**	25
Profit/ (Loss) after Tax		**32**	77
Other comprehensive Income /(Loss)		**-**	-
Total comprehensive loss		**32**	77
Earning per share	**2.12**		
Basic (₹)		3.23	7.65
Diluted (₹)		3.23	7.65
Significant Accounting policies	**1**		
Notes on Accounts	**2**		

The Notes referred above form an integral part of the Financial Statements

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

Arvind Purohit
Director
DIN
8349713

Sandeep Garg
Director
DIN
9513285

Place : Mumbai
Dated : May 25, 2022

Towercom Infrastructure Private Limited
Statement of changes in equity for the year ended March 31, 2022

(a) Equity Share Capital

(₹ in thousands)

Particulars	Note No.	For the year ended March 31, 2022	For the year year March 31, 2021
Balance at the beginning of the year		**100**	100
Change in equity share capital during the year	**2.03**	**-**	-
Balance at the end of the year		**100**	100

(b) Other Equity

Particulars	Note No.	Attributable to the Equity Holders Reserves & Surplus Retained Earnings	
Balance at the beginning of the year		**(124)**	(201)
Deficit of Statement of Profit and Loss	**2.04**	**32**	77
Balance at the end of the year		**(92)**	(124)

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

Arvind Purohit	**Sandeep Garg**
Director	**Director**
DIN	DIN
8349713	9513285

Place : Mumbai
Dated : May 25, 2022

Towercom Infrastructure Private Limited
Statement of cash flows for the year ended March 31, 2022

(₹ in thousands)

		For the year ended March 31, 2022		For the year ended March 31, 2021
A: CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before tax as per Statement of Profit and Loss		**60**		91
Adjustments for:				
Receivables and other Assets	**(74)**		(134)	
Trade payables	**23**		(1)	
Other current liabilities	**(9)**	**(60)**	9	(126)
Income Tax Paid		(28)		(15)
Net cash used in operations		**(28)**		(50)
B: CASH FLOW FROM INVESTING ACTIVITIES:		**-**		-
Net cash generated/ (Used in) Investing Activities		-		-
C: CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of equity share capital		**-**		-
Proceed from Loan		**28**		24
Net cash generated from financing activities		**28**		24
Net increase in cash and cash equivalents [A+B+C]		**-**		(26)
Opening balance of cash and cash equivalents		**1,178**		1,204
Closing balance of cash and cash equivalents [Note 2.01]		**1,178**		1,178

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

Arvind Purohit
Director
DIN
8349713

Sandeep Garg
Director
DIN
9513285

Place : Mumbai
Dated : May 25, 2022

Towercom Infrastructure Private Limited
Significant Accounting Policies to the Financial Statements

Note 1 General Information and Significant Accounting Policies

1.01 General Information

Towercom Infrastructure Private Limited ("the Company"), is a subsidiary of Reliance Communications Limited ("RCOM" or " the Holding Company"). The Company is registered under the Companies Act, 2013, having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Ultimate Holding Company is Reliance Innoventures Private limited. The Company is a private limited company and is domiciled in India. The Company is incorporated on November 17, 2016. The Company is setup to carry on the business of running telecommunication tower infrastructure.

1.02 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention , in accordance with the generally accepted accounting principals (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rule 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other other provisions of the Act, to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

(b) Standard issued but not yet effective:

In March 2018, the Ministry of Corporate Affairs (the MCA), Government of India (GoI) notified Ind AS 115 ‘Revenue from Contracts with Customers’. The standard is applicable to the Company with effect from April 1, 2018.

Ind AS 115: Revenue from Contracts with Customers

Ind AS 115 proposes a change from the age-old transfer of ‘Risk And Rewards’ to a ‘Control’ model. Under Ind AS 115, revenue is recognised when control over goods or services is transferred to a customer, which under current GAAP is based on the transfer of risks and rewards. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

The entities will have to determine whether revenue should be recognised ‘over time’ or ‘at a point in time’. As a result, it will be required to determine whether control is transferred over time. If not, only then revenue will be recognised at a point in time, or else over time. Ind AS 115 focuses heavily on what the customer expects from a supplier under a contract. Companies will have to necessarily determine if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration will then be allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. This could result in earlier recognition of revenue compared to current practice – especially impacting industries where revenue is presently not recorded until all contingencies are resolved. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and interestingly in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense. This may impact entities having significant advance or deferred collection arrangements e.g. real estate infrastructure, EPC, It Services etc.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Current vis-à-vis non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Recent accounting pronouncements

Standards issued but not yet effective

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements.

1.03 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees ("Rupees" or "₹") which is functional currency of the Company.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.
The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

1.05 Revenue Recognition

(i) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

1.06 Taxes on Income and Deferred Tax

Provision for income tax is made on the basis of taxable income for the year at the current rates. Tax expense comprises of current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents amount of Income Tax payable/ recoverable in respect of taxable income/ loss for the reporting period. Deferred tax represents the effect of temporary difference between carrying amount of assets and liabilities in the financial statement and the corressponding tax base used in the computation of taxable income. Deferred tax liabilities are generally accounted for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which such deductible temporary differences can be utilised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

1.07 Earning per Share

In determining Earning per Share, the Company considers the net profit after tax and includes the post tax effect of any exceptional item. Number of shares used in computing basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average shares considered for deriving Basic Earning per Share and also the weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares unless the results would be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.08 Measurement of Fair value of financial instruments

The Company’s accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.

1.09 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) Subsequent measurement

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Financial Assets measured at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

Asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial Assets measured at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met: a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met: a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the contractual cash flows of the assets represent SPPI: Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit or loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Derecognition of Financial Assets

A financial asset is primarily derecognised when: a) Rights to receive cash flows from the asset have expired, or b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either(a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described herein:

Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial Libilities measured at amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Towercom Infrastructure Private Limited (₹ in thousands)

	As at March 31, 2022	As at March 31, 2021
Note 2.01		
Cash and cash equivalents		
Fixed Deposit With Bank	**1,175**	1,175
Balance with bank in current account	**3**	3
	1,178	1,178
Note 2.02		
Other current assets		
Interest Accrued	**370**	295
CENVAT credit of service tax	**35**	35
Advance to Vendor	**7**	7
	412	337
Note 2.03		
Equity Share capital		
Authorised share capital		
50,000 Equity shares of ₹ 10 each	**500**	500
	500	500
Issued, subscribed and fully paid up		
10,000 Equity shares of ₹ 10 each fully paid up	**100**	100
	100	100

2.03.01 Shares held by Holding Company and its subsidiary:

Equity shares	**No. of shares**	No. of shares
Reliance Communications Limited (Holding company)	**9,500**	9,500
Reliance Infratel Limited (Fellow subsidiary)	**500**	500

2.03.02 Details of shareholders holding more than 5% shares in the Company:

Equity shares	**No. of shares**	**%**	No. of shares	%
Reliance Communications Limited	**9,500**	**95**	9,500	95
Reliance Infratel Limited	**500**	**5**	500	5

2.03.03 Reconciliation of shares outstanding at the beginning and at the end of reporting period:

Equity shares	**No. of Shares**	No. of Shares
At the beginning of the year	**10,000**	10,000.00
Add / (Less) : Change during the year	**-**	-
Outstanding at the end of the year	**10,000**	10,000

2.03.04 Terms/ rights attached to the shares

Equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Towercom Infrastructure Private Limited
Notes to the financial statements as of and for the year ended March 31, 2022

(₹ in thousands)

	As at March 31, 2022	As at March 31, 2021
Note 2.04		
Other equity		
Deficit in retained earnings		
Opening balance	**(124)**	(201)
Add: Profit during the year	**32**	77
Closing balance	**(92)**	(124)

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	**1,542**	1,514
	1,542	1,514
Note 2.06		
Trade payables		
Due to other than Micro and small companies	**83**	60
	83	60
Note 2.07		
Other current liabilities		
Provision for tax (Net of Advance Tax) ₹ 432	**-**	9
	-	9
Note 2.08		
Other Income		
Interest	**83**	118
	83	118
Note 2.09		
Other expenses		
Auditors' remuneration (Refer Note 2.13)	**15**	15
Director's Sitting Fees	**-**	9
Professional Fee	**8**	-
Bank charges	**-**	3
	23	27

Note : 2.10
Previous year
Figures of the previous year have been regrouped and reclassified, wherever required.

Note : 2.11
Capital Risk management
The Company's objective when managing capital are to:
— safeguard their ability to continue as a going concern, so that it can optimise the return to
— maintain an optimal capital structure to reduce the cost of capital.
Capital of the Company for the purpose of capital management, include issued equity capital and reserve atributable to the equity holders of the Company.

Note 2.12

Earnings per Share (EPS)		**For the year ended March 31, 2022**	For the year ended March 31, 2021
Basic and Diluted EPS			
(a)	Loss attributable to equity shareholders (₹ in thousands) (used as numerator for calculating Basic EPS)	**32.27**	76.50
(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 (₹)	**3.23**	7.65
(e)	Diluted Earnings per Share of ₹ 10 each (₹)	**3.23**	7.65
(f)	Nominal value of an equity shares (₹)	**10**	10

Note 2.13

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 2.14

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	Key Managerial Persons
(v)	Shri Sandeep Garg - Director	Key Managerial Persons

B. List of other related parties where there have been transactions

(i)	Reliance Infratel Limited	Fellow Subsidiary
(i)	Reliance IDC 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, 2021	**95**	**5**	**100**
		(95)	*(5)*	*(100)*
	Allotted during the year	**-**	**-**	**-**
		-	-	-
	Balance as at March 31, 2022	**95**	**5**	**100**
		(95)	*(5)*	*(100)*
2	**Loans**			
	Balance as at April 1, 2021	**234**	**1,280**	**1,514**
		(234)	*(1,280)*	*(1,514)*
	Taken During the year	**-**	**28**	**28**
		-	-	-
	Repaid During the year	**-**	**-**	**-**
		(-)	*(-)*	*(-)*
	Balance as at March 31, 2022	**234**	**1,308**	**1,542**
		(234)	*(1,280)*	*(1,514)*

Note : 2.15
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 : 2.16
Financial Instruments by category

(₹ in thousands)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets:	**Amortised Cost**	Amortised Cost
Cash and cash equivalents	**1,178**	1,178
Total financial assets	**1,178**	1,204
Financial liabilities:		
Trade payables	**83**	60
Borrowings	**1,542**	1,514
Total financial liabilities	**1,625**	1,574

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 : 2.17
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 : 2.18
Accounting Ratios

Sr.	Name of the Ratio	Numerator	Denominator	2021-22	2020-21	% Variance #
1.	Current Ratio (in times)	Current Assets	Current Liabilities	0.98	0.96	2.08%

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.

There is no significant change (i.e. more then 25%) in the above mentioned ratios during the year in comparison to Previous year.

Note : 2.19
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: 2.20
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: 2.21
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 : 2.22

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 : 2.23

Authorisation of financial statements

The financial statements for the year ended 31st March, 2022 were approved by the Board of Directors on May 25, 2022.

For Priti V Mehta & Co		**For and on behalf of the Board**
Chartered Accountants		
Firm Registration No 129568W		
Priti V Mehta	**Arvind Purohit**	**Sandeep Garg**
Proprietor	**Director**	**Director**
Membership No. 130514	DIN 8349713	DIN 9513285

Place : Mumbai

Dated : May 25, 2022

Independent Auditor's Report

To the Members of Reliance Realty Limited

Report on the Audit of the financial statements

Qualified Opinion

We have audited the financial statements of **Reliance Realty Limited** ("the Company"), which comprise the balance sheet as at March 31, 2022, the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules,2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022and changes in equity and its profit(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. 2.36of the financial statements, regarding pending comprehensive review of carrying amount of all assets including investment in subsidiary& liabilities and non provision for impairment of carrying value of assets and write back of liabilities if any, due to pending completion of the corporate insolvency resolution process of Holding Company. In the absence of comprehensive review as mentioned above for the carrying value of all the assets and liabilities, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported profitfor the year ended March 31, 2022. Non determination of fair value of financial assets & liabilities and carrying amount for other assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments", Ind AS 37 "Provisions, Contingent Liabilities & Contingent Assets"&Ind AS 36 "Impairment of Assets".

b) We draw attention to Note no.2.41of the financial statements, regarding losses incurred by the Company during theearlier years resulting in erosion of its networth and its current liabilities exceeding its current assets. Further, majorcustomersof the Company aretheir own group companies including its holding Company which are under Corporate Insolvency Resolution Process.This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The accounts however havebeen prepared by the management on a going concern basis for the reason stated in the aforesaid note. We however are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the financial statements, in view of ongoing Corporate Insolvency Resolution Process of Holding Company, the outcome of which cannot be presently ascertained.

c) We draw attention to Note No. 2.09of the financial statements, regarding payment of an amount of Rs. 320.67Crore to related parties during earlier year, for which terms are not yet finalised. Further, no interest has beencharged by the Company in respect of this payment.Pending finalisation of terms as on reporting date, we are unable to comment that whether any adjustment is required in the carrying amount of such receivable and consequential impact, if any, on the reported profits for the year ended March 31, 2022.

d) We draw attention to Note No. 2.35of the financial statements, regarding the Capital advance paid to a related party of Rs. 25.45 Crore during earlier year. The Company has received the invoices but due to technical and financial evaluation pendency, these invoices are not accounted in the books of account. Pending technical and financial evaluation as on reporting date, we are unable to comment on the consequential impact if any, on the financial statements of the Company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

Emphasis of Matter Paragraph

We draw attention toNote no. 2.34of the financial statements, regarding advance received by the Company from STT Global Data Centre India Pvt Ltd (STT) in earlier year against agreement entered into by the Company to transfer leasehold right, title and interest of land admeasuring 34,873 sq. mts forming part of the larger land located at DAKC (Larger Land) along with building thereupon and substation to be constructed on the land, for which necessary approval couldn't be obtained by the Company till the last extension for completion of condition precedent. STT has invoked arbitration proceedings against the Company in accordance with the terms of an Agreement.

Our opinion is not modified in respect of the above matter.

Information Other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon adopted on the same date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors/ Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting record, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 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 Rule 7 of theCompanies (Indian Accounting Standards) Rules, 2015 as amended, except requirement of Ind AS 109 “Financial Instruments”, Ind AS 36 “Impairment of Assets”, Ind AS 37 “Provisions, Contingent Liabilities and Contingent Assets”, with regard to matters described in the Basis of Qualified Opinion paragraph above.

(e) The matter described under the basis for qualified opinion paragraph above and Qualified Opinion paragraph of 'Annexure B' to this report in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in financial statements of the Company;

(f) On the basis of the written representations received from the directors as on March 31, 2022taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022from being appointed as a director in terms of Section 164 (2) of the Act.

(g) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

(i) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration has been paid/provided in accordance with the requisite approval by shareholders as mandated by the provisions of section 197 read with schedule V of the Act.

(j) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 2.28ofthe financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which arerequired 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.

For **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm's Registration No:107783W/W100593

Jigar T. Shah
Partner
Membership No: 119303
UDIN: 22161851ANJULR7187

Date: May 27, 2022
Place: Mumbai

Reliance Realty Limited

‘Annexure A’ to the Independent Auditor’s Report –March 31,2022

With reference to the Annexure A referred to in the Independent Auditor’s Report to the Members of Reliance Realty Limited ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of investment property.

(B) Based on the records examined by us and information and explanation given to us the Company does not have any intangible assets.

(b) We are informed that the Company physically verifies its assets over a three year period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.

(c) According to the information and explanations given to us and records examined by us, the title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), 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 iimovable property, 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 paragraph3 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, during the year 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.

(e) 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 since March 31, 2019.

(f) 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 lacs)

Particulars	**All Parties**	**Promoters**	**Related Parties**
Aggregate amount of loans/ advances in nature of loans - Repayable on demand (A)			
- Agreement does not specify any terms or period of repayment (B)	2,02,324.66	-	1,50,732.88
Total (A+B)	2,02,324.66	-	1,50,732.88
Percentage of loans/ advances in nature of loans to the total loans	100%	-	74.50%

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 paragraph3 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 paragraph3 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. As informed to us, the Central Government has not prescribed maintenance of cost records under Sub- Section (1) of section 148 of the Act. Accordingly clause (vi) of paragraph 3 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, 2022 for a period of more than six months from the date they became payable are as under.

Name of Statute	**Nature of Dues**	**Amount (Rs.)**	**Period to which the amount relates**	**Due Date**	**Date of Payment**
The Maharashtra Value Added Tax Act, 2002	Works Contract Tax Payable	1,68,667	F.Y. 2016-17	Various Dates	Yet to be paid
Income Tax Act, 1961	TaxCollection at Source	43,204	Prior to April 2019	Various Dates	Yet to be paid
Profession Tax Act, 1987	Professional Tax	1,83,417	Prior to April 2019	Various Dates	Yet to be paid
Labour Welfare Fund, Maharashtra	Labour Welfare Fund	2,184	Upto September 2021	Various Dates	Yet to be paid

(b) Details of Statutory dues referred to in clause vii (a) above, which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statute	**Nature of Dues**	**Amount (Rs. In lacs)**	**Period to which the amount relates**	**Forum**
Finance Act 1994	Service Tax	2,007.35	October 2014 to June 2017	Commissioner CGST & Central Excise Commissionerate, Belapur

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) The Company has not raised any loans from Financial Institutions or Banks or Government or debenture holders. Hence clause (ix) (a), (b), (c) and (d) of paragraph 3 of the Order is not applicable.

(b) According to the information and explanations given to usand on an overall examination of the financial statements of the Company, 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) ofparagraph 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.

(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) As represented to us by the Management, there are no whistle-blower complaints have been received by the Company during the year.

xii. As the Company is not a Nidhi company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. In our opinion and according to the information and explanations given to us, the Company is not required to conduct internal audit as per Companies Act, 2013. Accordingly, clause (xiv)(a) and (b) of paragraph 3 of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, 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 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 not incurred any cash losses in the current financial year and 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: 119303
UDIN: 22161851ANJULR7187

Date: May 27, 2022
Place: Mumbai

Reliance Realty Limited

'Annexure B' to the Independent Auditor's Report - March 31,2022
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Reliance Realty Limited ('the Company') as of March 31, 2022in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India'. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference tofinancial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at March 31, 2022:

i. Balances of receivables and payables and loans& advances are subject to confirmation. (Refer Note No. 2.36)

ii. In respect of delays in payment of certain statutory dues 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 of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects / possible effects of the material weaknesses described above under Basis for Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference tofinancialstatements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

We have considered material weakness identified and reported above in determining thenature, timing, and extent of audit tests applied in our audit of financial statements of the Company for the year ended March 31, 2022and these material weaknesses has affected our opinion on financial statements of the Company for the year ended March 31, 2022(our audit report dated May 27, 2022), and we have expressed qualified opinion on these financial statements of the Company.

For**Pathak H. D. & Associates LLP**
Chartered Accountants
Firm’s Registration No: 107783W/W100593

Jigar T. Shah
Partner
Membership No: 119303
UDIN: 22161851ANJULR7187

Date: May 27, 2022
Place: Mumbai

Reliance Realty Limited

Balance Sheet as at March 31, 2022

(₹ in Lacs)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non Current Assets			
(a) Investment Property	**2.01**	49 345.09	50 438.09
(b) Financial Assets			
(i) Investment in Subsidiary	**2.02**	5.00	5.00
(c) Other Non Current Assets	**2.03**	27 075.69	25 940.91
(d) Income Tax Assets	**2.04**	796.29	704.18
		77 222.07	77 088.18
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	**2.05**	11 439.01	12 415.94
(ii) Cash and Cash Equivalents	**2.06**	407.26	589.66
(iii) Bank balances other than (ii) above	**2.07**	60.19	60.19
(iv) Loans	**2.08**	1 18 666.34	1 18 666.34
(v) Other Financial Assets	**2.09**	32 126.63	32 118.89
(b) Other Current Assets	**2.10**	278.00	266.54
		1 62 977.43	1 64 117.56
Total Assets		**2 40 199.50**	2 41 205.74
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	**2.11**	500.00	500.00
(b) Other Equity	**2.12**	(27 663.22)	(28 479.17)
		(27 163.22)	(27 979.17)
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**2.13**	45 429.71	46 328.51
(ii) Provisions	**2.14**	7.68	6.94
(iii) Deferred Tax Liabilities (net)	**2.15**	8 593.79	8 605.17
		54 031.18	54 940.62
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**2.16**	2 07 991.55	2 07 788.61
(ii) Trade Payables	**2.17**		
Due to Micro and Small Enterprises		45.71	58.75
Others than Micro and small Enterprises		418.38	984.19
(ii) Other Financial Liabilities	**2.18**	1 348.83	1 774.84
(b) Other Current Liabilities	**2.19**	3 521.41	3 633.23
(c) Provisions	**2.20**	5.66	4.67
		2 13 331.54	2 14 244.29
Total Equity and Liabilities		**2 40 199.50**	2 41 205.74

Significant Accounting Policies	**1**
Notes on Accounts	**2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For **Pathak H.D. & Associates LLP**
Chartered Accountants
(Firm Registration No.107783W/W100593)

Jigar T. Shah
Partner
Membership No. 161851

For and on behalf of the Board

Sandeep Garg
Director
DIN : 09513285

Rakesh Gupta
Director
DIN: 0130829

Arvind Purohit
Company Secretary & Manager
A336624

Place : Mumbai.
Dated : 27.05.2022

Reliance Realty Limited

Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Lacs)

		Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
(a)	Revenue from Operation	**2.21**	8,790.01	9,765.01
(b)	Other Income	**2.22**	1,143.85	693.86
(c)	**Total Income ((a)+(b))**		**9 933.86**	10 458.87
II	**EXPENDITURE**			
(a)	Employee Benefit Expenses	**2.23**	153.50	151.90
(b)	Finance Costs	**2.24**	4,727.90	4,736.49
(b)	Depreciation Expenses	**2.01**	1,093.00	1,094.63
(c)	Other Expenses	**2.25**	2,833.27	3,497.76
(d)	**Total Expenses ((a) to (c))**		**8 807.67**	9 480.78
III	**Profit/ (Loss) before Tax (I(c) - II (d))**		**1 126.19**	978.09
IV	Tax expense:			
(a)	- Current Tax		326.00	-
(b)	- Deferred Tax Charge/ (Credit) (net)	**2.15**	(11.37)	(216.50)
(c)	- Income Tax /(reversal) of earlier year		(1.96)	22.30
(d)	**- Total Tax Expenses**		312.66	(194.20)
V	**Profit/ (Loss) after Tax (III- IV)**		**813.52**	1 172.29
VI	**Other Comprehensive Income**			
	Remeasurement of Gain/ (Loss) of the Defined employee benefit		2.42	2.56
VII	**Total Comprehensive Income for the year (V + VI)**		**815.94**	1 174.85
VIII	**Earning per share of face value of ₹ 10 each fully paid up**	**2.30**		
	Basic (₹)		**16.27**	23.45
	Diluted (₹)		**16.27**	23.45

Significant Accounting Policies	**1**
Notes on Accounts	**2**

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For Pathak H.D. & Associates LLP
Chartered Accountants
(Firm Registration No.107783W/W100593)

Jigar T. Shah
Partner
Membership No. 161851

For and on behalf of the Board

Sandeep Garg
Director
DIN : 09513285

Rakesh Gupta
Director
DIN: 0130829

Arvind Purohit
Company Secretary & Manager
A336624

Place : Mumbai.
Dated : 27.05.2022

Reliance Realty Limited

Statement of Change in Equity for the year ended March 31, 2022

(₹ in Lacs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
A: Equity Share Capital		
Balance at the beginning of the year	500.00	500.00
Change in equity share capital during the year	-	-
Balance at the end of the year	**500.00**	500.00

B: Other Equity (Refer Note 2.12)

(Attributable to Equity Share Holder)	Reserve and Surplus				
Particular	**General Reserve**	**Revaluation Reserve**	**Retained Earnings**	**Other Comprehensive Income**	**Total**
Balance as at March 31, 2021	8 007.48	33 194.55	(69 713.35)	33.15	(28 478.17)
Add (Less) :					
Surplus / (Deficit) of Statement of Profit and Loss	-	-	813.52	-	813.52
Other Comprehensive Income	-	-	-	2.42	2.42
Depreciation on Revaluation	776.73	(776.73)	-	-	-
Balance as at March 31, 2022	**8 784.21**	**32 417.82**	**(68 899.83)**	**35.57**	**(27 662.22)**
Balance as at April 1, 2020	7 230.75	33 971.28	(70 886.13)	30.59	(29 653.51)
Add (Less) :					
Surplus / (Deficit) of Statement of Profit and Loss	-	-	1 172.78	-	1 172.78
Other Comprehensive Income	-	-	-	2.56	2.56
Depreciation on Revaluation	776.73	(776.73)	-	-	-
Balance as at March 31, 2021	8 007.48	33 194.55	(69 713.35)	33.15	(28 478.17)

As per our Report of even date
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Arvind Purohit
Company Secretary & Manager
A336624

Place : Mumbai.
Dated : 27.05.2022

Reliance Realty Limited

Cash Flow Statement for the year ended March 31, 2022

(₹ in Lacs)

			For the year ended March 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax as per statement of Profit and Loss		**1 126.19**		978.09
	Adjusted for:				
	Depreciation	1 093.00		1 094.63	
	Provision for Doubtful Debts	-		572.21	
	Finance Costs	4 727.90		4 736.49	
	Interest Income	(11 43.61)	**4 677.29**	(693.84)	5 709.49
	Operating Profit before Working Capital Changes		**5 803.48**		6 687.58
	Adjusted for:				
	Receivables and other Advances		**971.79**		1 298.90
	Trade Payable & Other Liabilities		**(1 114.46)**		(282.74)
	Cash Generated from Operations		**5 660.81**		7 703.74
	Income Tax Refund		**-**		746.67
	Income Tax Paid		**(416.00)**		(787.75)
	Net Cash from Operating Activities		**5 244.81**		7 662.66
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Loan Given to Body Corporate		**-**		(1 821.35)
	Interest Received		**(5.00)**		49.52
	Investment in Bank Deposits		**-**		(2.91)
	Net Cash Used in Investing Activities		**(5.00)**		(1 774.74)
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Short Term Borrowings		**-**		(169.55)
	Repayment of Borrowings		**(695.86)**		(480.77)
	Interest Paid (net)		**(4 726.35)**		(4 736.67)
	Net Cash from / (Used in) Financing Activities		**(5 422.21)**		(5 386.99)
	Net Increase/ (Decrease) in Cash and Bank Balances		**(182.40)**		4 99.99
	Opening Balance of Cash and Cash Equivalents		**589.66**		89.68
	Effect of Exchange Gain/ (Loss) on Cash and Cash Equivalents		**-**		-
	Closing Balance of Cash and Cash Equivalents		**407.26**		589.66

Note:

(1) Figures in brackets indicate cash outgo.
(2) Cash and Cash Equivalents includes Fixed Deposits with Banks.
(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flow".

As per our Report of even date
For Pathak H.D. & Associates LLP
Chartered Accountants
(Firm Registration No.107783W/W100593)

Jigar T. Shah
Partner
Membership No. 161851

For and on behalf of the Board

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Director
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Director
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Arvind Purohit
Company Secretary & Manager
A336624

Place : Mumbai.
Dated : 27.05.2022

Reliance Realty Limited

Significant Accounting Policies to the Financial Statement

1 General Information and Significant Accounting Policy

1.01 General Information

Reliance Realty Limited (Formerly Reliance Infocomm Infrastructure Limited) (“the Company”), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Limited and engaged in providing infrastructure/ real estate related services.

1.02 Basis of Preparation of Financial Statements

i) The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and compliance with Indian Accounting Standard specified under Section 133 of the Companies Act, 2013 ("the Act") except matters specified in Note 2.36 & 2.41, read with Relevant Rule of the Companies (Indian Accounting Standard) Rules of 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

ii) The Company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

1.03 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees which is presentation and functional currency of the company.

1.04 Investment Property & Property Plant and Equipment

i) Investment Properties are, properties held for rental income and/ or capital appreciation, initially measured at cost including transaction cost and stated at cost net of Input credit / Modvat/ Cenvat, Value Added Tax less accumulated depreciation and amortisation based on Straight Line Method with effect from April 01, 2017 (till March 31,2017 Depreciation provided on written down value method), impairment loss, if any. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company depreciates investment property over 60 years or as per usefil life prescribed as per Schedule II from the date of original purchase. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on valuation performed by qualified and experienced Independent Valuer. Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

ii) Property, Plant and Equipment are stated at cost net of Input credits/ Modvat/ Cenvat, Value Added Tax less accumulated depreciation, amortisation and impairment loss, if any. Subsequent Expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company.

Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

iii) Depreciation is provided on Straight Line Method with effect from April 01, 2017 (till March 31,2017 Depreciation provided on written down value method) Value based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013. except for Interiors, forming part of building where the useful life of asset is estimated as 15 years. Premium on leasehold land is amortised over the remaining life of the lease.

iv) Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

v) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year.

1.05 Revenue Recognition

(i) The Comapny has applied Ind AS 115 "Revenue from Contracts with Customers" w.e.f. April 1, 2018, using the cumulative effect method and therefore comparative information has not been restated and continues to be reported under Ind AS 18.Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

(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 Comapany also determines if there are multiple distinct promises in a contract or a single performance obligation (PO). These promises may be explicit, implicit or based on past customary business practices. The consideration gets allocated to multiple POs and revenue recognised when control over those distinct goods or services is transferred.

The entities may agree to provide goods or services for consideration that varies upon certain future events which may or may not occur. This is variable consideration, a wide term and includes all types of negative and positive adjustments to the revenue. This could result in earlier recognition of revenue compared to current practice – especially impacting industries where revenue is presently not recorded untill all contingencies are resolved. Further, the entities will have to adjust the transaction price for the time value of money. Where the collections from customers are deferred the revenue will be lower than the contract price, and in case of advance collections, the effect will be opposite resulting in revenue exceeding the contract price with the difference accounted as a finance expense.

(iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset's net carrying amount on initial recognition.

1.06 Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised as an expense during the period.

Long term employee benefits

(i) Defined benefit plans

Provident Fund

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Statement of Profit and loss on accrual basis. (Refer Note 2.32)

Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value, mortality rate and the fair value of plan assets is deducted. Mortality rate is based on publicly available mortality table in India.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at present value of the estimated future cash flows. The discount rates used for determining present value of obligation under defined benefit plan, are based on market yields of Government Securities as at the Balance Sheet date.

Remeasurements which comprise of actuarial gain and losses, the return of plan assets (excluding interest) and the effect of asset ceiling (if any, excluding interest) are recognised in OCI.

ii) Other Long term employment benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under the defined benefit plan, are based on the market yields of Government Securities as at the Balance Sheet date.

Remeasurements gain and losses is recognised in the Statement of Profit and Loss in the period in which they arise.

1.07 Inventories

Items of inventories are measured at lower of cost (determined on weighted average basis) or net realisable value.

1.08 Taxes on Income and Deferred Tax

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets up to the commencement of commercial operations.

A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. other borrowing costs are recognised as an expense in the year in which they are incurred.

1.10 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased/ reversed where there has been change in the estimate of recoverable value. The recoverable value is the higher of the asset's net selling price and value in use.

1.11 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.12 Measurement of Fair value of financial instruments

The company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.(Refer Note 2.29)

1.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

i The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

ii In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

iii **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

iv **Subsequent measurement**

Debt instruments: Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Financial Assets measured at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial Assets measured at fair value through other comprehensive income(FVTOCI):

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI: Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit or loss (FVTPL):

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments :

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Also, company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition.

Derecognition of Financial Assets

A financial asset is primarily derecognised when:

I) The rights to receive cash flows from the asset have expired, or

II)The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either(a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables, as permitted by Ind AS 109. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and borrowings: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.14 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The 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.

The areas involving critical estimates or judgements pertain to useful life of property, plant and equipment including Investment Properties (Note 2.01), current tax expense and payable, recognition of deferred tax assets for carried forward tax losses (Note 2.15), impairment of trade receivables and other financial assets (Note 2.05 & 2.09) and measurement of defined benefit obligation (Note 2.32).

Useful life of Property, Plant and Equipment including Investment Property: The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Taxes : The Company provides for tax considering the applicable tax regulations and based on reasonable estimates.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is probable that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer probable to the effect that Company will be able to absorb such credit during the specified period.

Fair value measurement and valuation process: The Company measured at fair value certain financial assets and liabilities for financial reporting purposes.

The models used to determine fair values including estimates / judgements involved are validated and periodically reviewed by the management.

Trade receivables and Other financial assets: The Company follows a ‘simplified approach’ (i.e. based on lifetime Expected Credit Loss (ECL)) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

Defined benefit plans (gratuity benefits) : The Company’s obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.15 Recent Accounting Developments

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022 effective from 1st April,2022 has made amendments to the following Ind AS applicable to the Company:

(i) Ind AS 103 – Business Combination

(ii) Ind AS 109 – Financial Instrument

(iii) Ind AS 16 – Property, Plant and Equipment

(iv) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Amendments to these Ind AS, are not expected to have any significant impact on the financial statements.

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

2.01 Investment Property

(₹ in Lacs)

Particulars	Leasehold Land	Buildings	Electrical Installations	Office Equipment	Furniture and Fixtures	Computer	Vehicles	Total	Capital Work in Progress
Gross carrying value									
As at April 1, 2020	272.82	1 63 648.16	15 328.31	1 842.76	4 330.36	3 366.30	65.26	1 88 853.98	3.89
Additions	-	-	-	3.89	-	-	-	3.89	-
Deductions	-	-	-	-	-	-	-	-	(3.89)
As at April 01, 2021	272.82	1 63 648.16	15 328.31	1 846.65	4 330.36	3 366.30	65.26	1 88 857.87	-
Additions	-	-	-		-	-	-		-
Deductions	-	-	-	-	-	-	-	-	-
As at March 31, 2022	**272.82**	**1 63 648.16**	**15 328.31**	**1 846.65**	**4 330.36**	**3 366.30**	**65.26**	**1 88 857.87**	**-**
Accumulated Depreciation									
As at April 1, 2020	69.52	1 13 444.19	14 483.95	1 787.68	4 113.70	3 364.11	62.00	1 37 325.16	-
Depreciation for the year	3.27	1 072.02	15.15	1.97	2.23	.00	.00	1 094.63	-
As at April 01, 2021	72.79	1 14 516.21	14 499.10	1 789.65	4 115.93	3 364.11	62.00	1 38 419.79	-
Depreciation for the year	3.27	1 072.02	15.15	1.78	.78	-	-	1 093.00	-
As at March 31, 2022	**76.06**	**1 15 588.23**	**14 514.25**	**1 791.43**	**4 116.71**	**3 364.11**	**62.00**	**1 39 512.79**	**-**
Net Carrying Value									
As at April 01, 2021	200.03	49 131.95	829.21	57.01	214.43	2.19	3.26	50 438.09	
As at March 31, 2022	**196.76**	**48 059.93**	**814.06**	**55.22**	**213.65**	**2.19**	**3.26**	49 345.09	

2.01.01

Gross Block of Electrical installations includes ₹ 265.59 Lacs (previous year ₹ 265.59) towards Metering equipment's which are under custody and control of Maharashtra State Electricity Board.

Information regarding income and expenditure of Investment property

	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental income derived from investment properties	8 790.01	9 765.01
Direct operating expenses (including repairs and maintenance) generating rental income	1 769.97	1 891.59
Direct operating expenses (including repairs and maintenance) that did not generate rental income	443.06	406.71

The fair value of investment property is Rs 6,284 crore considering realization value based on valuation report obtained in F.Y.2016-17 and in the earlier year the fair value was Rs 12,164 crore considering development basis valuation.

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

		As at March 31, 2022	(₹ in Lacs) As at March 31, 2021
2.02 Investments in Subsidiaries			
(valued at cost unless stated otherwise)			
In Equity Shares of Wholly Owned Subsidiary Companies			
Unquoted, fully paid up			
50 000	Reliance Infra Projects Limited of ₹ 10 each	5.00	5.00
(50 000)	(Refer Note 2.40)		
In Equity Shares of Companies			
Unquoted, fully paid up			
1 80 19 900	Reliance Telecom Limited of ₹ 10 each	1 748.83	1 748.83
(1 80 19 900)	Less: Provision for Impairment (Refer Note 2.40)	(1 748.83)	(1 748.83)
		-	-
		5.00	5.00

2.03 Other Non Current Assets

	As at March 31, 2022	As at March 31, 2021
Capital Advances (Refer Note 2.35 & 2.41)	2 545.27	2 545.27
Electricity and other deposits (Refer Note 2.28)	24 530.42	23 395.64
	27 075.69	25 940.91

2.04 Income Tax Assets

	As at March 31, 2022	As at March 31, 2021
Advance taxes and Tax deducted at source (Net) (Refer Note 2.36)	796.29	704.18
	796.29	704.18

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

(₹ in Lacs)

	As at March 31, 2022	As at March 31, 2021
2.05 Trade Receivables (Unsecured) (Refer Note 2.40)		
(Unsecured, Considered goods / unless stated otherwise)		
Considered Good	11 439.01	12 415.94
Credit Impaired	4 849.33	4 352.82
	16 288.34	16 768.76
Less: Provision for Credit Impaired	4 849.33	4 352.82
	11 439.01	12 415.94

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, 2022						
(i)	Undisputed Trade receivables considered good	2 692.68	1.65	5 499.87	6.14	1 296.17	9 496.51
(ii)	Undisputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - Credit Impaired	496.51	-	307.39	0.00	3 779.99	4 583.89
(iv)	Disputed Trade receivables considered good	-	-	906.93	161.66	873.91	1 942.50
(v)	Disputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade receivables - Credit Impaired	-	-	264.82	-	0.62	265.44
	Total - A	**3 189.19**	**1.65**	**6 979.01**	**167.80**	**5 950.69**	**16 288.34**
	Provision for allowance of credit impaired (B)	- 496.51	-	- 572.21	-	- 3 780.61	- 4 849.33
	Total - A + B	**2 692.68**	**1.65**	**6 406.81**	**167.80**	**2 170.08**	**11 439.01**
	As at March 31, 2021						
(i)	Undisputed Trade receivables considered good	6.42	8 136.96	6.98	1 607.88	677.46	10 435.71
(ii)	Undisputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - Credit Impaired	-	423.05	261.29	58.50	2 462.72	3 205.57
(iv)	Disputed Trade receivables considered good	742.70	190.77	164.34	18.49	863.94	1 980.24
(v)	Disputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade receivables - Credit Impaired	-	264.82	-	882.23	0.20	1 147.25
	Total - A	749.12	9 015.60	432.62	2 567.10	4 004.32	16 768.76
	Provision for allowance of credit impaired (B)	-	- 687.87	- 261.29	- 940.74	- 2 462.92	- 4 352.82
	Total - A + B	749.12	8 327.73	171.32	1 626.37	1 541.40	12 415.94

	As at March 31, 2022	As at March 31, 2021
2.06 Cash and Cash Equivalents		
Balances with Banks	388.73	571.13
Bank Deposit with less than 3 months maturity	18.53	18.53
	407.26	589.66
2.07 Bank Balances other than Cash and Cash Equivalents referred in Note 2.06 above		
Bank Deposit with Maturity for Less than 12 months	60.19	60.19
	60.19	60.19

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

	As at March 31, 2022	As at March 31, 2021
		(₹ in Lacs)
2.08 Loans		
(Unsecured, Considered goods / unless stated otherwise)		
Loans to Related party		
Considered Good	1 18 666.34	1 18 666.34
Credit Impaired	51 591.79	52 088.30
	1 70 258.13	1 70 754.64
Less: Provision for Credit Impaired Loans	51 591.79	52 088.30
(Refer Note 2.36 & 2.40)	**1 18 666.34**	1 18 666.34

2.09 Other Financial Assets

(Unsecured, Considered good - unless stated otherwise)

Excess payment towards Gratuity	46.51	44.00
Other Receivable *(Refer Note 2.39 & 2.40)	32 066.53	32 066.53
Interest accrued on Fixed Deposit	13.59	8.36
	32 126.63	32,118.89

* The Company has paid to two fellow subsidiaries during earlier year for which terms were yet to be finanlised, accordingly no interest is charged on these recievables.

2.10 Other Current Assets

(Unsecured, Considered good -unless stated otherwise)

Advance to vendor and Others	264.13	266.43
Credit Impaired Advances	107.54	107.54
	371.67	373.97
Less: Credit Impaired advances	107.54	107.54
	264.13	266.43
Others		
Prepaid expenses	13.69	0.11
Advance to Employees	0.18	-
	278.00	266.54

(₹ in Lacs)

	As at March 31, 2022	As at March 31, 2021
2.11 Share Capital		
Authorised		
50 00 000 Equity Shares of ₹ 10 each (50 00 000)	500.00	500.00
50 00 000 7.5% Redeemable Non Cumulative Non Convertible Preference Shares of ₹ 10 each (50 00 000)	500.00	500.00
	1 000.00	1 000.00
Equity Shares Capital		
Issued, Subscribed and Paid up		
50 00 000 Equity Shares of ₹ 10 each fully paid up (50 00 000)	500.00	500.00
	500.00	500.00

2.11.1 Share held by Holding/Promoter Company

	No. of shares	% of Total shares	% Change during the year
Reliance Communications Limited, and its Nominee	50 00 000	100%	Nil

2.11.2 Details of Share Holders Holding more than 5% Shares in the company

Reliance Communications Limited, and its Nominee	50 00 000	100%	Nil

2.11.3 Type of Equity Share

The Company has only one class of Equity Share having at par value of ₹10 per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their shareholdings.

2.11.4 Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Equity Shares	**As at March 31,2022**		As at March 31,2021	
	No. of shares	**Amount (₹ in Lacs)**	No. of shares	Amount (₹ in Lacs)
At the beginning of the year	50 00 000	500.00	50 00 000	500.00
Add / (Less) : Changes during the year	-		-	
At the end of the year	**50 00 000**	**500.00**	50 00 000	**500.00**

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

		(₹ in Lacs)
	As at March 31, 2022	As at March 31, 2021
2.12 Other Equity		
Reserves and Surplus		
General Reserve		
Opening Balance	8 007.48	7 230.75
Add : Transferred from Revaluation Reserve	776.73	776.73
(To the extent depreciation on revaluation)	**8 784.21**	8 007.48
Revaluation Reserve		
Opening Balance	33 194.55	33 971.28
Less: Transferred to statement of Profit and Loss on account of Depreciation on revaluation surplus (Refer note 2.12.01)	776.73	776.73
	32 417.82	33 194.55
Surplus / (Deficit) in the statement of Profit and Loss		
Opening Balance	(69 714.35)	(70 886.13)
Add : Profit (Loss) for the year	813.52	1 171.78
	(68 900.83)	(69 714.35)
Other Comprehensive Income		
Opening Balance	33.15	30.59
Add : Additions during the year (net of taxes)	2.42	2.56
	35.57	33.15
Balance Carried forward	**(27 663.22)**	(28 479.17)

2.12.01 In earlier year, the Company has revalued Buildings situated at Dhirubhai Ambani Knowledge City, Navi Mumbai as at 1st April 2006 by an amount of ₹ 1007.92 crore and an equivalent amount has been credited to Revaluation Reserve. Consequent to the revaluation, there is an additional charge of depreciation of ₹ 776.73 Lacs (Previous year ₹ 776.73 Lacs) for the year and an equivalent amount has been withdrawn from Revaluation Reserve and credited to the General Reserve.

2.13 Borrowings		
Loan from Body Corporate (Unsecured) (Refer Note 2.38)	45 429.71	46 328.51
	45 429.71	46 328.51
2.14 Provision		
Long Term Provision		
Provision for Employee Benefit	7.68	6.94
	7.68	6.94

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

2.15 Deferred Tax Liabilities (Net) (₹ in Lacs)

Particulars	**As at March 31, 2022**	As at March 31, 2021	**For the year ended March 31, 2022**	For the year ended March 31, 2021
(i) Deferred Tax Liabilities				
Related to timing difference on depreciation on fixed assets	**13 345.66**	13 282.03	**63.63**	120.11
(ii) Deferred Tax Assets				
Related to carried forward loss	**1 925.49**	2 320.02	**(394.53)**	444.46
MAT Credit Entitlement	**1 060.97**	654.53	**406.44**	-
Related to other disallowances	**1 765.41**	1 702.32	**63.09**	(107.85)
Net Deferred Tax Liabilities (I-II)	**8 593.79**	8 605.16	**(11.37)**	(216.50)
Deferred Tax Charge/ (Credit)			**(11.37)**	(216.50)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(a) Amounts recognised in profit and loss

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Tax	**326.00**	**-**
Deferred income tax liability / (asset), net including on	**(11.37)**	(216.50)
Earlier year Tax	**(1.96)**	22.30
Tax expense for the year	**312.66**	(194.20)

2.16 (b) Reconciliation of Tax Expenses

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/ (Loss) before Tax	**1 126.19**	978.09
Applicable Tax Rate	**34.94%**	31.20%
Computed Tax Expenses (I)	**393.54**	305.16
Add: Items not considered for Tax Computation		
MAT Credit Entitlement	**(406.44)**	-
For Tax Rate Difference	**(1.97)**	22.30
On Carry forwared losses	**(394.53)**	444.00
On Expenses not allowed/ (allowed) for computing taxable profit	**396.06**	(965.00)
Short /(Excess) provision for the of earlier years	**326.00**	-
Sub total (II)	**(80.88)**	(498.70)
Income Tax Expenses charge/ (credit) to Statement of Profit and Loss (I + II)	**312.66**	(194.20)

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

(₹ in Lacs)

	As at March 31, 2022	As at March 31, 2021
2.16 Borrowings-Current		
Unsecured		
Loan from Holding Company (Refer Note 2.36 & 2.41)	7 650.64	7 650.64
Loan from Body Corporate - (Current Maturity of Long Term Debt) (Refer Note 2.39)	340.91	137.97
50,00,000 7.5% Non Cumulative Non Convertible Preference (50,00,000) Shares of ₹ 10 each (Refer Note 2.16.01)	2 00 000.00	2 00 000.00
	2 07 991.55	**2 07 788.61**

2.16.01 Preference Shares

(a) Details of Shareholders holding more than 5% Preference Shares

Reliance Bhutan Limited, (No. of Shares)	**50 00 000**	50 00 000

(b) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	No. of shares	No. of shares
At the beginning of the year	50.00	50.00
Add / (Less) : Changes during the year	-	-
At the end of the year	**50.00**	50.00

Preference Share are redeemable at any time after the date of allotment (i.e. December 31,2016) and before expire of 20 years from the date of allotment, at 7.5% yield per annum less dividend paid ,if any, at the time of redemption on issue price (Face value plus premium paid at the time of application) by giving 15 days advance notice to the Preference Shareholders, or on expire of 20 years from the date of allotment at the price of ` 4,000 per share (including ₹ 3,990 premium per share), in case above option is not exercised.

2.17 Trade Payable

Due to Micro and Small Enterprises	25.26	58.75
Due to Related Parties (Refer Note 2.40)	20.46	20.46
Others	418.38	963.73
	464.10	1 042.94

2.17.01 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the company, the following disclosures are made for the amounts due to Micro and Small Enterprises.

a. Principal amount due to any supplier as at the year end	26.40	59.39
b. Interest due on the principal amount unpaid at the year end to any supplier	1.31	1.08
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	315.19	334.59
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	1.97	1.72
f. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	3.28	2.80
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	.99	.85

	As at March 31, 2022	As at March 31, 2021
		(₹ in Lacs)
2.18 Other Financial Liabilities		
Provision for Expenses	1 262.61	1 688.70
Other Liabilities (Refer Note 2.36)	86.22	86.14
	1 348.83	1 774.84
2.19 Other Current Liabilities		
Payable to tax authorities (Refer Note 2.36)	335.59	559.04
Deposit received from vendors	42.82	42.82
Other Liabilities*	3 143.00	3 031.37
	3 521.41	3 633.23

* Includes advance received from customers and other payable (Refer Note 2.35)

	As at March 31, 2022	As at March 31, 2021
2.20 Provisions		
Provision for Employee Benefit	5.66	4.67
	5.66	4.67

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

(₹ in Lacs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
2.21 Revenue From Operations		
Service Revenue	8 790.01	9 765.01
	8 790.01	9 765.01
2.22 Other Income		
Interest Income	1 143.61	693.84
Miscellaneous Income	0.24	0.02
	1 143.85	693.86
2.23 Employee Benefit Expenses		
Salaries (Including Managerial Remuneration) (Refer Note 2.40)	133.01	132.17
Contribution to Provident, Gratuity and Superannuation Fund & Others	5.75	5.85
Employee Welfare and Other Amenities	14.74	13.88
	153.50	151.90

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

(₹ in Lacs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
2.24 Finance Costs		
Interest and Other Charges (Net)	4 727.90	4 736.49
	4 727.90	4 736.49
2.25 Other Expenses		
Insurance	179.16	190.38
Rent, Rates & Taxes	263.90	216.33
Electricity Expenses	1 008.12	1 077.84
Repairs and Maintenance	590.01	588.53
Provision for Credit Impaired receivables	-	572.21
Professional Fees	201.76	52.08
Water Charges	119.26	111.45
Postage and Courier	0.20	1.20
Horticulture Expenses	84.14	74.65
Guest House Expenses	85.43	148.20
Catering/Lunch/Canteen Expenses	2.26	2.37
Hire Charges-Contracted Services	-	99.09
Security Expenses	244.58	265.17
Other Miscellaneous Expenses	10.88	29.21
Other General and Administrative Expenses	41.07	66.55
Payment to Auditors		
Audit Fees	2.50	2.50
	2 833.27	3 497.76

Note : 2.26

Previous Year

The figures for the previous year have been regrouped and reclassified, wherever required.
Amount in financial statements are presented in Rupees in Lacs, except as otherwise stated.

Note 2.27

Segment Reporting

The Company is mainly engaged in the business of providing business centre facilities and other income is incidental in nature, hence in the opinion of the management there are no other reportable segments as per Ind As - 108 "Operating Segments".

Note 2.28

Contingent Liabilities and Capital Commitment (as represented by the Management)

i) Maharashtra State Electricity Distribution Co. Limited has served assessment orders, during the month of April 2015, claiming ₹ 1,184.23 crore considering commercial rate of alleged use of power at its premises for the activities other than IT\ITES service as per its registration. Against the said demand the company has paid ₹ 200 crore under protest. The matter is pending before the Bombay High Court and no provision is required.

ii) During the earlier year, the Company has issued, on behalf of Holding Company Reliance Communications Limited, a Corporate Guarantee of ₹ 1,400.00 crore in favor of Department of Telecommunications. TDSAT on the basis of the joint submissions made by the counsels of both RCOM and DoT, vide its order passed on 07.01.2022 disposed off T.P.No. 189/2018. Resultantly TDSAT also orderd that the interim orders and the undertakings passed/given by/ before the Tribunal shall stand merged with this order of dismissal/disposal and shall not survive any further.In view of the above, nothing remains pending and no undertaking/corporate gurantee survives. Matter is closed for all purposes with no order and directions to comply.

The Company has filed a Writ Petition challenging an order passed by Maharashtra State Electricity Distribution Company Limited (MSEDCL) in the purported exercise of its powers under section 126 of the Electricity Act,2003. By the said order MSEDCL has purported to demand a sum of Rs.1184.23 crores for alleged unauthorized use of electricity for the period of 18th March,2009 to19th March, 2015. MSEDCL has filed an Interim Application dated 5th August, 2021, there by stating that, the Company had moved a Civil application in 2015 pursuant to which the ad-interim order directing a deposit of Rs.600 crores stood modified with the Hon'ble Bombay High Court granting two installments of Rs.200 crores and Rs.100 crores aggregating to Rs.300 crores. It is further alleged that, the Company has failed to deposit Rs.100 crores in accordance with the Order dated 20.08.2015 and the Petition and Civil Application were pending for hearing. The matter will be listed for final hearing in due course. Further, RRL or the Company has challenged an Order by which MSEDCL has purported to confirm the provisional assessment done by it and notice issued in this regard under Section 126 of the Electricity Act, 2003 requiring the Company to pay an exorbitant amount of Rs.18.77 crores interalia on the purported ground that it does not have a Registration from the Government of Maharashtra under the relevant IT/ ITES Policy. The matter will be listed in due course.

iii) During the year, Company received service tax notice for ₹ 2,007.35 lakhs(Previous year ₹ Nil) for the period October 2014 to June 2017.

Note 2.29

2.29.1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
Fair value of cash, trade and other short term receivables, trade payables, other current liabilities, short term borrowings approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

(₹ in Lacs)

Particulars	As at March 31 ,2022	As at April 01 ,2021
Financial assets at amortized cost:		
Cash and cash equivalents (Refer Note 2.06)	**407.26**	589.66
Loans (Refer Note 2.08)	**1 18 666.34**	1 18 666.34
Trade receivables (Refer Note 2.05)	**11 439.01**	12 415.94
Bank Balance (Refer Note 2.07)	**60.19**	60.19
Other financial assets (Refer Note 2.03 & 2.09)	**32 126.63**	32 118.89
Total	**1 62 699.43**	1 63 851.02
Financial assets at fair value through Profit and	**Nil**	Nil
Financial assets at fair value through other Comprehensive	**Nil**	Nil
Financial liabilities at amortized cost:		
Trade payables (Refer note 2.17)	**464.09**	1 041.95
Other financial liabilities (Refer Note 2.18)	**1 348.83**	1 912.81
Borrowings (Refer Note 2.13 & 2.16)	**2 53 421.26**	2 53 978.81
Total	**2 55 234.18**	2 56 933.57
Financial liabilities at fair value through Profit and Loss:	**Nil**	Nil
Financial Liabilities at fair value through other Comprehensive Income:	**Nil**	Nil

2.29.2 Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and financial assets includes trade receivables, cash and bank balances, other receivables etc. arises from its operation.

Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising from	Measurement	Managemen t
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Ageing analysis	Diversification of bank deposits, Letters of Credit
Liquidity Risk	Borrowing and other liabilities	Rolling cash flow forecasts	Availability of borrowing facilities
Market risk-foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee	Sensitivity analysis	Unhedged
Market risk - interest rate	Long -term borrowing at variable rates	Sensitivity analysis	Not applicable
Market risk -price risk	Unquoted investment in equity shares of subsidiaries and associates- not exposed to price risk fluctuations	-	-

Market risk

The Company operates in domestic market only and all business transactions are carried out through domestic currencies and therefore the Company is not exposed to foreign exchange risk. Market Risk is the risk that changes in market prices such as foreign exchange rates, interest rates. So Market Risk is not exist in the Company.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to Interest Rate Risk

Interest rate risk of the Company arises from borrowings. The Company adopts a policy of ensuring that maximum of its interest rate risk exposure is at fixed rate. Interest rate profile of interest-bearing financial instruments of the Company is as follows.

The Company's interest-bearing financial instruments are reported as below

(₹ in Lacs)

	As at March 31, 2022	As at March 31, 2021
Fixed Rate Instruments		
Financial Assets	**78.73**	78.73
Financial Liabilities	**2 45 429.71**	2 46 328.51
Variable Rate Instruments		
Financial Assets	**-**	-
Financial Liabilities	**-**	-

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is carrying value of respective financial assets.

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Ageing of Trade Receivable

(₹ in Lacs)

Particulars	As at March 31,2022			As at March 31,2021		
Days	Gross Amount	Credit Impaired	Net Amount	Gross Amount	Credit Impaired	Net Amount
0-90	3 189.19	496.51	2 692.68	749.12	-	749.12
91-181	-	-	-	-	-	-
181-365	1.65	.00	1.65	9 015.60	687.87	8 327.73
Above 365	13 097.50	4 352.82	8 744.68	7 004.04	3 664.95	3 339.09
Total	**16 288.34**	**4 849.33**	**11 439.01**	**16 768.76**	**4 352.82**	**12 415.94**

Movement of Provision for Doubtful	For the year ended March 31,2022	For the year ended March 31,2021
Opening Balance	4,352.82	3,780.61
Add: Provision during the year	496.51	572.21
Less: Write off during the year	-	-
Closing Balance	**4 849.33**	4,352.82

Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Working capital of the company is negative but the company believes that it will be sufficient by obtaining further borrowing to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding.

The table below provides details regarding the contractual maturities, within one year, of significant financial liabilities are as under:

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	**7 650.64**	7 650.64
Trade payables	**464.10**	1 042.94
Other financial liabilities	**1 348.83**	1 912.81

Note 2.30

Earnings per Share (EPS)	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic and Diluted EPS		
(a) Profit attributable to Equity Shareholders (₹ in lacs) (used as numerator for calculating Basic EPS)	**813.52**	1 172.29
(b) Weighted average number of Equity Shares (in lacs) (used as denominator for calculating Basic EPS)	**50.00**	50.00
(c) Profit attributable to Equity Shareholders (₹ in lacs) (used as numerator for calculating Diluted EPS)	**813.52**	1 172.29
(d) Weighted average number of Equity Shares(in lacs) (used as denominator for calculating Diluted EPS)	**50.00**	50.00
(e) Basic Earnings per Share of ₹ 5 each (₹)	**16.27**	23.45
(f) Diluted Earnings per Share of ₹ 5 each (₹)	**16.27**	23.45

Note 2.31

Corporate Social Responsibility (CSR) Expenses

The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since there is no average profit in the last 3 years calculated as per the provisions of the Act.

Note 2.32

Employee Benefits

Gratuity: In accordance with the applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) for all its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employees last drawn salary and for the years of employment with the Company.

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act).The Company is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan vis-a-vis settlements. The management is responsible for the overall governance of the plan. The management have outsourced the investment management of the fund to insurance company which in turn manage these funds as per the mandate provided to them by the trustees and applicable insurance and other regulations.

The Company operates its gratuity and superannuation plans through separate trusts which is administered and managed by the Trustees. As on March 31, 2022 and March 31, 2021, the contributions towards the plans have been invested in Insurer Managed Funds.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular , there is a risk for the Company that any significant change in salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future.

The define benefit plan exposed the Company at actuarial risk such as logentivity risk. interest risk and market (Investment) risk

The following table set out the status of the Gratuity Plan as required under Indian Accounting Standard ("Ind AS") 19 "Employee Benefits".

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Obligation at beginning of the year	**18.81**	18.13
Service cost	**1.90**	1.95
Interest cost	**0.85**	0.91
Actuarial (gain)/ loss -Due to change in Demographic Assumptions	**-**	-
Actuarial (gain)/ loss - Due to Change In Financial Assumptions	**(0.13)**	0.15
Actuarial (gain)/ loss - Due to Experience	**(0.90)**	(1.81)
Benefits paid	**(0.66)**	(0.52)
Obligation at year end	**19.87**	18.81

Defined benefit obligation liability as at the balance sheet is wholly funded by the Company

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(ii) Change in plan assets		
Plan assets at beginning of the year, at fair value	**62.81**	59.43
Actual return on plan assets	**4.24**	3.90
Interest Income Expected Contributions by the Employee	**-**	-
Benefits Paid from the Fund	**(0.66)**	(0.52)
Plan assets at year end, at fair value	**66.39**	62.81
(iii) Reconciliation of present value of the obligation and the fair value of the plan assets		
Fair value of plan assets at the end	**66.39**	62.81
Present value of the defined	**(19.87)**	(18.81)
Asset recognized in the Balance Sheet	**46.51**	44.00
(iv) Expenses Recognized in Statement of Profit or Loss		
Service Cost	**1.90**	1.95
Interest Cost	**(2.00)**	(2.08)
Total	**(0.10)**	(0.13)
(v) Amount Recognized in Other Comprehensive Income		
Actuarial (gain)/ loss for the year on PBO	**(1.03)**	(1.66)
Actuarial (gain)/ loss for the year on Asset	**(1.39)**	(0.90)
Total	**(2.42)**	**(2.56)**
(vi) Experience adjustment		
On Plan Liabilities (Gain)/Loss	**0.90**	1.81
On Plan Assets Gain / (Loss)	**(1.39)**	(0.90)
(vii) Investment details of plan assets		
100% of the plan assets are invested in balanced Fund Instruments		
(viii) Actual return on plan assets	**4.24**	3.90
(ix) Assumptions		
Interest rate	**4.97%**	4.54%
Estimated return on plan assets	**4.97%**	4.54%

(x) Particulars of the amounts for the year and previous years

	Gratuity				
	for the year ended March 31,				
	2022	2021	2020	2019	2018
Present Value of benefit obligation	**19.87**	18.81	18.13	49.93	18.10
Fair value of plan assets	**66.39**	62.81	59.43	66.30	71.86
Excess of (obligation over plan assets) / plan assets over obligation	**(46.51)**	(44.00)	(41.30)	(16.38)	(53.75)

*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) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Amount in ₹)

	As at March 31,2022	As at March 31,2021
Discount rate (+0.50% movement)	**(29 626)**	(29 163)
Discount rate (-0.50% movement)	**30 186**	30 297

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.

(x) Maturity analysis of defined benefit plan (fund)

	As at March 31,2022	As at March 31,2021
1st following year	**8 48 778**	7 84 333
2st following year	**7 12 112**	5 19 408
3st following year	**2 15 438**	2 57 316
4st following year	**1 19 576**	1 54 712
5st following year	**46 229**	49 016
6st following year	**22 879**	26 706
Sum of 6 years and above	**22 312**	21 266

(xi) Provident Fund :Under this scheme, the employee and employer each make monthly contribution to the plan equal to 12% of the covered employee's basic salary. Contributions are made to the trust established by the Company. upto 31.05.2020. from 01.06.2019 the PF deducted of employee is deposited with RPFC as per order received from the PF Commissioner Dated 11.06.2019 PF decucted from the month of June 2019, the employee and employer monthly contribution to the PF equal to 12% of the covered employee's basic salary is deposited with Regional Provident Fund Commissioner (RPFC)

For the year ended March 31,2021, the Company has contributed Rs 2 29 760 towards PF Trust and Rs 4 40 752 towards Provident Fund to RPFC.

The assumption made for the above are discount rate of 5.04%, average remaining tenure of Investment Portfolio is 8 years and guaranteed rate of return is 8.65%

Note 2.33

The Company in the capacity of agent recovers only the actual amount towards electricity consumed by customer and therefore, as legally adviced electricity expenses are shown net of said reimbursements of ₹ 5422.11 Lacs from Globalcom IDC Limited.

Note 2.34

Pursuant to an agreement for assignment entered into between the Company and STT Global Data Centres India Private Limited (STT) in an earlier year for transfer of leasehold right, title and interest of Land admeasuring 34873 sq. mts forming part of the larger land located at DAKC along with building (Larger land) thereupon and substation to be constructed on the land, the Company has received an amount of Rs 26.99 crore from STT which is reflected as Advance Received from Customer under Other Liabilities in the financial statements.

STT invoked arbitration proceedings against the Company in accordance with the terms of the agreement for assignment and filed its Claim before the Arbitral Tribunal seeking claim comprising of Loss of Profit Rs.36.05 crore and Interest at the rate of 18% p.a. to the tune of Rs.14.28 crore and Legal costs incurred by the Claimant.
The cross-examination of the Claimant's Witness has been concluded. Pleadings of both the parties are completed. Oral arguments have been concluded on 18th December, 2021 and the status is reserved.

Note 2.35

During the earlier year, the Company had entered into a Development agreement with Reliance Globalcom Limited (RGL) for completion of Internet Data Centre 5 (IDC 5) building and paid Rs 25.45 crore to RGL for completion of construction of IDC 5 building which has been reflected as Capital Advance under other non current assets in the financial statements pending verification of invoices and of work completion certification .

Note 2.36

On completion of the corporate insolvency resolution process of the Holding Company, the Company will carry out a comprehensive review of all the assets and liabilities and accordingly provide for impairment of assets and write back of liabilities, if any.Consistent with the practice followed in earlier years, interest has not been charged/provided on loans given/availed to/from holding company and fellow subsidiaries company .Receivable and Payable balances are subject to confirmation from the respective parties Further, the Company is in the process of reconciling Goods & Service Tax (GST) and Tax Deducted at source.

Note 2.37

During the earlier year ended March 31, 2019, the Holding Company was in the process of finalising and implementing its asset monetization and debt resolution plan, comprising the Holding Company's real estate development plan and restructuring of Debt. Accordingly as required by the lenders and also to safeguard the development of real estate and the business taken up by RRL, it was felt necessary that control of RRL be conferred on ADA Group

However, in view of the monetization plan having failed and the resumption of the corporate insolvency resolution process of the Holding Company, the control of RRL has now been transferred from ADA Group to the Holding Company. During the earlier year, pursuant to amendment of the Articles of Association in the Extra Ordinary General Meeting of the Company, held on December 10, 2019, the control of the Company was conferred on the Holding Company, with effect from December 10, 2019

Note 2.38

During the earlier year, the Company has entered into a Long Term Lease agreement with a Customer for two buildings named Corporate Head Quarters (CHQ) and Business Head Quarters situated within the complex of Dhirubahi Ambani Knowledge City (DAKC) for the period from July 2019 to March 2041. The said Lease Agreement has been discounted @10% per annuam and received ₹ 461.74 crore. Further, Monthly Lease Rental receivables have been assigned against payment of installment due on discounting.

Note 2.39

During the previous year, the Company had extended loans to Fellow subsidiaries amounting to Rs1168.45 crore for which terms are not decided,accordingly no interest is charged to them

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

Note 2.40 Related Parties

As per Indian Accounting Standard 24, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below :

i) **List of related parties and their relationships :**

1	Reliance Communications Limited	**Holding Company**
2	Reliance Infra Projects Limited	**100% Subsidiary (w.e.f. 23 July 2018)**
3	Reliance Webstore Limited	**Name of the Fellow Subsidiary Companies with whom transactions have taken place**
4	Reliance Communications Infrastructure Limited	
5	Reliance Infratel Limited	
6	Independent TV Limited	
7	Reliance Tech Services Limited	
8	Reliance Telecom Limited	
9	Globalcom IDC Limited	
10	Reliance Bhutan Limited	
11	Reliance Capital Limited	**Enterprise over which promoter of holding control**
12	Reliance General Insurance Company Limited	
13	Reliance Home Finance Limited	
14	Reliance Commodities Limited	
15	Reliance Wealth Management Limited	
16	Reliance Financial Limited	
17	Reliance Money Solutions Private Limited	
18	Reliance Securities Limited	
19	Reliance Infrastructure Limited	
20	Reliance Power Limited	
21	Sasan Power Limited	
22	Vidarbha Industries Power Limited	
23	Rosa Power Supply Company Limited	
24	Reliance Nippon Life Insurance Limited	
25	Reliance Nippon Life Assets Management Limited	
26	Reliance Commercial Finance Limited	
27	Reliance Health Insurance Limited	
28	Reliance Life Insurance Limited	
29	Reliance Defence Limited	
30	Unlimit IOT Private Limited	
31	Reliance Capital Asset Management Company Limited	
32	Reliance Transport & Travels Limited	
35	Arvind Purohit	**Key Managerial Personnel**
36	Chemical and Fibers of India Limited Providend Fund	**Employee Benefit Trust**

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

Note : Related party transaction is as identified by the company and relied upon by the Auditors.

ii) Transaction with the related parties :-

During the Financial Year 2021 - 22 (₹ in Lacs)

Sr. No.	Nature of Transactions	Holding Company	Subsidiary	Fellow Subsidiaries	Enterprise over which promoter of holding Company having control	Key Managerial Personnel / Employee Bebefit Trust	Total
A	**Allotment of Shares**						
	Equity Shares						
	Balance as at April 1, 2021	**500.00**	-	-	-	-	**500.00**
		(500.00)	(-)	(-)	(-)	(-)	(500.00)
	Allotted during the year	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	**500.00**	-	-	-	-	**500.00**
		(500.00)	(-)	(-)	(-)	(-)	(500.00)
	Preference Share (Including Share Premium)						
	Balance as at April 1, 2021	-	-	**2 00 000.00**	-	-	**2 00 000.00**
		(-)	(-)	(2,00,000.00)	(-)	(-)	(2,00,000.00)
	Allotted during the year	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	**(-)**
	Balance as at March 31, 2022	-	-	**2,00,000.00**	-	-	**2,00,000.00**
		(-)	(-)	(2,00,000.00)	(-)	(-)	(2,00,000.00)
B	**Borrowings (Unsecured Loans) ***						
	Balance as at April 1, 2021	**7,650.64**	-	-	-	-	**7,650.64**
		(7,650.64)	(-)	(-)	(-)	(-)	(7,650.64)
	Unsecured Loan taken during year	-	-	-	-	-	-
		-	(-)	(-)	(-)	(-)	-
	Repayment/Adjustment of Loan	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	**7,650.64**	-	-	-	-	**7,650.64**
		(7,650.64)	(-)	(-)	(-)	(-)	(7,650.64)
C	**Investments**						
	Balance as at April 1, 2021	-	-	**5.00**	-	-	**5.00**
		(-)	(-)	(-)	(-)	(-)	(-)
	Purchased during the year	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)
	Provision for Imapirment	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)
	Balance as at March 31, 2022	-	-	**5.00**	-	-	**5.00**
		(-)	(-)	(-)	(-)	(-)	(-)

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

(₹ in Lacs)

Sr. No.	Nature of Transactions	Holding Company	Subsidiary	Fellow Subsidiaries	Enterprise over which promoter of holding Company having control	Key Managerial Personnel / Employee Bebefit Trust	Total
D	**Trade Receivables***	**-**	**-**	**11 031.78**	**.59**	**-**	**11 032.36**
		(-)	(-)	(11 303.97)	(13.36)	(-)	(11 317.33)
E	**Trade Payables** *	**-**	**-**	**-**	**20.46**	**-**	**20.46**
		(-)	(-)	(-)	(20.46)	(-)	(20.46)
F	**Loan to related party**	**-**	**-**	**1 18 666.34**	**-**	**-**	**1 18 666.34**
		(-)	(-)	(1,18,666.34)	(-)	(-)	(1,18,666.34)
G	**Other Receivable**	**-**	**-**	**32 066.53**	**-**	**-**	**32 066.53**
		(-)	(-)	(32,066.53)	(-)	(-)	(32,066.53)
H	**Advance From Customers**	**164.93**	**17.51**	**-**	**-**	**-**	**182.44**
		(53.41)	(17.51)	-	-	(-)	(70.92)
I	**Advance to Others**	**-**	**-**	**-**	**251.32**	**-**	**251.32**
		(-)	(-)	(-)	(251.32)	(-)	(251.32)
J	**Capital Advance**	**-**	**-**	**2 545.27**	**-**	**-**	**2 545.27**
		(-)	(-)	(2 545.27)	(-)	(-)	(2 545.27)
K	Other Financial Assets - Unbilled Revenue	**-**	**-**	**-**	**-**	**-**	**-**
		(-)	(-)	(-)	(-)	(-)	(-)
L	**Other Expenses**	**200.85**	**-**	**-**	**-**	**-**	**200.85**
		(187.04)	(-)	(-)	(-)	(-)	(187.04)
M	**Revenue from Operation**						
	Facility usage charges/ Rent	**1 148.72**	**-**	**2 146.51**	**-**	**-**	**3 295.23**
		(11 48.72)	(-)	(24 45.14)	(3.61)	(-)	(35 97.47)
N	**Managerial Remuneration****	**-**	**-**	**-**	**-**	**10.00**	**10.00**
		(-)	(-)	(-)	(-)	(9.44)	(9.44)

* Includes non cash transactions

** Reimbursable to Holding Company

Note : Figures in bold represents current year figures.

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

Note 2.41 Going Concern

The Company has incurred losses in earlier years and its net worth is fully eroded as at March 31, 2022. The Company's current liabilities exceeded its Current assets by ₹ 503.54 Crore. The Company is wholly owned subsidiary company of Reliance Communication Limited. Reliance Communication Limited is under resolution process under the Insolvency and Bankruptcy Code 2016 (IBC). As a consequence, management and operation of the Holding Company are under the control and custody of Resolution Professional (RP) appointed vide Hon'ble NCLT order dated May 18, 2019. On finalisation and implementation of resolution process of Holding Company, the Company will carry out a comprehensive impairement review of its Tangible Assets and other Financial/ Non Financial Assets which are pending for confirmation. These factors, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern, however, the Company does not have any intention to suspend the operational activities. The company does not have any external borrowing from Banks/ Financial Institutions and current liabilities 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 statements have been prepared on a going concern basis.

Note 2.42 Capital Management

Capital of the Company, for the purpose of capital management, includes issued equity capital and all other equity reserves attributable to equity shareholders of the Company. The primary objective of the Company's capital management is to maximise shareholders value.

The funding requirement is met through a mixture of equity, internal accruals and short term borrowings.

The Company monitors capital using gearing ratio, which is debt divided by total capital plus debt.

(₹ in Lacs)

		As at March 31,2022	As at March 31,2021
(a)	Equity	**(27 163.22)**	(27 979.17)
(b)	Debt	**2 53 421.26**	2 54 117.13
(c)	Equity and Debt (a + b)	**2 26 258.04**	2 26 137.96
(d)	Debt to Equity Ratio (b / a)	**(9.33)**	(9.08)
(d)	Capital Gearing Ratio (b / c)	**1.12**	1.12

Decreasing capital gearing ratio reflects reduction in equity on account of net losses incurred and increase in borrowings during the year.

Note 2.43 Ratio

During the year, the Company has not surrendered or disclosed any income, previously unrecorded in the books of account

Sr.no	**Ratios**	**Numerator**	**Denominator**	**March'22**	**March'21**	**Variance**
1)	Current Ratio (in times)	Current assets	Current Liabilitie	0.76	0.77	-0.27%
2)	Debt Equity ratio (in times)	Total Debt	Equity	-9.33	-9.08	2.72%
3)	Return on equity (%)	Net Profit	Equity	-2.99%	-4.19%	28.52%
4)	Trade Receivable turnover ratio (in times)	Turnover	Average Trade Receivable	0.74	0.73	0.61%
5)	Trade Payable turnover ratio (in times)	Net Credit Purchases	Average Trade Payable	3.76	3.28	14.58%
6)	Net Capital Turnover ratio (in times)	Turnover	Working Capita	-0.17	-0.19	-10.39%
7)	Net profit ratio (%)	Net Profit	Turnover	9.26%	12.01%	-22.91%
8)	Return on Capital employed (%)	Profit before tax	Equity	4.19%	3.64%	15.14%
9)	Debt Service Coverage ratio (in times)	Earning available for debt service	Total Debt Service	0.69	0.73	-6.02%

Notes:

1) Inventory turnover ratio is not applicable as there is no inventory.

Reliance Realty Limited

Notes to the Financial Statements as at March 31, 2022

2) Return on Equity ratio is increased due to reduction in other expenses and increased profit.

Note 2.44

All the title deeds are held in the name of the Company.

Note 2.45

The compaany does not have any lease. Hence Ind AS 116 is not applicable to the company.

Note 2.45

The company has not been declared wilful defaulter.

Note 2.46 Additional Regulatory Information

1) Utilisation of Borrowed funds and share premium:

During the year, there is no fresh borrowings and Share premium

2) 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).

3) 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.

4) Relationship with Struck off Companies

There is no any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

5) Registration of charges or satisfaction with Registrar of Companies (ROC)

There is no MCA filing during the financial year ending 31st March, 2022 of Registration of charges or satisfaction of charge with Registrar of Companies (ROC) of the Company

6) Compliance with number of layers of companies

Company has complied with the number of layers of subsidiary companies as required under clause (87) of section 2 of Companies Act, 2013 and rules made thereunder

Note 2.47 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Note 2.48 Authorisation of Financial Statement

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors on May 27, 2022

As per our Report of even date

For Pathak H.D. & Associates LLP
Chartered Accountants
(Firm Registration No.107783W/W100593)

Jigar T. Shah
Partner
Membership No. 161851

For and on behalf of the Board

Sandeep Garg
Director
DIN : 09513285

Rakesh Gupta
Director
DIN: 0130829

Arvind Purohit
Company Secretary & Manager
A336624

Place : Mumbai.
Dated : 27.05.2022

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, 2022, 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, 2022, and Loss, changes in equity and its cash flows for the year ended *o*n 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 thesematters.

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.

lf, 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 doso.

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 designauditproceduresthatareappropriateinthecircumstances.UnderSection143(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 evaluatingthe 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, 2f113.

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 31,2022

ii. I' he Company did not have any long-term contracts including derivative contracts as at 31' March, 2022 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, 2022.

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: 22130514AJRAOZ4331

Place: Mumbai
Date: 26/05/2022

Reliance Infra Projects Limited

Annexure A to Independent Auditor's Report – 31st March 2022

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, 2022, we report the following:

We report that

i). (a) The company does not have fixed assets as on 31st March 2021. Accordingly paragraphs 1(a), (b) and (c) of the orders are not applicable to the company.

(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,2022 for a period of more than six months from the date they became payable.

- 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.

(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: 22130514AJRAOZ4331

Place: Mumbai
Date: 26/05/2022

Annexure B to Independent Auditor's Report – 31st March 2022 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 consols over financial reporting of **Reliance Infra Projects Limited** ('the Company') as of March 31, 2022in 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's Resposibi1ity

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.

AnnexureBtoIndependentAuditor’sReport-31st March2022onthe FinancialStatementsofReliance 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 dispositionofthecompany'sassetsthatcouldhaveamaterialeffectonthefinancialstatements.

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 maydeteriorate.

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
FirmRegn.No.129568W

Priti V.Mehta
(Proprietor)
M.No.130514
UDIN:22130514AJRAOZ4331

Place:Mumbai
Date: 26/05/2022

Reliance Infra Projects Limited

Financial Statements

March 31, 2022

Reliance Infra Projects Limited

Balance Sheet as at March 31, 2022

(Amount in ₹)

	Note		As at March 31, 2022		As at March 31, 2021
ASSETS					
Current Assets					
(a) Financial Assets					
(i) Cash and Cash Equivalents	**2.01**		**3 68 105**		4 06 985
Total Assets			**3 68 105**		4 06 985
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	**2.02**	**5 00 000**		5 00 000	
(b) Other Equity	**2.03**	**(2 97 071)**	**2 02 929**	(2 45 730)	2 54 270
Liabilities					
Current Liabilities					
(a) Other Current Liabilities	**2.04**		**1 65 176**		1 52 715
Total Equity and Liabilities			**3 68 105**		4 06 985
Significant Accounting Policies	**1**				
Notes on Accounts	**2**				

Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For Priti V Mehta & Co.
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board

Vinay Soni }
DIN-08567944 }
}
} **Directors**
}
Arvind Purohit }
DIN:08349713 }

Reliance Infra Projects Limited

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

		Note	For the year ended March 31, 2022	For the year ended March 31, 2021
	INCOME			
I	Other Income		-	-
II	**Total Income**		-	-
III	**EXPENSES**			
	General and Administration Expenses	2.05	51 341	91 240
IV	**Total Expenses**		51 341	91 240
V	**Profit (Loss) Before Tax (II -IV)**		(51 341)	(91 240)
VI	Tax expense:			
	- Current Tax		-	-
VII	**Profit After Tax**		(51 341)	(91 240)
	Earning per Share of face value of ₹ 10 each fully paid up			
	Basic and Diluted (₹)	2.09	(1.03)	(1.82)
	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

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
Arvind Purohit }
DIN:08349713 }

Place : Mumbai
Date : May 26, 2022

Reliance Infra Projects Limited

Statement of Change in Equity for the year ended March 31, 2022

(Amount in ₹)

A Equity (Refer Note.2.02)

Balance at April 1, 2020	500,000
Change in equty share capital during the year	-
Balance at March 31, 2021	500,000
Change in equty share capital during the period	-
Balance at March 31, 2022	**500,000**

B Other Equity (Refer Note.2.03)

Particular	**Retained Earnings**
Balance at April 1, 2020	(1 54 490)
Add : (Loss) for the year	(91 240)
Balance at March 31, 2021	(2 45 730)
Add : (Loss) during the period	(51 341)
Balance at March 31, 2022	**(2 97 071)**

As per our Report of even date
For Priti V Mehta & Co.
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : May 26, 2022

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
}
}
Arvind Purohit }
DIN:08349713 }

Reliance Infra Projects Limited

Statement of Cash Flow for the year ended March 31, 2022

(Amount in ₹)

			For the year ended March 31, 2022		For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit / (Loss) before tax as per Statement of Profit and Loss		**(51 341)**		(91 240)
	Adjusted for:				
	Write back of Provision for Liabilities no longer required		**-**		-
	Operating Profit/(Loss) before Working Capital Changes		**(51 341)**		(91 240)
	Adjusted for:				
	Receivables and other Advances	-		-	
	Trade Payable and Other Liabilities	12 461	**12 461**	91 240	91 240
	Cash Used in Operations		**(38 880)**		
	Tax Paid		-		-
	Net Cash from/(Used In) Operating Activities		**(38 880)**		
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		**(38 880)**		
	Opening Balance of Cash and Cash Equivalents		**4 06 985**		4 06 985
	Closing Balance of Cash and Cash Equivalents (Refer Note 2.01)		**3 68 105**		4 06 985

Note:

(1) Figures in brackets indicate cash outgo.

(2) Cash and cash equivalents includes cash on hand and bank balances including Fixed Deposits.

(3) Cash Flow Statement has been prepared under the Indirect Method set out in Indian Accounting Standards 7 "Statement of Cash flow".

As per our Report of even date

For Priti V Mehta & Co.
Chartered Accountants
Firm Registration No 129568W

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
Arvind Purohit }
DIN:08349713 }

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : May 26, 2022

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2022
Note: 1
General Information and Significant Accounting Policies

1.01 General Information

Reliance Infra Projects Limited (“the Company”), is registered under Companies Act 1956 and having Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. The Company is wholly owned subsidiary of Reliance Communications Infrastructure Limited ("RCIL" or " the Holding Company").

1.02 Basis of Preparation of Financial Statements

The Financial Statements are prepared under historical cost convention except for certain financial instruments measured at fair value, in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, the Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act to the extent notified and applicable, as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Recent Accounting Developments

Standards issued but not yet effective:

Recent pronouncements relating to Ind AS 116 "Leases", Ind AS 12 " Income Tax"and Ind AS 19 "Employee Benefits" issued by the Ministry of Corporate Affairs (the MCA), Government of India (GoI), applicable with effect from April 1, 2019, does not have any impact on Financial Statements of the Company.

1.04 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

1.05 Functional Currency and Presentation Currency

These financials statements are presented in Indian Rupees ("Rupees" or "₹") which is funcitional currency of the Company.

1.06 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as expense in the year in which they are incurred.

1.07 Revenue Recognition and Receivables

i) Revenue is recognised when control over goods or services is transferred to a customer. A customer obtains control when he has the ability to direct the use of and obtain the benefits from the good or service, there is transfer of title, supplier has right to payment etc. – with the transfer of risk and rewards now being one of the many factors to be considered within the overall concept of control.

ii) The Company determines whether revenue should be recognised ‘over time’ or ‘at a point in time’.

iii) Interest income on investment is recognised on time proportion basis. Interest income is accounted using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

1.08 Taxation

Provision for income tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income Tax payable / recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of temporary difference between the carrying amount of assets and liabilities in the financial statement and the corresponding tax base used in computation of taxable income. Deferred Tax Liabilities are generally accounted for all taxable temporary differences. The deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. MAT credit is recognised as an asset only if it is probable that the Company will pay normal income tax during the specified period.

1.09 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are not recognised but disclosed in the financial statements, when economic inflow is probable.

1.10 Earning per Share

In determining Earning per Share, the Company considers the net profit or loss after tax and includes the post tax effect of any extraordinary/ exceptional item. Number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when results will be anti dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

(i) The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine fair value include discounted cash flow analysis, available quoted market price. All method of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

(iii) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iv) **Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest.Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the profit or loss.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in the Statement of Profit and Loss.

(vi) **Investment in Mutual Funds:**

A Mutual fund is measured at amortised cost or at FVTPL with all changes recognised in the Statement of Profit

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(viii) **Impairment of Financial Assets**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are Investment in Mutual fund.

Financial Liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables.

(iii) **Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind - AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

(iv) **Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(v) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(vi) **Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2022

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 2.01 Cash And Cash Equivalents		
Balances with Banks- In current account	3 68 105	4 06 985
	3 68 105	4 06 985
Note 2.02 Equity Share Capital		
Authorised		
50 000 Equity Shares of ₹ 10 each (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000
Issued, Subscribed and Paid up		
50 000 Equity Shares of ₹ 10 each fully paid up (50 000)	5 00 000	5 00 000
	5 00 000	5 00 000

a) 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

Particulars	No. of Shares	%	No. of Shares	%
Reliance Realty Limited and its nominees (w.e.f. July 23, 2018)	**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 Realty Limited and its nominees (w.e.f. July 23, 2018)	**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	₹	No of Shares	₹
Equity Shares				
At the beginning of the year	50 000	5 00 000	50 000	5 00 000
Add/ (Less) : Changes during the year	**-**	**-**	-	-
At the end of the year	**50 000**	**5 00 000**	50 000	5 00 000

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, 2022

(Amount in ₹)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Note 2.03 Other Equity		
Balance carried from last balance sheet	(2 45 730)	(1 54 490)
Add : Profit / (Loss) during the year	(51 341)	(91 240)
Balance at the end of the year	**(2 97 071)**	(2 45 730)
Note 2.04 Other Current Liabilities		
Audit Fees Payable	15 643	43 963
Other Payable	38 752	41 002
Other Liability Related Party (Ref Note No.2.13)	1 10 781	67 750
	1 65 176	1 52 715

(Amount in ₹)

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Note 2.05 Other Expenses		
Audit Fees	14 160	14 160
Professional Fees	7 080	7 080
Director's Sitting Fees	30 000	70 000
Interest on TDS (2020-21)	101	-
	51 341	**91 240**

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2022

Note 2.06 Previous Year

The figures for the previous year have been regrouped and reclssified, wherever required. Amount in financial statements are presented in Rupees, except as otherwise stated.

Note : 2.07

1 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to the short term maturities of these instruments

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying value and fair value of the financial instruments by categories were as follows:

Particulars	**As at March 31, 2022**	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.01)	**3 68 105**	4 06 985
Financial assets at fair value through Profit and Loss/ other Comprehensive Income:	**Nil**	Nil
Financial liabilities at amortised cost:	**Nil**	Nil
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

2 Financial Risk Management Objectives and Policies

Activities of the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company’s primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company’s financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2022

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company doesnot have any contractual maturities of financial liabilities.

Note 2.08 Earning per share :

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Numerator - Profit /(Loss) after tax (₹)	**(51 341)**	(91 240)
Denominator - Weighted number of equity shares	**50 000**	50 000
Basic as well as Diluted, earning per equity share (₹)	**(1.03)**	(1.82)
		-

Note 2.09 Segment Reporting

The Company is not having any reportable segment as per Indian Accounting Standard ("Ind AS")108 - 'Operating Segment'

Note 2.10 Deferred Tax

The Company does not have any items on which deferred tax should be recognised.

Note 2.11 Capital Management

Capital of the Company, for the purpose of capital management, include issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholers value. The funding requirement is met through a mixture of equity, internal accruals and borrowings which the Company monitors on regular basis.

Note 2.12 Accounting Ratio

Name of the Ratio	Numerator	Denominator	2021-22	2020-21	% Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	2.2286	2.6650	-0.16%

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 2.13 Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Note 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. 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)
3. Reliance IDC Limited

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)

Reliance Infra Projects Limited

Notes on Accounts to Financial Statements as at March 31, 2022

Sr.	Nature of Transactions	
	Equity Shares	(Amount in ₹)
(i)	**Reliance Communications Infrastructure Limited** (Holding Company upto July 22, 2018)	
	Balance as at April 1, 2021	**-** -
	Transferred during the period	**-** -
	Balance as at March 31, 2022	**-** (-)
(ii)	**Reliance Realty Limited** (Holding Company w.e.f. July 23, 2018)	
	Balance as at April 1, 2021	**5 00 000** (5 00 000)
	Acquired during the period	**-** (-)
	Balance as at March 31, 2022	**5 00 000** (5 00 000)
	Other Liabilities	
(iii)	**Reliance Realty Limited** (Holding Company w.e.f. July 23, 2018)	
	Balance as at April 1, 2021	**67 750** (-)
	Acquired during the period	**32 351** (67 750)
	Balance as at March 31, 2022	**1 00 101** (-)
(iv)	**Reliance IDC Limited**	
	Balance as at April 1, 2021	(-)
	Acquired during the period	**10 680** (-)
	Balance as at March 31, 2022	**10 680** (-)

Note 2.15 Authorisation of Financial Statements

The financial statements for the year ended March 31, 2022 are approved by the Board of Directors on May 26, 2022.

As per our Report of even date
For Priti V Mehta & Co.
Chartered Accountants
Firm Registration No 129568W

Priti V Mehta
Proprietor
Membership No. 130514

Place : Mumbai
Date : May 26, 2022

For and on Behalf of the Board

Vinay Soni }
DIN-08567944 }
} **Directors**
Arvind Purohit }
DIN:08349713 }

Reliance Globalcom B.V.

Unaudited Balance Sheet as at March 31, 2022

(Amount in ₹)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Current Assets			
(a) Financial Assets			
(i) Investments	**2.01**	6,91,51,59,147	6,75,28,85,863
(ii) Cash and Cash Equivalents	**2.02**	14,780	9,51,585
(b) Other Current Assets	**2.03**	7,24,41,43,404	6,98,77,53,726
Total Assets		14,15,93,17,331	13,74,15,91,175
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	**2.04**	15,78,65,242	15,22,77,968
(b) Other Equity	**2.05**	(23,89,07,02,834)	(22,96,09,92,419)
		(23,73,28,37,592)	(22,80,87,14,451)
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**2.06**	-	-
Current Liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	**2.07**	37,35,98,09,203	36,03,75,45,283
(b) Other Current Liabilities	**2.08**	53,23,45,719	51,27,60,343
Total Equity and Liabilities		14,15,93,17,331	13,74,15,91,175

Significant Accounting Policies **1**
Notes to the Financial Statements **2**
The Notes referred to above form an integral part of the Financial Statements.

For Reliance Globalcom B.V.

Place : Mumbai
Date : 08.08.2022

Curado Trust
Director

Reliance Globalcom B.V.

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

		Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
	INCOME			
I	Other Income		-	-
II	**Total Income**		-	-
III	**EXPENSES**			
	Finance Costs	**2.09**	-	-
	Sales and General Administration Expenses	**2.10**	17,13,608	20,77,852
	Total Expenses (III)		17,13,609	20,77,852
IV	**Profit Before Tax (II - III)**		**(17,13,609)**	(20,77,852)
V	Tax expense:			
	- Current Tax		-	-
VI	**Profit After Tax (IV - V)**		(17,13,609)	(20,77,852)
VII	**Other Comprehensive Income**		(84,07,54,756)	84,97,62,759
VIII	**Total Comprehensive Income / (Loss) (VI - VII)**		**(84,24,68,365)**	84,76,84,906
Earnings per Share (₹)		**2.12**		
	- Basic		(105.35)	(127.74)
	- Diluted		(105.35)	(127.74)
Significant Accounting Policies		**1**		
Notes on Accounts		**2**		

The Notes referred to above form an intergral part of the Financial Statements.

For Reliance Globalcom B.V.

Place : Mumbai

Date : 08.08.2022

Curado Trust

Director

Reliance Globalcom B.V.

Statement of Change in Equity for the year ended March 31, 2022

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Equity Share Capital		
Balance at the beginning of the year	15,22,77,968	15,75,99,678
Change in equity share capital during the year	55,87,275	(53,21,710)
Balance at the end of the year	15,78,65,242	15,22,77,968

B. Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings	Exchange Fluctuation Reserve	
Balance as at 01.04.2020	30,36,24,54,378	(52,56,09,42,337)	(1,61,01,89,366)	(23,80,86,77,325)
Surplus/(Deficit) of Statement of Profit and Loss	-	(20,77,852)	84,97,62,759	84,76,84,906
			-	-
Balance as at 31.03.2021	**30,36,24,54,378**	**(52,56,30,20,190)**	**(76,04,26,607)**	**(22,96,09,92,419)**
Restated balance at 01.04.2021	30,36,24,54,378	(52,56,30,20,190)	(76,04,26,607)	(22,96,09,92,419)
Surplus/(Deficit) of Statement of Profit and Loss	-	(17,13,609)	(84,07,54,756)	(84,24,68,365)
			-	-
Balance as at 31.03.2022	**30,36,24,54,378**	**(52,56,47,33,798)**	**(1,60,11,81,364)**	**(23,80,34,60,784)**

For Reliance Globalcom B.V.

Place : Mumbai
Date : 08.08.2022

Curado Trust
Director

Reliance Globalcom B.V.

Statement of Cash Flow for the year ended March 31, 2022

(Amount in ₹)

		For the year ended March 31, 2022	For the year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax as per Profit and Loss Account	**(17,13,609)**	(20,77,852)
	Adjusted for:		
	Impairment of Investment	-	-
	Operating Profit before Working Capital Changes	**(17,13,609)**	**(20,77,852)**
	Adjusted for:		
	Effect of Exchange difference on translation of Assets & Liabilities	(25,56,12,875)	24,62,48,000
	Receivables and other Advances	25,63,89,678	(24,42,03,403)
	Trade Payables	1,95,85,376	(1,58,00,960)
	Net Cash from / (Used in) Operating Activities	**1,86,48,571**	**(1,58,34,215)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Net Cash Used in Investing Activities	**-**	**-**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Net Proceeds from Non Current Borrowings	-	-
	Net proceeds from Current Borrowings	(1,95,85,376)	1,58,00,960
	Financial Charges	-	-
	Net Cash from / (Used in) Financing Activities	**(1,95,85,376)**	**1,58,00,960**
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(9,36,806)	(22,84,11,934)
	Opening Balance of Cash and Cash Equivalents	9,51,585	9,84,841
	Closing Balance of Cash and Cash Equivalents	**14,780**	**9,51,585**

Note:

Cash and Cash Equivalent includes cash on hand, cheques on hand , remitances-in-transit, bank balance and fixed deposits in bank

For Reliance Globalcom B.V.

Place : Mumbai
Date : 08.08.2022

Curado Trust
Director

Note :1 Significant Accounting Policies

1.01 General Information

The Company Reliance Globalcom B.V. (the "Company") was incorporated in Amsterdam as a private limited liability company.

1.02 Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention, in accordance with the generally accepted accounting principles (GAAP) in India and Comply with Accounting Standard specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and other provisions of the Act, to the extent notified and applicable as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (the ICAI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Revenue Recognition

Interest Income is recognised on time proportion basis.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively

1.07 Earning per Share

In determining Earning per Share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item. The number of shares used in computing Basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average number of shares considered for deriving Basic Earnings per Share, and also the weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.08 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.09 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(i) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) **Subsequent measurement**

Subsequent measurement of the debt instruments depends on the Company's business model for managing asset and cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

(iii) **Financial Assets measured at amortised cost**

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

a) Asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise to cash flows, on specified dates, that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(iv) **Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) Objective of the business model is achieved both, by collecting contractual cash flows and selling financial assets, and

b) Contractual cash flows of the asset represent SPPI: Debt instruments included within FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment loss and reversal and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using EIR method.

(v) **Financial Assets measured at fair value through profit or loss (FVTPL):**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if, doing so reduces or eliminates measurement or recognition inconsistency (referred to as 'accounting mismatch').

(vi) **Equity investments:**

All equity investments in scope of Ind AS 109 "Financial Instruments" are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. For all other equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Group makes such election on instrument by instrument basis. The classification is made on initial recognition, which is irrevocable. If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividend, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Also, the Comapny has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition

(vii) **Derecognition of Financial Assets**

A financial asset is primarily derecognised when: (I) Rights to receive cash flows from the asset have expired, or (II) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(viii) **Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. Impairment methodology applied depends on whether there has been a significant increase in the credit risk. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables, as permitted by Ind AS 109. Provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

Financial Liabilities

(i) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables and loans.

(ii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described herein:

(a) **Financial liabilities at Fair Value through Profit or Loss**: Financial liabilities at Fair Value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in Statement of Profit or Loss.

(b**) Financial liabilities measured at amortised cost**: After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gains or losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(iii) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
Note 2.01 Investment		
In Equity Shares of Companies		
Unquoted, fully Paidup		
In Equity Shares of Subsidiary Companies		
22,000 (22,000) Equity Shares of Reliance communications (UK) Ltd.	1,48,43,98,538	1,43,18,61,690
1 (1) Equity Shares of Reliance Communications (Hong Kong) Limited	-	-
100,000 (100,000) Equity Shares of Reliance Communciations (Singapore) Pte. Ltd.	51,47,599	49,65,412
1 (1) Equity Shares of Reliance Communications New Zealand Pte. Ltd.	76	73
1 (1) Equity Shares of Reliance Communications Australia Pty. Ltd.	76	73
27,000 (27,000) Equity Shares of Anupam Global Soft (Uganda) Ltd.	49,07,61,970	47,33,92,587
10,00,000 (10,00,000) (1 $ each) , 2,50,010 (2,50,010) (100 $ each) Equity Shares of Gateway Net Trading Pte. Ltd.	1,96,73,81,242	1,89,77,50,339
12,000 (12,000) Equity Shares of Reliance Flag Pacific Holdings Ltd	9,09,510	8,77,320
23,53,22,790 (23,53,22,790) (1 $ each) Equity Shares of Global Cloud Xchange Limited	-	-
100 (100) share of Reliance Infocom Inc	1,66,74,35,000	1,60,84,20,000
Other Investments		
30,00,04,130 (30,00,04,130) Equity Shares of Reliance Infratel Limited	1,10,46,74,020	1,06,55,76,642
5,95,074 (5,95,074) Squance Communications SA of Euro .02 each	13,71,10,527	26,49,50,713
39,342 (39,342) Groupon Inc - Class A common Stock of 0.0001 each	5,73,40,588	50,91,015
	6,91,51,59,147	6,75,28,85,863

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

(Amount in ₹)

Note 2.02 Cash and Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Banks	**14,780**	9,51,585
Bank deposits with less than 3 months' maturity	**-**	-
	14,780	**9,51,585**

Note 2.03 Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured,Considered good		
Other Loans and Advances		
Considered good to Related Parties	**5,63,43,75,341**	5,43,49,59,675
Considered good to Others	**1,56,97,15,185**	1,51,41,58,751
Prepaid expenses	**4,00,52,879**	3,86,35,300
	7,24,41,43,404	**6,98,77,53,726**

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
Note 2.04 Equity Share Capital		
Issued, Subscribed and Paid up		
16,266 (16,266) Equity Shares of EURO 100 each fully paid up	**15,78,65,242**	**15,22,77,968**
	15,78,65,242	15,22,77,968

1) Details of Shares held by holding Company:

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Communications Ltd.	**89.24**	**14,516**	**89.24**	**14,516**

2) Details of Shareholders holding more than 5% shares in the Company:

Particulars	% of Holding	No. of Shares	% of Holding	No. of Shares
Reliance Communications Ltd.	**89.24**	**14,516**	**89.24**	**14,516**
Reliance Communications Infrastructure Ltd.	**10.76**	**1,750**	**10.76**	**1,750**

3) The Company has only one class of ordinary shares having a par value of EURO 100 per share. Each holder of Ordinary shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of ordinary share will be entitled to receive remaining assets of the Company.

4) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	Number	₹	Number	₹
Equity Shares				
At the beginning of the year	**16,266**	**15,78,65,242**	**16,266**	**15,22,77,968**
Add/Less: Changes during the year	**-**	**-**	**-**	**-**
At the end of the year	**16,266**	**15,78,65,242**	**16,266**	**15,22,77,968**

Note 2.05 Other Equity

	As at March 31, 2022	As at March 31, 2021
Security Premium	30,36,24,54,378	30,36,24,54,378
Surplus / (Deficit) of Statement of Profit and Loss		
As per Last Balance sheet	(52,56,30,20,190)	(52,56,09,42,337)
Add: Profit / (Loss) for theyear	(17,13,609)	(20,77,852)
	(52,56,47,33,798)	(52,56,30,20,190)
Other Comprehensive Income		
(i) Opening Balance	(76,04,26,607)	(1,61,01,89,366)
(ii) Addition/ (deductions) during the year (net)	(84,07,54,756)	84,97,62,759
Total	(1,60,11,81,364)	(76,04,26,607)
	(23,80,34,60,784)	(22,96,09,92,419)

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

Note 2.06 Borrowings - Current

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
From Banks *	-	-
	-	**-**

Note 2.07 Other Financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current Maturities of Long Term Debts		
Secured		
From Banks	18,14,20,464	17,49,99,507
Amounts payable to group companies	33,68,50,52,780	32,89,92,34,114
From Others		
In Preference Shares		
52 (52) 1% Non convertible Non-redeemable Preference Shares of EURO 1 each	53,07,749	51,19,893
22,143 (22,143) 8% Non Convertible Non-redeemable Preference Shares of EURO 1 each	2,26,02,37,281	2,18,02,41,417
Other Liablilities	1,22,77,90,930	**77,79,50,352**
	37,35,98,09,203	**36,03,75,45,283**

* - Against pledge of shares of material susbidaries.

Note 2.08 Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
	-	-
Provisions for Expenses	53,23,45,719	51,27,60,343
	53,23,45,719	**51,27,60,343**

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021

Note 2.09 FINANCIAL CHARGES

Interest Expenses	-	-
Other Finance Cost	-	-
	-	-

Note 2.09.1 Non Provision of Interest
The holding company is undergoing a debt resoulition plan being finalized with the lenders. In view of the same the company has not provided interest of ₹ 5 crore. Had the company provided interest, the loss would have been higher by ₹ 5 crore.

Note 2.10 GENERAL ADMINISTRATION EXPENSES

Legal & Professional Fees	17,13,608	5,93,672
Bank Charges	-	-
Bad Debts Written Off	-	-
Rent	-	-
Impairment of Investment	-	-
Payment to Auditors	-	14,84,180
	17,13,608	20,77,852

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

Note : 2.11

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.12

(Amount in ₹)

Earning Per Share	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Net Profit (Numerator used for calculation)	**(17,13,609)**	(20,77,852)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	**16,266**	16,266
Basic and Diluted Earning Per Share	**(105.35)**	(127.74)

Note : 2.13

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.14

As per the Ind AS 24 of "Related Party Disclosures" as referred to in the Accounting Standard Rules, the disclosures of transactions with the related parties as defined therein are given below:

i	**Name of the Related Party**	**Relationship**
1	Reliance Communications Limited	Holding Company
2	Global Cloud Exchange Limited	Subsidiary
3	Reliance Communications (Singapore) Pte Limited	Fellow- Subsidiary Company
4	Anupam Globalsoft (Uganda) Limited	Fellow- Subsidiary Company
5	Reliance Communications Inc	Fellow- Subsidiary Company
6	Gatewat Net Trading Pte. Limited	Fellow- Subsidiary Company
7	Reliance Flag Pecific Holdings Limited	Fellow- Subsidiary Company

ii Transaction during the year with related party

Figures in brackets are pertaining to March 31, 2021

(Amount in ₹)

	Entity Name	**As at March 31, 2022**	
		Borrowings Current	**Current Assets**
1	Reliance Communications Inc	11,76,79,20,769 (11,35,14,22,468)	
2	Reliance Flag Pacific Holdings Limited		3,44,69,34,062 (3,32,49,37,814)
3	Reliance Communications Singapore Pte. Limited	19,01,63,38,250 (18,34,32,99,000)	
5	Anupam Global soft (Uganda) Limited	12,88,48,008 (12,42,87,731)	- -
6	Gatewat Net Trading Pte. Limited		2,18,74,41,279 (2,11,00,21,861)
7	Reliance Communications Limited	3,24,50,55,888 (3,13,02,04,650)	

Reliance Globalcom B.V.

Notes on Accounts to Financial Statements

Note : 2.15

1 **Financial Instruments**

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged
The following methods and assumptions have been used to estimate the fair values:
Fair value of cash , trade and other short term receivables, trade payables, other financial liabilities, short term loans
Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There is no fair valuation of Financial Instruments. The carrying value of the financial instruments by categories were as follows:

(Amount in ₹)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	**14,780**	9,51,585
Investments (Refer Note 2.01)	**6,72,07,08,031**	6,48,28,44,135
Total	**6,72,07,22,810**	6,48,37,95,721
Financial assets at fair value through Profit and Loss		
Investments (Refer Note 2.01)	**19,44,51,116**	27,00,41,728
Financial liabilities at amortised cost:		
Borrowings (Refer Note 2.06)	-	-
Total	**-**	-
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	**Nil**	Nil

Financial Risk Management Objectives and Policies

The Company's financial liabilities comprise of borrowings to manage its operation and the financial assets include cash and bank balances, other receivables etc. arising from its operation.

Financial risk management

Market risk

The Company operates in India only. Market Risk is the risk that changes in market prices such as interest rates will affect income or value of its holding financial assets/ instruments.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have Interest rate risk as there is no interest bearing liability or assets.
The Company's interest bearing financial instruments are reported as below:

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
Fixed Rate Instruments		
Financial Assets	**Nil**	Nil
Financial Liabilities	**Nil**	Nil
Variable Rate Instruments		
Financial Assets	**Nil**	Nil
Financial Liabilities	**-**	-

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

Notes on Accounts to Financial Statements

Impact on Profit and Loss / Equity

(Amount in ₹)

	As at March 31, 2022	As at March 31, 2021
Impact of increase in interest rate by 100 basis point	-	-

If the interest rate is adversely affected with decrease by 100 basis point, profit shall also accordingly be affected vise

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and is calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

Credit risk refers to the risk of default on its obligation by the customer/ counter party resulting in a financial loss. The Company does not have exposure to the credit risk at the reporting date.

Liquidity risk

The Company's principal sources of liquidity were cash and cash equivalents and the cash flow generated from operations. The Company closely monitors its liquidity position and is attempting to maintain a balance between continuity of funding and flexibility by generating cash flow through realisations. Presently, the Company is primarily funded through Inter Corporate Deposits.

Note : 2.16

The amounts relating to Balance Sheet items appearing in Indian Rupees have been translated at Closing Rate of 1 USD = Rs. 75.793 (March 31, 2021 1 USD = Rs.73.110) and items relating to profit and loss have been translated at average rate of 1 USD = Rs. 74.505 and (March 31, 2021, 1 USD = Rs. 74.209).

For and on Behalf of the Board

Place : Mumbai
Date : 08.08.2022

Curado Trust
Director

Aircom Holdco B.V.

Unaudited Balance Sheet as at 31st March 2022

(Amount in ₹)

Particulars	Note No.		As at 31st March 2022		As at March 31, 2021
ASSETS					
Current assets					
(a) Financial assets					
(i) Cash and cash equivalents	**2.01**	**2,82,221**		2,90,435	
Total current assets			**2,82,221**		2,90,435
Total Assets			**2,82,221**		2,90,435
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	**2.02**	**84,220**		85,750	
(b) Other equity	**2.03**	**(15,02,401)**		(14,22,593)	
Total equity			**(14,18,181)**		(13,36,843)
Liabilities					
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**2.04**		**8,58,876**		8,74,479
Current Liabilities					
(a) Other current liabilities	**2.05**	**8,41,526**		7,52,799	
Total liabilities		**8,41,526**	**8,41,526**	7,52,799	7,52,799
Total Equity and Liabilities			**2,82,221**		2,90,435

Significant Accounting Policies	**1**
Notes on Accounts	**2**

For Aircom Holdco B.V

Place : The Netherland
Date : 08.08.2022

Athos Business Services (Asia) B.V.
Director

Aircom Holdco B.V.

Statement of Profit and Loss for the year ended 31st March 2022

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March 2022	For the year ended March 31, 2021
INCOME		**-**	17,19,192.82
EXPENSES			
Other expenses	**2.06**	**1,08,141**	8,48,516
Total expenses		**1,08,141**	8,48,516
Loss before Tax		**(1,08,141)**	8,70,677
Other comprehensive income / (Loss)		**28,333**	(87,614)
Total comprehensive loss		**(79,808)**	7,83,062
Earning per Share (Refer Note 2.09)			
Basic (₹)		**(108.14)**	870.68
Diluted (₹)		**(108.14)**	870.68
Significant Accounting Policies	**1**		
Notes on Accounts	**2**		

For Aircom Holdco B.V

Place : The Netherland
Date : 08.08.2022

Athos Business Services (Asia) B.V.
Director

Aircom Holdco B.V.

Statement of changes in equity for the period ended 31st March 2022

(a) Equity share capital

(Amount in ₹)

	For the year ended 31st March 2022	For the year ended March 31, 2021
Balance at the beginning of the period	85,750	82,770
Change in equity share capital during the period (Refer note 2.02)	-	-
Foreign Exchange Variance	(1,530)	2,980
Balance at the end of the period	**84,220**	**85,750**

(b) Other Equity

(Amount in ₹)

Particulars	Attributable to the Equity Holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2020	(21,40,285)	(65,370)	(22,05,655)
Net Profit/(Loss) for the year	8,70,677	(87,614)	7,83,062
Balance as at March 31, 2021	(12,69,609)	(1,52,984)	(14,22,593)
Net Profit/(Loss) for the year	(1,08,141)	28,333	(79,808)
Balance as at 31st March 2022	(13,77,750)	(1,24,651)	(15,02,401)

For Aircom Holdco B.V.

Place : The Netherland
Date : 08.08.2022

Athos Business Services (Asia) B.V.
Director

Aircom Holdco B.V.

Significant Accounting Policies to the Balance Sheet and Statement of Profit and Loss

Note 1 General Information and Significant Accounting Policies

1.01 General Information

Aircom Holdco B.V. ("Aircom" or "the Company"), is a subsidiary of Reliance Communications Limited ("RCOM" or " the Holding Company") incorporated on July 18, 2016.

1.02 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of Preparation

Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indiand Accounting Standards) Rule, 2015 and relevant provisions of the Companies Act, 2013 ("the Act")

These are the first Ind AS financial statements of the Company and cover a period of nine months starting from July 18, 2016 to March 31, 2017, hence no comparative are presented.

Historical cost convention

The financial statements have been prepared under historical cost convention except certain financial assets and financial liabilities which are measured at fair value.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Current vis-à-vis non-current classification

The assets and liabilities reported in the balance sheet are classified on a “current/non-current basis”, with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Recent accounting pronouncements

Standards issued but not yet effective

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements.

Significant Accounting Policies to the Balance Sheet and Statement of Profit and Loss

1.03 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

1.04 Revenue Recognition

(i) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

1.05 Taxes on Income and Deferred Tax

Provision for income tax is made on the basis of taxable income for the year at the current rates. Tax expense comprises of current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents amount of Income Tax payable/ recoverable in respect of taxable income/ loss for the reporting period. Deferred tax represents the effect of temporary difference between carrying amount of assets and liabilities in the financial statement and the corressponding tax base used in the computation of taxable income. Deferred tax liabilities are generally accounted for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which such deductible temporary differences can be utilised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

1.06 Earning per Share

In determining Earning per Share, the Company considers the net profit after tax and includes the post tax effect of any exceptional item. Number of shares used in computing basic Earning per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted Earning per Share comprises the weighted average shares considered for deriving Basic Earning per Share and also the weighted average number of shares that could have been issued on the conversion of all dilutive potential Equity Shares unless the results would be anti-dilutive. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.07 Miscellaneous Expenditure

Miscellaneous Expenditure is charged to the Profit and Loss Account as and when it is incurred.

Significant Accounting Policies to the Balance Sheet and Statement of Profit and Loss

1.08 Measurement of Fair value of financial instruments

The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.

1.09 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

(ii) Subsequent measurement

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Financial Assets measured at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

Asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any
discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Significant Accounting Policies to the Balance Sheet and Statement of Profit and Loss

Financial Assets measured at fair value through other comprehensive income (FVTOCI)

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met: a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

The contractual cash flows of the assets represent SPPI: Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit or loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’)

Derecognition of Financial Assets

A financial asset is primarily derecognised when: a) Rights to receive cash flows from the asset have expired, or b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement and either(a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described herein:

Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Satement of Profit and Loss.

Financial Libilities measured at amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended 31st March 2022

	As at 31st March 2022	(Amount in ₹) As at March 31, 2021
Note 2.01		
Cash and Cash Equivalents		
Balance with banks in current accounts	**2,82,221**	2,90,435
	2,82,221	2,90,435

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended 31st March 2022

(Amount in ₹)

	As at 31st March 2022	As at March 31, 2021
Note 2.02		
Share capital		
Authorised share capital		
1,000 Equity shares of Euro 1 each	**84,220**	85,750
	84,220	85,750
Issued, subscribed and fully paid up		
1,000 Equity shares of Euro 1 each fully paid up	**84,220**	85,750
	84,220	85,750

2.02.01 Shares held by Holding Company and its subsidiary:

Equity shares	**No. of shares**	**No. of shares**
Reliance Communications Limited. (Holding company)	**1,000**	**1,000**

2.02.02 Details of shareholders holding more than 5% shares in the Company:

Equity shares	**No of shares**	**% of shareholding**	**No of shares**	**% of shareholding**
Reliance Communications Limited	**1,000**	**100**	**1,000**	**100**

2.02.03 Reconciliation of shares outstanding at the beginning and at the end of reporting period:

Equity shares	**No of Shares**	(Amount in INR)	**No of Shares**	(Amount in INR)
At the beginning of the year	**1,000.00**	**82,770.00**	**1,000.00**	**77,679**
Add : Changes since date of incorporation i.e July 18, 2016 [issue of shares]	**-**	**-**	**-**	**-**
Outstanding at the end of the year	**1,000**	**82,770**	**1,000**	**77,679**

Aircom Holdco B.V. ("Aircom" or "the Company"), incorporated on July 18, 2016 is a subsidiary of Reliance Communications Limited ("RCOM" or " the Holding Company")..

2.02.04 Terms/ rights attached to the shares

Equity shares

The Company has only one class of equity shares having a par value of Euro 1 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferencial amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended 31st March 2022

(Amount in ₹)

	As at 31st March 2022	As at March 31, 2021
Note 2.03		
Other equity		
Deficit in retained earnings		
Opening balance	(14,22,593)	(22,05,655)
Add: Loss during the period	**(79,808)**	7,83,062
Add: Foreign Exchange Variance	**-**	-
Closing balance	**(15,02,401)**	(14,22,593)

Note:

Retained earnings:

The balance in retained earnings represents the accumulated losses in the statement of profit and loss.

Note 2.04		
Non-Current Liabilities		
Borrowings	**8,58,876**	8,74,479
	8,58,876	8,74,479
Note 2.05		
Other current liabilities		
Provision for Expenses	**8,41,526**	7,52,799
	8,41,526	7,52,799
Note 2.06		
Other expenses		
Foreign Currency Exchanges Results (NET)	**-**	95,482
Legal and Professional Expenses	**1,08,141**	7,53,034
	1,08,141	8,48,516

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended 31st March 2022

Note : 2.07
Previous Year

Figure for previous year is not given as the Company was incorporated during the current year. Amount in financial statement are presented in Rupees except as otherwise stated.

Note : 2.08
Capital Risk management

The company's objective when managing capital are to:

Safeguard their ability to continue as agoing concern, so that it can optimise the return to shareholders; and

Maintain an optimal capital structure to reduce the cost of capital.

Capital of the company for the purpose of capital management, include issued equity capital and resource atributable to the equity holders of the company.

Note 2.09
Earnings per Share (EPS)

(Amount in ₹)

		For the year ended 31st March 2022	For the year ended March 31, 2021
Basic and Diluted EPS (before and after Exceptional Items)			
(a)	Loss attributable to Equity Shareholders (Euro) (used as numerator for calculating Basic EPS)	(1,08,141)	8,70,677
(b)	Weighted average number of Equity Shares (used as denominator for calculating Basic EPS)	1 000	1 000
(c)	Weighted average number of Equity Shares (used as denominator for calculating Diluted EPS)	1,000	1,000
(d)	Basic Earnings per Share of Euro 1 each (Euro)	(108.14)	870.68
(e)	Diluted Earnings per Share of Euro 1 each (Euro)	(108.14)	870.68
(f)	Nominal value of an equity shares (Euro)	1.00	1.00

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended 31st March 2022

Note 2.10 Related Party Disclosures

A. List of Related party: Where control exists

(i)	Reliance Innoventure Private Limited	Ultimate holding company
(ii)	Reliance Communications Limited	Holding company
(iii)	Athos Business Services (Asia) B.V.	Director

B.. Details of transactions and closing balances with related parties

(Amount in ₹)

Sr.No	Particulars	Holding Company	Total
[A]			
1	**Allotment of equity shares**	**82,770** (77,679)	**82,770** (77,679)

Note : 2.11

Post Reporting Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Aircom Holdco B.V.

Notes on Accounts to the financial statement for the year ended 31st March 2022

Note : 2.12

Financial Instruments by category

(Amount in ₹)

Particulars	As at 31st March 2022	As at March 31, 2021
	Amortised Cost	Amortised Cost
Financial Assets:		
Cash and cash equivalent	2,82,221	2,90,435
Total financial assets	**2,82,221**	2,90,435

The fair value of current financial assets and financial liabilities are considered to be the same as their carrying amount, due to their short term maturities.

Note : 2.13

Financial Risk management

The company's current activities expose it to credit risk.

Risk	Exposure arrising from	Measurement	Management
Credit Risk	Cash and cash Equivalents	Credit Ratings	Diversification of bank balances

Note : 2.14

The amounts relating to Balance Sheet items appearing in Indian Rupees have been translated at Closing Rate of 1 USD = Rs. 75.793 (March 31, 2021 1 USD = Rs.73.110) and items relating to profit and loss have been translated at average rate of 1 USD = Rs. 74.505 and (March 31, 2021, 1 USD = Rs. 74.209).

For Aircom Holdco B.V.

Place : The Netherland
Date : 08.08.2022

Athos Business Services (Asia) B.V.
Director