

Independent Auditors' Report

To the Board of Directors of Reliance Communications (U.K) Limited Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Communications (U.K) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its loss (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.18 in the financial statements where in the company's Net Worth has been fully eroded and the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The accounts have been audited by foreign auditors and their report is furnished to us by the management along with financial statements converted in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act"). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta

Proprietor
Membership No.035722
UDIN: 22035722AQGFTX7856

Place: Mumbai
Date: 08.08.2022

Reliance Communications (U.K) 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	109	109
(b) Intangible Assets	2.02	66	66
Current Assets			
(a) Financial Assets			
(i) Cash and Bank balance	2.03	6,19,87,931	6,95,51,784
(ii) Trade Receivables	2.04	59,69,502	55,05,996
(b) Other Current Assets	2.05	-	-
Total		6,79,57,608	7,50,57,955
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.06	16,67,435	16,08,420
(b) Other Equity	2.07	(1,65,88,063)	(1,16,76,473)
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.08	-	-
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	2.09	6,06,47,140	6,36,15,127
(ii) Other Financial Liabilities	2.10	2,22,31,096	2,15,10,881
Total		6,79,57,608	7,50,57,955
Significant Accounting Policies	1		
Notes to the Financial Statements	2		

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (U.K) Limited
Statement of Profit and Loss for the year ended March 31, 2022

	Notes	For the year ended March 31, 2022	(Amount in ₹) For the year ended March 31, 2021
<u>Income</u>			
Revenue from Operations	2.11	40,73,274	1,38,40,989
Other Income	2.12	-	18,95,466
		40,73,274	1,57,36,455
<u>Expenditure</u>			
Access Charges, License Fees and Network Expenses	2.13	35,88,289	92,08,793
Depreciation, Impairment & Amortization	2.01	-	39,69,807
Finance Costs	2.14	33,229	33,128
General Administration Expenses	2.15	6,68,233	(16,49,235)
		42,89,750	1,15,62,493
(Loss) Before Tax		(2,16,477)	41,73,962
Current Tax		-	-
(Loss) After Tax		(2,16,477)	41,73,962
Other Comprehensive Income / (Loss)		(46,95,113)	4,89,961
Total Comprehensive Income / (Loss)		(49,11,589)	46,63,923
Basic and Diluted Earning per Share	2.17	(10)	190

Significant Accounting Policies 1
Notes to the Financial Statements 2

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (U.K) Limited
Statement of Change in Equity for the year ended March 31, 2022

Amount in ₹
For the year ended For the year ended
March 31, 2022 March 31, 2021

(a) Equity Share Capital (Refer Note : 2.06)

Balance at the beginning of the year	16,08,420	15,21,410
Change in equity capital during the year	-	-
Foreign Exchange Variance	59,015	87,010
Balance at the end of the year	16,67,435	16,08,420

(b) Other Equity (Refer Note : 2.07)

Particulars	Share Premium	Attributable to equity holders		Total
		Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2020	1,45,08,02,745	(1,65,84,66,908)	19,13,23,766	(1,63,40,397)
Net Profit for the year	-	41,73,962	4,89,961	46,63,924
Balance as at March 31, 2021	1,45,08,02,745	(1,65,42,92,947)	19,18,13,727	(1,16,76,474)
Net Profit for the year	-	(2,16,477)	(46,95,113)	(49,11,589)
Balance as at March 31, 2022	1,45,08,02,745	(1,65,45,09,423)	18,71,18,615	(1,65,88,064)

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (U.K) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note 1 : General Information and Significant Accounting Policies

1.01 General Information

The Company Reliance Communications (U.K) Limited (the "Company") was incorporated in England as a private limited liability company. Its registered office is at Sovereign Court,635 Sipson Road,West Drayton,Middlesex,UB7 0JE,United Kingdom

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 Property, Plant and Equipment

- (i) Property, Plant and Equipment are stated at cost net less accumulated depreciation, amortisation and impairment loss, if any.
- (ii) Depreciation is provided on Straight Line Method (SLM) based on useful life of the assets.
- (iii) Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of profit or loss.
- (iv) Depreciation on additions is calculated pro rata from the following month of addition.
- (v) 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 .

1.04 Revenue Recognition

Revenue is recognized as and when the services are provided on the basis of actual usage of the Company's telecommunications network.

1.05 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.06 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.

1.07 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable / recoverable in respect of the taxable income / loss for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

Reliance Communications (U.K) Limited

1.08 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.

1.09 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. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

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

(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) For Reliance Communications (U.K) Limited

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').

Reliance Communications (U.K) Limited

(vi) **Equity investments:**

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

(vii) **Derecognition of Financial Assets**

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

(viii) **Impairment of Financial Assets**

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

Financial Liabilities

(i) **Initial recognition and measurement**

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

(ii) **Subsequent measurement**

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

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

(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 Communications (U.K) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note: 2.01**Property,Plant and Equipment**

(Amount in ₹)

Particulars	Plant and Machinery	Total
Gross carrying value		
As at April 1, 2020	11,68,78,144	11,68,78,144
Additions	-	-
Foreign Exchange Variance	(77,858)	(77,858)
As at March 31, 2021	<u>11,68,00,286</u>	<u>11,68,00,286</u>
Additions	-	-
Foreign Exchange Variance	-	-
As at March 31, 2022	<u>11,68,00,286</u>	<u>11,68,00,286</u>
Accumulated Depreciation		
As at April 1, 2020	11,28,30,370	11,28,30,370
Depreciation for the year	39,69,807	39,69,807
Disposals	-	-
As at March 31, 2021	<u>11,68,00,177</u>	<u>11,68,00,177</u>
Depreciation for the year	-	-
Disposals	-	-
As at March 31, 2022	<u>11,68,00,177</u>	<u>11,68,00,177</u>
Net Carrying Value		
As at March 31, 2021	109	109
As at March 31, 2022	109	109

Note: 2.02**Intangible Assets**

(Amount in ₹)

Particulars	Indefeasible Right of Connectivity	Total
Gross carrying value		
As at April 1, 2020	1,37,45,80,745	1,37,45,80,745
Additions	-	-
Disposals	-	-
As at March 31, 2021	<u>1,37,45,80,745</u>	<u>1,37,45,80,745</u>
Additions	-	-
Disposals	-	-
As at March 31, 2022	<u>1,37,45,80,745</u>	<u>1,37,45,80,745</u>
Accumulated Depreciation		
As at April 1, 2020	1,37,45,80,679	1,37,45,80,679
Depreciation for the year	-	-
Disposals	-	-
As at March 31, 2021	<u>1,37,45,80,679</u>	<u>1,37,45,80,679</u>
Depreciation for the year	-	-
Disposals	-	-
As at March 31, 2022	<u>1,37,45,80,679</u>	<u>1,37,45,80,679</u>
Net Carrying Value		
As at March 31, 2021	66	66
As at March 31, 2022	66	66

Reliance Communications (U.K) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)
As at
March 31, 2021As at
March 31, 2022**Note: 2.03****Cash & Bank Balance**

Balance With Bank in current account

	<u>6,19,87,931</u>		<u>6,95,51,784</u>
	<u>6,19,87,931</u>		<u>6,95,51,784</u>

Note: 2.04**Trade Receivables (Unsecured)****Others**

Considered Good

Considered Doubtful

	-		-
	59,69,502		55,05,996
	<u>3,68,15,87,869</u>	<u>3,68,75,57,372</u>	<u>3,55,12,86,593</u>

Less: Provision for doubtful debts

	<u>3,68,15,87,869</u>	<u>3,68,15,87,869</u>	<u>3,55,12,86,593</u>	<u>3,55,12,86,593</u>
		<u>59,69,502</u>		<u>55,05,996</u>

Note: 2.05**Other Current Assets**

Advance to Vendors

Deposits and Advances

Less: Provision for doubtful advances

		-		-
	11,13,78,670		10,74,36,680	
	<u>11,13,78,670</u>	<u>-</u>	<u>10,74,36,680</u>	<u>-</u>
		<u>-</u>		<u>-</u>

Reliance Communications (U.K) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note: 2.06**Share Capital****Authorised**

22000 (22000) equity shares of USD 1 each	<u>16,67,435</u>	16,08,420
	<u>16,67,435</u>	<u>16,08,420</u>

Issued, Subscribed and Paid up

22000 (22000) equity shares of USD 1 each fully paid up	<u>16,67,435</u>	16,08,420
	<u>16,67,435</u>	<u>16,08,420</u>

1) Details of Shares held by holding Company:

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	100	22000	100	22000

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

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	100	22000	100	22000

3) The Company has only one class of ordinary shares having a par value of USD 1 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

	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Ordinary Shares				
At the beginning of the year	22 000	16,67,435	22 000	16,08,420
Add/Less: Changes for the year				
At the end of the year	<u>22,000</u>	<u>16,67,435</u>	<u>22 000</u>	<u>16,08,420</u>

Note: 2.07**Other Equity****Other Comprehensive Income****Exchange Fluctuation Reserve**

(i) Opening Balance	6,15,14,175	6,15,14,175
(ii) Additions during the year (net)	-	-
	<u>6,15,14,175</u>	<u>6,15,14,175</u>

Share Premium**Surplus/(Deficit) in retained earnings**

Opening Balance	1,45,08,02,745	1,45,08,02,745
Add: Profit/ (Loss) the year	<u>(1,52,39,93,394)</u>	<u>(1,52,86,57,317)</u>
	<u>(49,11,589)</u>	46,63,923
	<u>(1,52,89,04,983)</u>	<u>(1,52,39,93,394)</u>
	<u>(1,65,88,063)</u>	<u>(1,16,76,473)</u>

Note: 2.08**Non current liabilities****Borrowings**

Related Parties (Refer Note 2.21)	-	-
	<u>-</u>	<u>-</u>

Note: 2.09**Trade Payables**

Related Parties (Refer Note 2.21)	6,06,47,140	6,36,15,127
Others	-	-
	<u>6,06,47,140</u>	<u>6,36,15,127</u>

Note: 2.10**Other Financial Liabilities**

Others	2,22,31,096	2,15,10,881
	<u>2,22,31,096</u>	<u>2,15,10,881</u>

Reliance Communications (U.K) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

	For the year ended March 31, 2022	(Amount in ₹) For the year ended March 31, 2021
Note: 2.11		
Revenue		
Service Revenue (Refer Note 2.21)	<u>40,73,274</u>	<u>1,38,40,989</u>
	<u>40,73,274</u>	<u>1,38,40,989</u>
Note: 2.12		
Other Income		
Miscellaneous Income	<u>-</u>	<u>18,95,466</u>
	<u>-</u>	<u>18,95,466</u>
Note: 2.13		
Access Charges, License Fees and Network Expenses (Refer Note 2.21)	<u>35,88,289</u>	<u>92,08,793</u>
	<u>35,88,289</u>	<u>92,08,793</u>
Note: 2.14		
Finance Costs		
Bank Charges and others	<u>33,229</u>	<u>33,128</u>
	<u>33,229</u>	<u>33,128</u>
Note: 2.15		
General Administrative Expenses		
Call Centre expenses	-	-
Auditors Remuneration	6,68,233	10,06,942
Other Professional Fees	-	5,87,499
Bad Debts written off	-	-
Provision for doubtful debts	-	16,04,324
Provision for doubtful advances	-	-
Foreign Exchange Loss/(Gain)	<u>-</u>	<u>(48,48,000)</u>
	<u>6,68,233</u>	<u>(16,49,235)</u>

Reliance Communications (U.K) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note : 2.16

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.17

(Amount in ₹)

Earning Per Share	For the year	For the year
	ended March 31, 2022	ended March 31, 2021
Net Profit (Numerator used for calculation)	(2,16,477)	41,73,962
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	22,000	22 000
Basic and Diluted Earning Per Share	(10)	190

Note : 2.18

Going Concern

For the year ended 31st March 2022, the company has reported a net profit of Rs 46 63 922. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations of subsidiaries are still continuing and it is likely that a suitable investor will be found.

Note : 2.19

Impact of COVID-19

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

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices.

The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.20

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.21

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	Ultimate Holding Company
2 Reliance Globalcom B V	Holding Company
3 Reliance Communications Inc	Fellow- Subsidiary Company
4 Reliance Communications Infrastructure Limited	Fellow- Subsidiary Company
5 Reliance Communications International Inc	Fellow- Subsidiary Company
6 Reliance Communications (Singapore) Pte Limited	Fellow- Subsidiary Company
7 Reliance Communications (Australia) Pty. Limited	Fellow- Subsidiary Company
8 Reliance Communications (New Zealand) Pte. Limited	Fellow- Subsidiary Company

Transaction during the year with related party

(Amount in ₹)

Figures in brackets are pertaining to March 31, 2021

Entity Name	During the Year			As at March 31, 2022		
	Service Income	Network Operating Exp	Financial Charges	Trade Receivables	Trade Payables	Borrowings
2 Reliance Communications Inc	5,066	12,27,241	-	1,28,28,35,203	2,45,80,114	-
Provision for doubtful Debts				(1,28,28,35,203)		
Net	-	(40,21,089)	-	-	(2,37,10,158)	-
3 Reliance Communications Infrastructure Limited					12,28,445	
					(12,26,378)	

Reliance Communications (U.K) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note : 2.22

1 Financial Instruments

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 or assets.

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Note : 2.23

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).

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Independent Auditors' Report

To the Board of Directors of Reliance Communications (Hong Kong) Limited Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Communications (Hong Kong) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its loss (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.17 in the financial statements where in the company's Net Worth has been fully eroded and the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The financial statements have been prepared by the management with conversion in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act")). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V. P. Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta

Proprietor
Membership No.035722
UDIN: 22035722AQGFKL4285

Place: Mumbai
Date : 08.08.2022

Reliance Communications (Hong Kong) Limited

Balance Sheet as at March 31, 2022

	Notes	As at		Amount in ₹
		March 31, 2022	March 31, 2021	As at
ASSETS				
Non Current Assets				
(a) Property, Plant and Equipment	2.01	-	-	-
Current Assets				
(a) Financial Assets				
(i) Trade Receivables	2.02	44,16,36,707		42,60,05,999
(ii) Cash and Cash Equivalents	2.03	-		20,59,559
(b) Other Current Assets	2.04	1,00,64,835		97,08,613
Total Assets		45,17,01,542		43,77,74,171
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	2.05	8	8	
(b) Other Equity	2.06	(14,54,11,691)	(13,78,23,293)	(13,78,23,285)
LIABILITIES				
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2.07	44,24,05,156	40,62,47,871	
(ii) Trade Payables	2.08	5,77,88,003	3,73,41,183	
(b) Other Current Liabilities	2.09	9,69,20,066	13,20,08,402	
Total Equity and Liabilities		59,71,13,224		57,55,97,457
		45,17,01,542		43,77,74,171

Significant Accounting Policies

1

Notes on Accounts

2

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

Reliance Communications (Hong Kong) Limited

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

		Notes	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
INCOME				
I	Revenue from Operations	2.10	3,33,46,051	6,13,62,656
II	Other Income	2.11	-	-
III	Total Income (I + II)		<u>3,33,46,051</u>	<u>6,13,62,656</u>
IV EXPENSES				
	Access Charges, License Fees and Network Expenses	2.12	3,39,07,018	5,88,39,515
	Finance Costs	2.13	15,77,264	13,71,605
	Depreciation, Impairment and Amortisation	2.01	-	-
	Sales and General Administration Expenses	2.14	3,50,172	4,79,019
	Total Expenses (IV)		<u>3,58,34,455</u>	<u>6,06,90,140</u>
V	Profit/ (Loss) Before Tax		(24,88,404)	6,72,516
VI	Tax expense:			
	- Current Tax		-	-
VII	Profit/ (Loss) After Tax (V - VI)		<u>(24,88,404)</u>	6,72,516
	Other Comprehensive Income / (Loss)		<u>(50,99,993)</u>	48,29,827
	Total Comprehensive Income / (Loss)		<u>(75,88,397)</u>	<u>55,02,343</u>
VIII	Earnings per Share	2.16		
	- Basic		-24,88,404.30	6,72,516.04
	- Diluted		-24,88,404.30	6,72,516.04
	Significant Accounting Policies	1		
	Notes on Accounts	2		
	As per our Report of even date			

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (Hong Kong) Limited
Statement of Change in Equity for the year ended March 31, 2022

Amount in ₹
For the year ended For the year ended
March 31, 2022 March 31, 2021

(a) Equity Share Capital (Refer Note : 2.05)

Balance at the beginning of the year	8	8
Change in equity capital during the year	-	-
Foreign Exchange Variance	-	-
Balance at the end of the year	8	8

(b) Other Equity (Refer Note : 2.06)

Amount in ₹

Particulars	Attributable to equity holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2020	(13,51,21,149)	(82,04,488)	(14,33,25,637)
Net Profit/(Loss) for the year	6,72,516	48,29,827	55,02,343
Balance as at March 31, 2021	(13,44,48,633)	(33,74,661)	(13,78,23,293)
Net Profit/(Loss) for the year	(24,88,404)	(50,99,993)	(75,88,397)
Balance as at March 31, 2022	(13,69,37,037)	(84,74,654)	(14,54,11,691)

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (Hong Kong) Limited
Cash Flow Statement for the year ended March 31, 2022

	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Income tax	(24,88,404)	6,72,516
Depreciation and amortization	-	-
Operating Profit/(Loss) before Working Capital Changes	(24,88,404)	6,72,516
Adjusted for:		
Other Finance Cost	15,77,264	13,71,605
Receivables and other Advances	(1,59,86,930)	(3,71,22,975)
Trade Payables	2,15,15,768	3,09,04,940
Effect of Exchange difference on translation of Assets & Liabilities	(66,77,257)	34,58,222
Cash Generated from Operations	(20,59,559)	(7,15,691)
Less : Income Tax Paid	-	-
Net Cash Inflow/(Outflow) from Operating Activities	(20,59,559)	(7,15,691)
B CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets and Capital Work in Progress	-	-
Net Cash Inflow/(Outflow) from Investing Activities	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from short term borrowings	-	-
Finance Charges	-	-
Net Cash Inflow/(Outflow) from Financing Activities	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	(20,59,559)	(7,15,691)
Opening Balance of Cash and Cash Equivalents	20,59,559	27,75,250
Closing Balance of Cash and Cash Equivalents	-	20,59,559

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta
Proprietor
Membership No. 035722

Place : Mumbai
Date : 08.08.2022

For and on Behalf of the Board

Vaishali Mane
Director

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note No:1 Significant Accounting Policies

1.01 General Information

Reliance Communications (Hong Kong) Limited. (the "Company") was incorporated in Hong Kong as a limited liability company. Its registered office is at 2nd Floor, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Ventral Hong Kong

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

Revenue is recognised as and when the services are provided on the basis of actual usage of the Company's network. Revenue on upfront charges for services with lifetime validity and fixed validity periods of one year or more are recognised over the estimated useful life of subscribers and specified fixed validity period, as appropriate. The estimated useful life is consistent with estimated churn of the subscribers.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

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.

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note No:1 Significant Accounting Policies

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 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.

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note No:1 Significant Accounting Policies

(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.

1.10 Property, Plant And Equipment

Property, Plant and equipment are stated at cost or their estimated fair value on the date of acquisition less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Maintenance and repairs on property and equipment are expensed as incurred.

Useful Life Of Asset:

No Name of Property

1 Equipment 10 Years

1.11 Cash And Cash Equivalents

The company considers all highly liquid accounts (money market funds) and investments with a maturity of three months or less when acquired as cash equivalents.

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31, 2022

2.01. Property, Plant and Equipment

Amount in ₹

Particulars	Buildings	Plant and Machinery	Total
Gross carrying value			
As at March 31, 2021		6,84,39,606	6,84,39,606
Additions		-	-
Exchange Differences		-	-
As at March 31, 2022	-	6,84,39,606	6,84,39,606
Accumulated Depreciation			
As at March 31, 2021		6,84,39,606	6,84,39,606
Depreciation for the year		-	-
Disposals		-	-
Exchange Differences		-	-
As at March 31, 2022	-	6,84,39,606	6,84,39,606
Closing net carrying value as at March 31, 2022	-	(0)	(0)

Particulars	Buildings	Plant and Machinery	Total
Gross carrying value			
As at March 31, 2020		6,84,39,606	6,84,39,606
Additions		-	-
Exchange Differences		-	-
As at March 31, 2021		6,84,39,606	6,84,39,606
Accumulated Depreciation			
As at March 31, 2020		6,84,39,606	6,84,39,606
Depreciation for the year		-	-
Exchange Differences		-	-
As at March 31, 2021		6,84,39,606	6,84,39,606
Closing net carrying value as at March 31, 2021		(0)	(0)

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

2.02 Trade Receivables	Amount in ₹	
	As on	As on
Particulars	March 31, 2022	March 31, 2021
Unsecured		
Receivable from Others Considered Good	44,16,36,707	42,60,05,999
Considered Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
	44,16,36,707	42,60,05,999

2.03 Cash and Cash Equivalents		
	As on	As on
Particulars	March 31, 2022	March 31, 2021
Balance with Banks in current accounts	-	20,59,559
	-	20,59,559

2.04 Other Current Assets		
	As on	As on
Particulars	March 31, 2022	March 31, 2021
Unsecured, Considered good		
Other Advances and Receivables		
Considered good	1,00,64,835	97,08,613
Unsecured, Doubtful		
Considered doubtful	-	-
Less: Provision for doubtful advances	-	-
	1,00,64,835	97,08,613
	1,00,64,835	97,08,613

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

	As at March 31, 2022	Amount in ₹ As at March 31, 2021
Note 2.05 Share Capital		
Authorised		
10 000 Equity Shares of HK \$1 each (10 000)	82,920	85,817
	<u>82,920</u>	<u>85,817</u>
Issued, Subscribed and Paid up		
1 Equity Shares of HK\$ 1 each fully paid up (1)	8	8
	<u>8</u>	<u>8</u>

Note :

10(a) **Share held by holding/Ultimate holding company and/or their subsidiaries/associates**

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Globalcom B.V.	100	1	100	1

10(b) **Details of Shareholders holding more than 5% shares in the Company :**

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Globalcom B.V.	100	1	100	1

10(c) **Terms/Rights attached to Equity Share**

The Company has only one class of equity share having a par value of 1 HK \$ per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of Company, the holder of equity share will be entitled to receive remaining assets of the company.

10(d) **Reconciliation of shares outstanding at the beginning and at the end of the reporting year.**

	No. of Shares	Amount	No. of Shares	Amount
Equity shares				
At the beginning of the year	1	8	1	8
Add/ (Less): Changes during the year		-	-	-
At the end of the year	<u>1</u>	<u>8</u>	<u>1</u>	<u>8</u>

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31, 2022

	As at March 31, 2022	Amount in ₹ As at March 31, 2021
2.06 Other Equity		
Attributable to Equity Holders		
Other Comprehensive Income	(33,74,661)	(82,04,488)
(i) Opening Balance		
(ii) Additions during the year (net)	(50,99,993)	48,29,827
	<u>(84,74,654)</u>	<u>(33,74,661)</u>
Surplus/(Deficit) in retained earnings		
Opening Balance	(13,44,48,633)	(13,51,21,149)
Add: Profit/ (Loss) the year	(24,88,404)	6,72,516
	<u>(14,54,11,691)</u>	<u>(13,78,23,293)</u>

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

2.07 Borrowings Amount in ₹

Particulars	As at March 31, 2022	As at March 31, 2021
From Related Parties (Refer Note 2.20)	44,24,05,156	40,62,47,871
	44,24,05,156	40,62,47,871

2.08 Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro, Small and Medium Enterprises	-	-
Others	5,77,88,003	3,73,41,183
	5,77,88,003	3,73,41,183

2.09 Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from Customers and Income Received in Advance	8,53,02,122	12,08,01,648
Provision for Expenses	1,16,17,944	1,12,06,754
	9,69,20,066	13,20,08,402

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
2.10 REVENUE FROM OPERATIONS		
Revenue (Refer Note 2.20)	3,33,46,051	6,13,62,656
	<u>3,33,46,051</u>	<u>6,13,62,656</u>
2.11 OTHER INCOME		
Writeback of Creditors	-	-
	<u>-</u>	<u>-</u>
2.12 NETWORK EXPENSES		
Access Charges	3,39,07,018	5,88,39,515
Bandwidth Charges	-	-
	<u>3,39,07,018</u>	<u>5,88,39,515</u>
2.13 Finance Cost		
Other Finance Cost	15,77,264	13,71,605
	<u>15,77,264</u>	<u>13,71,605</u>
2.14 GENERAL ADMINISTRATION EXPENSES		
Legal & Professional Fees	42,840	66,788
Bank Charges	-	4,081
Other General and Administrative Expenses	-	-
Payment to Auditors	3,07,332	4,08,150
Bad debts Written off	-	-
	<u>3,50,172</u>	<u>4,79,019</u>

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note : 2.15

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.16

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Earning Per Share		
Net Profit (Numerator used for calculation)	(24,88,404)	6,72,516
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	1	1
Basic and Diluted Earning Per Share	(24,88,404)	6,72,516

Note : 2.17
Going Concern

For the year ended 31st March 2022, the company has reported a net loss of Rs 75 88 397. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations are still continuing and it is likely that a suitable investor will be found.

Note : 2.18
Impact of COVID-19

While the Company is sensitive about the impact of the pandemic (COVID 19), not only on the human life but on businesses and industrial activity across the globe, however, its effect will only be realized and ascertained over the next few months. The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices. The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown. The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note 2.20
Related Party Transactions

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

i List of Related Parties with whom transactions have taken place and relationships.

Sr. No.	Name of the Related Party	Relationship
1	Reliance Communications Limited	Ultimate Holding Company
2	Reliance Globalcom B.V.	Holding Company
3	Reliance Communications Infrastructure Limited	Fellow Subsidiary
4	Reliance Communications International Inc.	Fellow Subsidiary
5	Reliance Communications Inc.	Fellow Subsidiary
6	Reliance Communications (Singapore) Pte. Limited	Fellow Subsidiary
7	Reliance Webstore Limited	Fellow Subsidiary

ii Transactions with related parties

Summarised below are the transactions entered into with related parties:

(Amount in ₹)

Figures in brackets are pertaining to March 31, 2021

Entity Name	For the year ended Marh 31,2022			As At March 31, 2022		
	Service Income	Financial Charges	Access Charges	Trade Receivables	Short Term Borrowings	Trade Payables
Reliance Communications Inc.	1,85,27,776	15,77,264	1,32,15,893	33,34,22,053	44,24,05,156	
	(3,41,49,794)	(13,71,605)	(2,70,01,835)	(31,87,97,032)	(40,62,47,871)	
Reliance Communications (Singapore) Pte. Limited				58,62,909		
				(56,55,405)		
Reliance Webstore Limited				-		
Reliance Communications Infrastructure Limited				-		82,49,078
				-		(79,57,121)

Reliance Communications (Hong Kong) Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note : 2.21

1 Financial Instruments

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 domestic country 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 : 2.22

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).

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

Vipul P Mehta

Proprietor

Membership No. 035722

Place : Mumbai

Date : 08.08.2022

For and on Behalf of the Board

Vaishali Mane

Director

Independent Auditors' Report

To the Board of Directors of Reliance Communications (Singapore) Pte. Limited Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Communications (Singapore) Pte. Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its Profit (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.13 in the financial statements wherein stated that the company has a net profit for the year and the Net Worth is positive but the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The financial statements have been prepared by the management with conversion in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act")). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

Vipul P. Mehta

Proprietor
Membership No.035722
UDIN: 22035722AQGEOR5002

Place: Mumbai
Date : 08.08.2022

Reliance Communications (Singapore) Pte. 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			
Other Current Assets	2.01	19,01,66,41,420	18,34,35,91,440
Current Assets			
(a) Financial Assets			
(i) Cash and Bank balance	2.02	-	-
(ii) Trade Receivables	2.03	2,18,932	2,11,183
(b) Other Current Assets	2.04	5,37,56,157	4,13,98,852
Total		19,07,06,16,508	18,38,52,01,475
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.05	54,91,167	52,96,820
(b) Other Equity	2.06	19,05,17,35,005	18,37,85,66,085
Liabilities			
Current Liabilities			
Trade Payable	2.07	1,11,31,341	2,82,643
Other Current Liabilities	2.08	22,58,995	10,55,928
Total		19,07,06,16,508	18,38,52,01,475

Significant Accounting Policies 1
Notes to the Financial Statements 2

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Toh Weng Cheong
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (Singapore) Pte. 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
<u>Income</u>			
Other Income	2.09	-	-
		-	-
<u>Expenditure</u>			
General Administration Expenses	2.10	11,44,541	11,49,201
		11,44,541	11,49,201
Profit /(Loss) Before Tax		(11,44,541)	(11,49,201)
Current Tax		-	-
Profit /(Loss) After Tax		(11,44,541)	(11,49,201)
Other Comprehensive Income / (Loss)		67,43,13,462	(64,23,04,653)
Total Comprehensive Income / (Loss)		67,31,68,920	(64,34,53,854)
Basic and Diluted Earning per Share	2.12	(11.45)	(11.49)
Significant Accounting Policies	1		
Notes to the Financial Statements	2		

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Toh Weng Cheong
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (Singapore) Pte. Limited
Statement of Change in Equity for the year ended March 31, 2022

	Amount in ₹	
	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
(a) Equity Share Capital (Refer Note : 2.05)		
Balance at the beginning of the year	52,96,820	50,10,280
Change in equity capital during the year	-	-
Foreign Exchange Variance	1,94,347	2,86,540
Balance at the end of the year	<u>54,91,167</u>	<u>52,96,820</u>

(b) Other Equity (Refer Note : 2.06)

Amount in ₹

Particulars	Attributable to equity holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2020	15,07,18,45,677	3,95,01,74,261	19,02,20,19,938
Net Profit/(Loss) for the year	(11,49,201)	(64,23,04,653)	(64,34,53,854)
Balance as at March 31, 2021	<u>15,07,06,96,477</u>	<u>3,30,78,69,608</u>	<u>18,37,85,66,085</u>
Net Profit/(Loss) for the year	(11,44,541)	67,43,13,462	67,31,68,920
Balance as at March 31, 2022	<u>15,06,95,51,936</u>	<u>3,98,21,83,070</u>	<u>19,05,17,35,005</u>

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Toh Weng Cheong
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (Singapore) Pte. Limited
Cash Flow Statement for the year ended March 31, 2022

Amount in ₹

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Notes on Accounts to the financial statement for the year ended March 31,2022		
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax as per statement of Profit and Loss	(11,44,541)	(11,49,201)
Writeback of creditors no longer Required		
Operating Profit before Working Capital Changes	(11,44,541)	(11,49,201)
Adjusted for:		
Receivables & advances	84,48,036	(55,08,067)
Effect of Exchange difference on translation of Assets & Liabilities	8,521	8,521
Other Current Liabilities	1,20,51,766	10,12,046
	2,05,08,323	(44,87,499)
Cash Generated from Operations	1,93,63,782	(56,36,700)
Tax Paid	-	-
Net Cash from/(used in) Operating Activities	1,93,63,782	(56,36,700)
B CASH FLOW FROM INVESTING ACTIVITIES	-	-
C CASH FLOW FROM FINANCING ACTIVITIES	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	1,93,63,782	(56,36,700)
Opening Balance of Cash and Cash Equivalents	(55,23,663)	1,13,037
Closing Balance of Cash and Cash Equivalents	1,38,40,119	(55,23,663)

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Toh Weng Cheong
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (Singapore) Pte. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note 1 : General Information and Significant Accounting Policies

1.01 Notes on Accounts to the financial statement for the year ended March 31,2022

The Company Reliance Communications (Singapore) Pte. Limited (the "Company") was incorporated in Singapore as a private limited liability company.

1.02 Basis of Preparation of Financial Statements

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Revenue Recognition

Interest Income is recognised on time proportion basis.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

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

(vii) **Derecognition of Financial Assets**

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

(viii) **Impairment of Financial Assets**

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

Reliance Communications (Singapore) Pte. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

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 Communications (Singapore) Pte. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

	As at March 31, 2022	Amount in ₹ As at March 31, 2021		
Note:2.01				
Non Current Assets				
Loans to related party (Refer Note 2.16)	19,01,66,41,420	18,34,35,91,440		
	<u>19,01,66,41,420</u>	<u>18,34,35,91,440</u>		
Note: 2.02				
Cash & Bank Balance				
Balance With Bank in current account	-	-		
	<u>-</u>	<u>-</u>		
Note: 2.03				
TRADE RECEIVABLES (Unsecured)				
Others	2,18,932	2,11,183		
	<u>2,18,932</u>	<u>2,11,183</u>		
Note: 2.04				
Other Current Assets				
Short Term Loans & advances	4,60,82,143	3,39,96,442		
Other Current Assets	76,74,013	74,02,409		
	<u>5,37,56,157</u>	<u>4,13,98,852</u>		
Note: 2.05				
Share Capital				
Authorised				
1,00,000 (1,00,000) equity shares of USD 0.72 each	54,91,167	52,96,820		
	<u>54,91,167</u>	<u>52,96,820</u>		
Issued, Subscribed and Paid up				
1,00,000(1,00,000) equity shares of USD 0.72 each fully paid up	54,91,167	52,96,820		
	<u>54,91,167</u>	<u>52,96,820</u>		
1) Details of Shares held by holding Company:				
Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	100	1,00,000	100	1,00,000
2) Details of Shareholders holding more than 5% shares in the Company:				
Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	100	1,00,000	100	1,00,000
3)The Company has only one class of equity shares having a par value of USD 1 per share. Each shareholder 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.				
4) Reconciliation of shares outstanding at the beginning and at the end of the year				
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Ordinary Shares				
At the beginning of the year	1,00,000	54,91,167	1,00,000	52,96,820
Add/Less: Changes for the year				
At the end of the year	<u>1,00,000</u>	<u>54,91,167</u>	<u>1,00,000</u>	<u>52,96,820</u>
Note: 2.06				
Other Equity				
Other Comprehensive Income				
(i) Opening Balance		3,30,78,69,608		3,95,01,74,261
(ii) Additions during the year (net)		67,43,13,462		(64,23,04,653)
		<u>3,98,21,83,070</u>		<u>3,30,78,69,608</u>
Surplus/(Deficit) in retained earnings				
Opening Balance		15,07,06,96,477		15,07,18,45,677
Add: Profit/ (Loss) the year		(11,44,541)		(11,49,201)
		<u>19,05,17,35,005</u>		<u>18,37,85,66,085</u>

Reliance Communications (Singapore) Pte. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

	As at March 31, 2022	Amount in ₹ As at March 31, 2021
Note: 2.07		
Trade Payable		
Trade and Other Payables (Refer Note 2.16)	<u>1,11,31,341</u>	<u>2,82,643</u>
	<u>1,11,31,341</u>	<u>2,82,643</u>
Note: 2.08		
Other Current Liabilities		
Other Liabilities	<u>22,58,995</u>	<u>10,55,928</u>
	<u>22,58,995</u>	<u>10,55,928</u>
	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
Note: 2.09		
Other Income	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Note: 2.10		
General Administrative Expenses		
Bank Charges	-	9,202
Auditors Remuneration	5,93,355	5,91,000
Other Professional Fees	5,51,186	5,48,998
Other Expenses	-	-
	<u>11,44,541</u>	<u>11,49,201</u>

Reliance Communications (Singapore) Pte. Limited

Notes on Accounts to the financial statement for the year ended March 31, 2022

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.

Notes on Accounts to the financial statement for the

Note : 2.12

Earning Per Share

	(Amount in ₹)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit (Numerator used for calculation)	(11,44,541)	(11,49,201)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	1,00,000	1,00,000
Basic and Diluted Earning Per Share	(11.45)	(11.49)

Note : 2.13

Going Concern

For the year ended 31st March 2022, the company has reported a net profit of Rs 67 31 68 920. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations are still continuing and it is likely that a suitable investor will be found.

Note : 2.14

Impact of COVID-19

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

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices.

The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.15

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.16

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 LTD	Ultimate Holding Company
2 Reliance Globalcom B V	Holding Company
3 Reliance Communications (New Zealand) Pte Limited	Fellow- Subsidiary Company
4 Reliance Communications Inc	Fellow- Subsidiary Company
5 Reliance Communications Infrastructure Ltd	Fellow- Subsidiary Company
6 Reliance Communications International Inc	Fellow- Subsidiary Company
7 Reliance Communications (Hong Kong) Pte Limited	Fellow- Subsidiary Company
8 Reliance Communications UK Limited	Fellow- Subsidiary Company
9 Gateway Net Trading Pte Ltd	Fellow- Subsidiary Company

ii Transaction during the year with related party

Figures in brackets are pertaining to March 31, 2021

Entity Name	During the Year		As at March 31, 2022		
	Service revenue	Network Operating Exp	Loans & Advances	Other Current liabilities	Trade Payables
1 Reliance Communications Infrastructure Ltd	-	-	-	-	12,051
2 Reliance Globalcom B V	-	-	19,01,63,38,250	-	(11,624)
	-	-	(18,34,32,99,000)	-	-
3 Gateway Net Trading Pte Ltd	-	-	3,03,170	-	-
	-	-	(2,92,440)	-	-

Note : 2.17

1 Financial Instruments

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 or assets.

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Note : 2.18

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).

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor
Membership No. 035722

Toh Weng Cheong

Director

Place : Mumbai

Date : 08.08.2022

Independent Auditors' Report

To the Board of Directors of Reliance Communications (New Zealand) Pte. Limited Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Communications (New Zealand) Pte. Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its Profit (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.12 in the financial statements wherein stated that the Company has a net profit for the year and the Net Worth is positive but the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The financial statements have been prepared by the management with conversion in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act")). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta
Proprietor
Membership No.035722
UDIN: 22035722AQGDSO6422

Place: Mumbai
Date : 08.08.2022

Reliance Communications (New Zealand) Pte. Limited

Balance Sheet as at March 31, 2022

(Amount in ₹)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Current Assets			
Financial Assets			
(i) Cash and Bank balance	2.01	-	319
Other Current Assets	2.02	32,08,212	30,94,665
Total		32,08,212	30,94,984
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.03	55	47
(b) Other Equity	2.04	21,60,326	22,31,873
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	2.05	6,11,418	5,89,778
(b) Other Current Liabilities	2.06	4,36,413	2,73,285
Total		32,08,212	30,94,984
Significant Accounting Policies	1		
Notes to the Financial Statements	2		
As per our Report of even date			

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Permal Sami
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (New Zealand) Pte. Limited
Statement of Profit and Loss for the year ended March 31, 2022

	Notes	For the year ended March 31, 2022	(Amount in ₹) For the year ended March 31, 2021
<u>Income</u>			
Other Income	2.07	-	-
		<u>-</u>	<u>-</u>
<u>Expenditure</u>			
Finance Cost	2.08	-	-
General Administration Expenses	2.09	1,50,574	1,49,976
		<u>1,50,574</u>	<u>1,49,976</u>
Profit /(Loss) Before Tax		(1,50,574)	(1,49,976)
Current Tax		-	-
Profit /(Loss) After Tax		(1,50,574)	(1,49,976)
Other Comprehensive Income / (Loss)		79,026	(80,697)
Total Comprehensive Income / (Loss)		(71,548)	(2,30,673)
Basic and Diluted Earning per Share	2.13	(1,50,574)	(1,49,976)

Significant Accounting Policies
Notes to the Financial Statements
As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Permal Sami
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (New Zealand) Pte. Limited
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
Balance at the beginning of the year	47	47
Change in equity capital during the year	-	-
Foreign Exchange Variance	8	-
Balance at the end of the year	55	47

(a) Equity Share Capital (Refer Note : 2.04)

Balance at the beginning of the year
Change in equity capital during the year
Foreign Exchange Variance
Balance at the end of the year

(b) Other Equity (Refer Note : 2.05)

Amount in ₹

Particulars	Attributable to equity holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2020	33,63,661	(9,01,114)	24,62,547
Net Profit for the year	(1,49,976)	(80,697)	(2,30,673)
	-	-	-
Balance as at March 31, 2021	32,13,685	(9,81,811)	22,31,874
Net Profit for the year	(1,50,574)	79,026	(71,548)
	-	-	-
Balance as at March 31, 2022	30,63,111	(9,02,785)	21,60,326

As per our report of even date attached

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Permal Sami
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (New Zealand) Pte. Limited
Cash Flow Statement 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 Profit/(Loss) before tax as per statement of Profit and Loss	(1,50,574)	(1,49,976)
Adjusted for:		
Writeback of creditors no longer Required	-	-
Finance Cost	-	-
Operating Profit/ (Loss) before Working Capital Changes	(1,50,574)	(1,49,976)
Adjusted for:		
Receivables & Advances	1,13,547	(1,08,150)
Effect of Exchange difference on translation of Assets & Liabilities	(1,48,061)	1,35,603
Trade payables & Other Current Liabilities	1,84,768	1,22,512
Net Cash from/(used in) Operating Activities	(320)	(12)
B CASH FLOW FROM INVESTING ACTIVITIES	-	-
C CASH FLOW FROM FINANCING ACTIVITIES	-	-
Finance Cost	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	(320)	(12)
Opening Balance of Cash and Cash Equivalents	319	331
Closing Balance of Cash and Cash Equivalents	(0)	319

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Permal Sami
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (New Zealand) Pte. Limited
Note 1 : General Information and Significant Accounting Policies

1.01 General Information

The Company Reliance Communications (New Zealand) Pte. Limited (the "Company") was incorporated in New Zealand as a private limited liability company. Its registered office is at BDO Auckland, Level 8, 120 Albert Street, Auckland 1010, New Zealand.

1.02 Basis of Preparation of Financial Statements

These financial statements for the year ended March 31, 2017 are the first financial statements that the Company has prepared under Ind AS. For all periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'the Previous GAAP') used for its statutory reporting requirements in India immediately before adopting Ind AS.

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

Revenue is recognized as and when the services are provided on the basis of actual usage of the Company's telecommunications network.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

Reliance Communications (New Zealand) Pte. Limited

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 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').

Reliance Communications (New Zealand) Pte. Limited

(vi) **Equity investments:**

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

(vii) **Derecognition of Financial Assets**

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

(viii) **Impairment of Financial Assets**

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

Financial Liabilities

(i) **Initial recognition and measurement**

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

(ii) **Subsequent measurement**

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

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

(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 Communications (New Zealand) Pte. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

	As at March 31, 2022	Amount in ₹ As at March 31, 2021		
Note: 2.01				
Financial Assets				
Cash & Bank Balances in current accounts	- - <u>-</u>	319 <u>319</u>		
Note: 2.02				
Other Current Assets				
Loans and Advances to Related parties (Refer Note 2.15)	32,08,212 <u>32,08,212</u>	30,94,665 <u>30,94,665</u>		
Note: 2.03				
Share Capital				
Authorised				
1,00,000 (1,00,000)equity shares of USD 0.72 each	55 <u>55</u>	47 <u>47</u>		
Issued, Subscribed and Paid up				
1,00,000(1,00,000) equity shares of USD 0.72 each	55 <u>55</u>	47 <u>47</u>		
1) Details of Shares held by holding Company:				
Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	100	1	100	1
2) Details of Shareholders holding more than 5% shares in the Company:				
Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	100	1	100	1
3) Reconciliation of shares outstanding at the beginning and at the end of the reporting period				
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Ordinary Shares				
At the beginning of the year	1	55	1	47
Add/Less: Changes for the year				
At the end of the year	<u>1</u>	<u>55</u>	<u>1</u>	<u>47</u>
Note: 2.04				
Other Equity				
Other Comprehensive Income				
(i) Opening Balance		(9,81,811)		(9,01,114)
(ii) Additions during the year (net)		79,026 <u>(9,02,785)</u>		(80,697) <u>(9,81,811)</u>
Surplus/(Deficit) in retained earnings				
Opening Balance		32,13,685		33,63,661
Add: Profit/ (Loss) the year		(1,50,574) <u>21,60,326</u>		(1,49,976) <u>22,31,873</u>
Note: 2.05				
Trade Payables				
Others		6,11,418 <u>6,11,418</u>		5,89,778 <u>5,89,778</u>
Note: 2.06				
Other Current Liabilities				
Other Liabilities		4,36,413 <u>4,36,413</u>		2,73,285 <u>2,73,285</u>

Reliance Communications (New Zealand) Pte. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
Note: 2.07		
Revenue		
Other Income	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Note: 2.08		
Finance Cost		
Finance Cost	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Note: 2.09		
General Administrative Expenses		
Auditors Remuneration	1,50,574	1,49,976
	<u>1,50,574</u>	<u>1,49,976</u>
	<u>1,50,574</u>	<u>1,49,976</u>

Reliance Communications (New Zealand) Pte. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note : 2.10

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.11

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)	(1,50,574)	(1,49,976)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	1	1
Basic and Diluted Earning Per Share	(1,50,574)	(1,49,976)

Note : 2.12**Going Concern**

For the year ended 31st March 2022, the company has reported a net loss of Rs 71 548. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations are still continuing and it is likely that a suitable investor will be found.

Note : 2.13**Impact of COVID-19**

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

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices.

The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.14**Segment Reporting**

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.15

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 LTD	Ultimate Holding Company
2 Reliance Globalcom B V	Holding Company
3 Reliance Communications (Singapore) Pte Limited	Fellow- Subsidiary Company
4 Reliance Communications Inc	Fellow- Subsidiary Company
5 Reliance Communications Infrastructure Ltd	Fellow- Subsidiary Company
6 Reliance Communications International Inc	Fellow- Subsidiary Company
7 Reliance Communications UK Ltd	Fellow- Subsidiary Company

ii Transaction during the year with related party

Figures in brackets are pertaining to March 31, 2021

Entity Name	During the Year			As at March 31, 2022	
	Service revenue	Call Centre Exp	Network Operating Exp	Loans & Advances	Trade Payables
2 Reliance Communications (Singapore) Pte Limited	-	-	-	32,08,212	-
	-	-	-	(30,94,665)	-

Reliance Communications (New Zealand) Pte. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

Note : 2.16

1 Financial Instruments

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.

2 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 does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Note : 2.17

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).

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor
Membership No. 035722

Permal Sami

Director

Place : Mumbai

Date : 08.08.2022

Independent Auditors' Report

To the Board of Directors of Reliance Communications (Australia) Pty. Limited Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Communications (Australia) Pty. Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its Profit (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.15 in the financial statements wherein stated that the Company has a net profit for the year and the Net Worth is positive but the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The financial statements have been prepared by the management with conversion in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act"). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V. P. Mehta & Co.

Chartered Accountants
Firm Regn.No.: 106326W

Vipul P Mehta

Proprietor
Membership No.:035722
UDIN: 22035722AQHQYB7791

Place: Mumbai
Date : 08.08.2022

Reliance Communications (Australia) Pty. Limited

Balance Sheet as at March 31, 2022

Amount in ₹

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Current Assets			
Financial Assets			
(i) Cash and Bank balance	2.01	1,20,965	1,16,684
(ii) Trade Receivables	2.02	6,03,067	5,81,723
Other Current Assets	2.03	2,96,55,710	2,86,06,115
Total		3,03,79,743	2,93,04,522
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.04	46	46
(b) Other Equity	2.05	2,51,75,686	2,46,69,135
Liabilities			
Current Liabilities			
Trade Payables	2.06	25,99,910	23,56,993
Other Current Liabilities	2.07	26,04,100	22,78,348
Total		3,03,79,743	2,93,04,522
Significant Accounting Policies	1		
Notes to the Financial Statements	2		

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Permal Sami
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (Australia) Pty. 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
<u>Income</u>			
Revenue from Operations	2.08	-	-
Other Income	2.09	-	-
		<u>-</u>	<u>-</u>
<u>Expenditure</u>			
Network Operating Expenses	2.10	-	-
Finance Costs	2.11	-	-
General Administration Expenses	2.12	3,91,779	3,16,015
		<u>3,91,779</u>	<u>3,16,015</u>
(Loss) Before Tax		(3,91,779)	(3,16,016)
Current Tax		-	-
(Loss) After Tax		(3,91,779)	(3,16,016)
Other Comprehensive Income / (Loss)		8,98,330	(8,68,346)
Total Comprehensive Income / (Loss)		5,06,551	(11,84,362)
Basic and Diluted Earning per Share	2.14	(3,91,779)	(3,16,016)
Significant Accounting Policies	1		
Notes on Account	2		

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Permal Sami
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (Australia) Pty. Limited
Statement of change in equity for the year ended March 31, 2022

Amount in ₹

For the year ended For the year ended
March 31, 2022 March 31, 2021

(a) Equity Share Capital (Refer Note : 2.04)

Balance at the beginning of the year	46	48
Change in equity capital during the year	-	-
Foreign Exchange Variance	-	(2)
Balance at the end of the year	46	46

(b) Other Equity (Refer Note : 2.05)

Amount in ₹

Particulars	Attributable to equity holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2019	2,83,43,207	(24,89,712)	2,58,53,495
Net Profit for the year	(3,16,016)	(8,68,346)	(11,84,362)
Balance as at March 31, 2021	2,80,27,191	(33,58,058)	2,46,69,133
Net Profit for the year	(3,91,779)	8,98,330	5,06,551
Balance as at March 31, 2022	2,76,35,412	(24,59,728)	2,51,75,684

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Permal Sami
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications (Australia) Pty. 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	(3,91,779)	(3,16,015)
Adjusted for:		
Writeback of creditors no longer Required	-	-
Other Financial Cost	-	-
Operating Profit before Working Capital Changes	(3,91,779)	(3,16,015)
Adjusted for:		
Receivables & advances	15,32,439	(45,77,671)
Effect of Exchange difference on translation of Assets & Liabilities	(16,42,129)	(33,15,156)
Other Current Liabilities	1,13,971	(3,00,777)
Cash Generated from Operations	4,281	(81,93,603)
Tax Paid	-	-
Net Cash from/(used in) Operating Activities	4,281	(81,93,603)
B CASH FLOW FROM INVESTING ACTIVITIES	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	4,281	(81,93,603)
Opening Balance of Cash and Cash Equivalents	1,16,684	83,10,287
Closing Balance of Cash and Cash Equivalents	1,20,965	1,16,684

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta
Proprietor
Membership No. 035722

Place : Mumbai
Date : 08.08.2022

For and on Behalf of the Board

Permal Sami
Director

Reliance Communications (Australia) Pty. Limited

Significant Accounting Policies

1.01 General Information

The Company Reliance Communications (Australia) Pty. Limited (the "Company") was incorporated in Australia as a private limited liability company. Its registered office is at 9 Peach gardens Glenwood NSW 2768 , Australia

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

Revenue is recognised as and when the services are provided on the basis of actual usage of the Company's network.

Interest Income is recognised on time proportion basis.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

Reliance Communications (Australia) Pty. Limited

Significant Accounting Policies

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 Investments

Non Current Investments are stated at cost or fair value as required .

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

(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').

Reliance Communications (Australia) Pty. Limited

Significant Accounting Policies

(vi) Equity investments:

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

(vii) Derecognition of Financial Assets

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

(viii) Impairment of Financial Assets

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

Financial Liabilities

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

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

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

(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 Communications (Australia) Pty. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

	As at March 31, 2022	Amount in ₹ As at March 31, 2021
Note: 2.01		
Cash & Bank Balance		
Balance With Bank in current account	1,20,965	1,16,684
	<u>1,20,965</u>	<u>1,16,684</u>

Note: 2.02		
Other Current Assets		
Trade Receivables Considered Good	6,03,067	5,81,723
	<u>6,03,067</u>	<u>5,81,723</u>

Note: 2.03		
Other Current Assets	2,96,55,710	2,86,06,115
	<u>2,96,55,710</u>	<u>2,86,06,115</u>

Note: 2.04		
Share Capital		
Authorised		
1(Previous Year 1) Equity share of AUD 1 each	46	46
	<u>46</u>	<u>46</u>

Issued, Subscribed and Paid up		
1(Previous Year 1) Equity share of AUD 1 each fully paid	46	46
	<u>46</u>	<u>46</u>

1) Details of Shares held by holding Company:

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	100	1	100	1

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

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	100	1	100	1

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

	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Ordinary Shares				
At the beginning of the year	1	46	1	46
Add/Less: Changes for the year				
At the end of the year	<u>1</u>	<u>46</u>	<u>1</u>	<u>46</u>

Note: 2.05
Other Equity
Other Comprehensive Income

(i) Opening Balance	(33,58,058)	(24,89,712)
(ii) Additions during the year (net)	8,98,330	(8,68,346)
	<u>(24,59,728)</u>	<u>(33,58,058)</u>

Surplus/(Deficit) in retained earnings

Opening Balance	2,80,27,193	2,83,43,209
Add: Profit/ (Loss) the year	(3,91,779)	(3,16,015)
	<u>2,51,75,686</u>	<u>2,46,69,135</u>

Reliance Communications (Australia) Pty. Limited

Notes on Accounts to the financial statement for the year ended March 31,2022

	As at March 31, 2022	Amount in ₹ As at March 31, 2021
Note: 2.06		
Trade Payables (Refer Note 2.18)	25,99,910	23,56,993
	<u>25,99,910</u>	<u>23,56,993</u>
Note: 2.07		
Other Current Liabilities	20,52,861	19,80,205
Provisions	5,51,239	2,98,143
	<u>26,04,100</u>	<u>22,78,348</u>
		Amount in ₹
	For the year ended March 31, 2022	For the year ended March 31, 2021
Note: 2.08		
Revenue	-	-
	<u>-</u>	<u>-</u>
Note: 2.09		
Other Income		
Writeback of creditors no longer Required	-	-
	<u>-</u>	<u>-</u>
Note: 2.10		
Network Operating Expenses	-	-
	<u>-</u>	<u>-</u>
Note: 2.11		
Finance Costs		
Bank Charges	-	-
	<u>-</u>	<u>-</u>
Note: 2.12		
General Administrative Expenses		
Call Centre expenses	-	-
Auditors Remuneration	74,505	-
Other Professional Fees	3,17,275	3,16,015
	<u>3,91,779</u>	<u>3,16,015</u>

Reliance Communications (Australia) Pty. Limited

Notes on Accounts to the financial statement for the year ended March 31, 2021

Note : 2.13

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.14

Earning Per Share

	Amount in ₹	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit (Numerator used for calculation)	(3,91,779)	(3,16,016)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	1	1
Basic and Diluted Earning Per Share	(3,91,779)	(3,16,016)

Note : 2.15

Going Concern

For the year ended 31st March 2022, the company has reported a net profit of Rs 5 06 551. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations are still continuing and it is likely that a suitable investor will be found.

Note : 2.16

Impact of COVID-19

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

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices. The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.17

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.18

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 LTD	Ultimate Holding Company
2 Reliance Globalcom B V	Holding Company
3 Reliance Communications Inc	Fellow- Subsidiary Company
4 Reliance Communications Infrastructure Ltd	Fellow- Subsidiary Company
5 Reliance Communications International Inc	Fellow- Subsidiary Company
6 Reliance Communications UK Ltd	Fellow- Subsidiary Company

ii Transaction during the year with related party

Figures in brackets are pertaining to March 31, 2021

Entity Name	Amount in ₹					
	During the Year			As at March 31, 2022		
	Service revenue	Network Operating Exp	General administration Exp	Trade Receivables	Loans & Advances	Trade Payables
1 Reliance Communications Ltd	-	-	-	-	-	5,04,020
	-	-	-	-	-	(4,86,182)
3 Reliance Communications International Inc	-	-	-	-	-	15,73,301
	-	-	-	-	-	(15,17,617)
4 Reliance Communications Infrastructure Ltd	-	-	-	-	-	3,11,280
	-	-	-	-	-	(3,00,263)

Reliance Communications (Australia) Pty. Limited

Notes on Accounts to the financial statement for the year ended March 31,2021

Note : 2.17

1 Financial Instruments

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 or assets.

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss.

Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Note : 2.19

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).

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta
Proprietor
Membership No. 035722

Place : Mumbai
Date : 08.08.2022

For and on Behalf of the Board

Permal Sami
Director

2021-22

Anupam Global Soft (U) Limited

March 31, 2022

Anupam Global Soft (U) Limited

Unaudited Balance Sheet as at March 31, 2022

(Amount in ₹)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non Current Assets			
Capital Work in Progress		8,46,99,569	7,95,05,728
Current Assets			
Other Current Assets	2.01	13,63,08,011	12,79,49,501
Total		22,10,07,580	20,74,55,228
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.02	6,36,00,000	5,97,00,000
(b) Other Equity	2.03	(3,93,61,021)	(3,69,47,373)
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.04	16,38,39,924	15,37,93,136
(i) Trade Payables	2.05	3,08,32,988	2,89,42,285
Other Current Liabilities	2.06	20,95,689	19,67,180
Total		22,10,07,580	20,74,55,228

Significant Accounting Policies 1

Notes to the Financial Statements 2

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

For Anupam Global Soft (U) Limited

Director

Place : Mumbai

Date : 28th May, 2022

Anupam Global Soft (U) Limited
Statement of changes 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 (Refer Note : 2.03)		
Balance at the beginning of the year	5,97,00,000	5,60,16,000
Change in equity capital during the year	-	-
Foreign Exchange Variance	39,00,000	36,84,000
Balance at the end of the year	6,36,00,000	5,97,00,000

(b) Other Equity (Refer Note : 2.04)

Particulars	Attributable to equity holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at March 31, 2020	2,43,358	(3,81,74,014)	(3,79,30,656)
Net Profit for the year	-	-	-
Foreign Exchange Variance *	-	9,83,283	9,83,283
Balance as at March 31, 2020	2,43,358	(3,71,90,731)	(3,69,47,373)
Net Profit for the year	-	-	-
Foreign Exchange Variance *	-	(24,13,647)	(24,13,647)
Balance as at March 31, 2021	2,43,358	(3,96,04,379)	(3,93,61,021)

* Exchange differences on translating the financial statements

For Anupam Global Soft (U) Limited

Director

Place : Mumbai
Date : 28th May, 2022

Anupam Global Soft (U) Limited

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

The Company Anupam Global Soft (U) Limited (the "Company") was incorporated in Uganda as a private limited liability company. Its registered office is at Plot - 43, Chwa - 11 Rd, Mbuya, P O Box 70881, Kampala Uganda

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 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees ("Rupees" or " ₹ ") but the functional currency is Uganda. All amounts are rounded off to the nearest rupees, unless stated otherwise

1.04 Revenue Recognition

Interest Income is recognised on time proportion basis.

1.05 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.06 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.

1.07 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable / recoverable in respect of the taxable income / loss for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

Anupam Global Soft (U) Limited

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.08 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.

1.09 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. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.1 Investments

Non Current Investments are stated at cost or fair value as required .

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').

Anupam Global Soft (U) Limited

Note :1 General Information and Significant Accounting Policies to the Financial Statements

(vi) Equity investments:

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

(vii) Derecognition of Financial Assets

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

(viii) Impairment of Financial Assets

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

Financial Liabilities

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

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

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

(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.

Anupam Global Soft (U) Limited**Notes on Accounts to Balance Sheet and Statement of Profit and Loss**

(Amount in ₹)

**As at
March 31, 2022****As at
March 31, 2021****Note: 2.01****Other Current Assets**

Deposits	1,11,038	1,04,229
Others	13,61,96,973	12,78,45,272
	13,63,08,011	12,79,49,501

Note: 2.02**Equity Share Capital****Authorised**

30,000 (30,000) Ordinary shares of Ushs 1,00,000 each	6,36,00,000	5,97,00,000
	6,36,00,000	5,97,00,000

Issued, Subscribed and Paid up

30,000 (30,000) Ordinary shares of Ushs 1,00,000 each	6,36,00,000	5,97,00,000
	6,36,00,000	5,97,00,000

1) Details of Shares held by holding Company:

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	90	27000	90	27000

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

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV	90	27000	90	27000
M.N. Holdings Company Limited	8.97	3000	8.97	3000

3) The Company has only one class of ordinary shares having a par value of Ushs 100,000 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.

Anupam Global Soft (U) Limited**Notes on Accounts to Balance Sheet and Statement of Profit and Loss**

(Amount in ₹)

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

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

	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Ordinary Shares				
At the beginning of the year	30 000	5,97,00,000	30 000	5,97,00,000
Add/Less: Changes for the year	-	39,00,000	-	-
At the end of the year	30 000	6,36,00,000	30 000	5,97,00,000

Note: 2.03**Other Equity****Other Comprehensive Income****Exchange Fluctuation Reserve****(i) Opening Balance**

(3,71,90,731)

(3,81,74,014)

(ii) Addition during the year (net)

(24,13,647)

9,83,283

(3,96,04,379)(3,71,90,731)**Surplus/(deficit) in retained earnings**

Opening Balance

2,43,358

2,43,358

Add: Profit/ (Loss) the year

-

-

(3,93,61,021)**(3,69,47,373)****Note: 2.04****Borrowing - Current**

From Related Party (Refer Note 2.11)

16,38,39,924

15,37,93,136

16,38,39,924**15,37,93,136****Note: 2.05****Trade Payable**

Others

3,08,32,988

2,89,42,285

3,08,32,988**2,89,42,285****Note: 2.06****Other Current Liabilities**

Other Liabilities

20,95,689

19,67,180

20,95,689**19,67,180**

Anupam Global Soft (U) Limited
Notes on Accounts to Balance Sheet and Statement of Profit and Loss

Note : 2.07

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.08

Earning Per Share	(Amount in ₹)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit (Numerator used for calculation)	-	-
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	-	-
Basic and Diluted Earning Per Share of Ushs 1,00,000 each	-	-

Note : 2.09

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.10

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:

Name of the Related Party	Relationship	Relationship
1 Reliance Globalcom BV	Holding Company	Holding Company
Transaction during the year with related party	NIL	NIL
Closing Balance:		
	As at	As at
Particulars	March 31, 2022	March 31, 2021
Borrowing - Current	16,38,39,924	15,37,93,136

Note : 2.11

1 Financial Instruments

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

Interest Rate Risk

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

Exposure to interest rate risk

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

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Note : 2.12

The amounts relating to Balance Sheet items appearing in Indian Rupees have been translated at Closing Rate of 1 ₹ = Rs. 0.021200 (Previous year 1 ₹ = Rs. 0.020103 Ushs) and items relating to profit and loss have been translated at average rate of ₹ = Rs. 0.020600 Ushs (Previous year 1 ₹ = Rs. 0.020266 Ushs)

For Anupam Global Soft (U) Limited

Director

Independent Auditors' Report

To the Board of Directors of Gateway Net Trading Pte Ltd Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Gateway Net Trading Pte Ltd** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its loss (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.07 in the financial statements where in the company's Net Worth has been fully eroded and the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The financial statements have been prepared by the management with conversion in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act")). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta

Proprietor
Membership No.035722
UDIN: 22035722AQHRXV8765

Place: Mumbai
Date : 08.08.2022

Gateway Net Trading Pte Ltd

Balance Sheet as at March 31,2022

		As at March 31, 2022	Amount in ₹ As at March 31, 2021
ASSETS			
Current Assets			
(a) Financial Assets			
(i) Cash and Bank balance	2.01	-	1,619
Total		<u>-</u>	<u>1,619</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.02	1,97,82,60,043	1,90,82,44,110
(b) Other Equity	2.03	(4,17,08,38,007)	(4,02,22,76,702)
Liabilities			
Current Liabilities			
(a) Other Current Liabilities	2.04	2,19,25,77,964	2,11,40,34,211
Total		<u>-</u>	<u>1,619</u>

Significant Accounting Policies 1

Notes to the Financial Statements 2

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Toh Weng Cheong
Director

Place : Mumbai
Date : 08.08.2022

Gateway Net Trading Pte Ltd

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

	Notes	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
<u>Income</u>			
Other Income		-	-
		<u>-</u>	<u>-</u>
<u>Expenditure</u>			
General Administration Expenses		9,62,154	9,58,335
		<u>9,62,154</u>	<u>9,58,335</u>
Profit /(Loss) Before Tax		(9,62,154)	(9,58,335)
Current Tax		-	-
Profit /(Loss) After Tax		(9,62,154)	(9,58,335)
Other Comprehensive Income / (Loss)		(14,75,99,151)	14,05,49,067
Total Comprehensive Income / (Loss)		(14,85,61,305)	13,95,90,732
Basic and Diluted Earning per Share	2.07	(0.07)	(0.07)

Significant Accounting Policies
Notes to the Financial Statements

1
2

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Toh Weng Cheong
Director

Place : Mumbai
Date : 08.08.2022

Gateway Net Trading Pte Ltd

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		
Profit/(Loss) before Income tax	(9,62,154)	(9,58,335)
Adjusted for:	-	-
Operating Profit before Working Capital Changes	(9,62,154)	(9,58,335)
Adjusted for:		
Receivables and other Advances	-	-
Trade Payables	7,85,43,753	(7,29,02,734)
Effect of Exchange difference on translation of Assets & Liabilities	(7,75,83,219)	7,38,61,012
Cash Generated from Operations	(1,619)	(56)
Less : Income Tax Paid	-	-
Net Cash Inflow/(Outflow) from Operating Activities	(1,619)	(56)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	-	-
Sale of Investments	-	-
Financial Income	-	-
Net Cash Inflow/(Outflow) from Investing Activities	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Long term Borrowings	-	-
Net proceeds from short term boorowings	-	-
Financial Charges	-	-
Net Cash Inflow/(Outflow) from Financing Activities	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	(1,619)	(56)
Opening Balance of Cash and Cash Equivalents	1,619	1,676
Closing Balance of Cash and Cash Equivalents	(0)	1,619

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta
Proprietor
Membership No. 035722
Place : Mumbai
Date : 08.08.2022

For and on Behalf of the Board

Toh Weng Cheong
Director

Gateway Net Trading Pte Ltd

Statement of changes 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 (Refer Note : 2.03)

Balance at the beginning of the year	1,90,82,44,110	1,80,50,14,655
Change in equity capital during the year	-	-
Foreign Exchange Variance	7,00,15,933	10,32,29,455
Balance at the end of the year	1,97,82,60,043	1,90,82,44,110

(b) Other Equity (Refer Note : 2.04)

Amount in ₹

Particulars	Attributable to equity holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at April 1, 2020	(3,58,40,05,938)	(21,88,76,463)	(3,80,28,82,401)
Net Loss for the year	(9,58,335)	14,05,49,067	13,95,90,732
Balance as at March 31, 2021	(3,58,49,64,273)	(7,83,27,396)	(3,66,32,91,669)
Net Profit for the year	(9,62,154)	(14,75,99,151)	(14,85,61,305)
Balance as at March 31, 2022	(3,58,59,26,427)	(22,59,26,547)	(3,81,18,52,974)

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Toh Weng Cheong
Director

Place : Mumbai
Date : 08.08.2022

Gateway Net Trading Pte Ltd

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

The Company Gateway Net Trading Pte Ltd was incorporated in Singapore 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).

These financial statements for the year ended March 31, 2017 are the first financial statements that the Company has prepared under Ind AS. For all periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'the Previous GAAP') used for its statutory reporting requirements in India immediately before adopting Ind AS.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Revenue Recognition

Interest Income is recognised on time proportion basis.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

Gateway Net Trading Pte Ltd

Note :1 General Information and Significant Accounting Policies to the Financial Statements

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 Investments

There are No Investments by the Company except some advances as shown in the accounts.

1.10 Financial Instruments

There are no Financial Instruments issued by the Company except share capital.

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').

Gateway Net Trading Pte Ltd

Note :1 General Information and Significant Accounting Policies to the Financial Statements

(vi) Equity investments:

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

(vii) Derecognition of Financial Assets

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

(viii) Impairment of Financial Assets

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

Financial Liabilities

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

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

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

(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.

Gateway Net Trading Pte Ltd

Notes on Accounts to Balance Sheet and Statement of Profit and Loss

Amount in ₹

	As at March 31, 2022	As at March 31, 2021
Note: 2.01		
Cash & Bank Balance		
Balance With Bank in current account	-	1,619
	<u>-</u>	<u>1,619</u>

Note: 2.02

Equity Share Capital Authorised

1100,000 Equity Share of USD 1 Each	8,33,71,750	8,04,21,000
250,010 Equity Shares of USD 100 Each	1,89,48,88,293	1,82,78,23,110
	<u>1,97,82,60,043</u>	<u>1,90,82,44,110</u>

Issued, Subscribed and Paid up

1100,000 Equity Share of USD 1 each fully paid up	8,33,71,750	8,04,21,000
250,010 Equity Shares of USD 100 each fully paid up	1,89,48,88,293	1,82,78,23,110
	<u>1,97,82,60,043</u>	<u>1,90,82,44,110</u>

1) Details of Shares held by holding Company:

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
11,00,000 Equity shares of 1 USD each				
Reliance Globalcom BV	90.90%	10,00,000	90.90%	10,00,000
Reliance Communications Ltd	9.10%	1,00,000	9.10%	1,00,000
		<u>11,00,000</u>		<u>11,00,000</u>
250,010 Equity shares of 100 USD Each				
Reliance Globalcom BV	100%	2,50,010	100%	2,50,010

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

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Reliance Globalcom BV				
10,00,000 Equity shares of 1 USD each	90.90	10,00,000	90.90	10,00,000
250,010 Equity shares of 100 USD each	100.00	2,50,010	100.00	2,50,010
Reliance Communications Ltd				
1,00,000 Equity shares of 1 USD each	9.10	1,00,000	9.10	1,00,000

3) Terms / Rights attached to Equity Share:

The Company has two class of equity shares having a par value of 1 USD per share and 100 USD per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of 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

	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Ordinary Shares				
Equity Shares 1 USD each				
At the beginning of the year	11,00,000	8,33,71,750	11,00,000	8,04,21,000
Add/(Less): Changes for the year	-	-	-	-
At the end of the year	<u>11 00 000</u>	<u>8,33,71,750</u>	<u>11 00 000</u>	<u>8,04,21,000</u>
Equity Shares 100 USD each				
At the beginning of the year	2,50,010	1,89,48,88,293	2,50,010	1,82,78,23,110
Add/(Less): Changes during the year	-	-	-	-
At the end of the year	<u>13,50,010</u>	<u>1,97,82,60,043</u>	<u>13,50,010</u>	<u>1,90,82,44,110</u>

Gateway Net Trading Pte Ltd

Notes on Accounts to Balance Sheet and Statement of Profit and Loss

Amount in ₹

As at
March 31, 2022

As at
March 31, 2021

Note: 2.03
Other Equity

Amount in ₹

Particulars	Attributable to Equity Holders		
	Retained Earnings	Other Comprehensive Income	Total
Balance as at 01.04.2020	(3,58,49,38,454)	(57,69,28,980)	(4,16,18,67,434)
Total Comprehensive Income for the year	(9,58,335)	14,05,49,067	13,95,90,732
Balance as at 31.03.2021	(3,58,58,96,789)	(43,63,79,913)	(4,02,22,76,702)
Total Comprehensive Income for the year	(9,62,154)	(14,75,99,151)	13,95,90,732
Balance as at 31.03.2022	(3,58,68,58,943)	(58,39,79,064)	(4,17,08,38,007)

Note: 2.04

Other Current Liabilities

Payable to Related Party (Refer Note 2.10)

2,18,80,73,389

2,11,06,31,599

Other Liabilities

45,04,576

34,02,613

2,19,25,77,964

2,11,40,34,211

Gateway Net Trading Pte Ltd

Notes on Accounts to Balance Sheet and Statement of Profit and Loss

Note : 2.05

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.06

Earning Per Share

	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
Net Profit (Numerator used for calculation)	(9,62,154)	(9,58,335)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	1,30,50,010	1,30,50,010
Basic and Diluted Earning Per Share of USD 100 each	(0.07)	(0.07)

Note : 2.07

Going Concern

For the year ended 31st March 2022, the company has reported a net loss of Rs 148 561 305. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations are still continuing and it is likely that a suitable investor will be found.

Note : 2.08

Impact of COVID-19

While the Company is sensitive about the impact of the pandemic (COVID 19), not only on the human life but on businesses and industrial activity across the globe, however, its effect will only be realized and ascertained over the next few months. The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices. The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown. The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.09

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.10

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:

Name of the Related Party	Relationship
1 Reliance Communications Ltd.	Ultimate Holding Company
2 Reliance Globalcom B.V.	Holding Company

Transaction during the year with related party Nil

Closing Balance:

Particulars	Amount in ₹	
	As at March 31, 2022	As at March 31, 2021
Reliance Globalcom B.V. - Trade Payables	2,18,80,73,389	2,11,06,31,599

Note : 2.11**Financial Instruments**

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

Interest Rate Risk

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

Exposure to interest rate risk

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

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Note : 2.12

The amounts relating to Balance Sheet items appearing in Indian Rupees have been translated at Closing Rate of 1 USD = Rs. 73.110 (March 31, 2020 1 USD = Rs.75.665) and items relating to profit and loss have been translated at average rate of 1 USD = Rs. 74.209 and (March 31, 2020, 1 USD = Rs. 70.876).

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Toh Weng Cheong
Director

Place : Mumbai
Date : 08.08.2022

2021-22

RELIANCE FLAG PACIFIC HOLDINGS LIMITED

March 31, 2022

RELIANCE FLAG PACIFIC HOLDINGS LIMITED
Unaudited Balance Sheet as at March 31, 2022

Particulars	Notes	Amount in ₹	
		As at March 31, 2022	As at March 31, 2021
ASSETS			
Current assets			
Other Current assets	2.01	5,13,74,902	4,95,56,279
Total Current assets		<u>5,13,74,902</u>	<u>4,95,56,279</u>
Total Assets		<u>5,13,74,902</u>	<u>4,95,56,279</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.02	9,09,516	8,77,320
Other equity	2.02	(5,11,61,29,757)	(4,93,50,11,939)
Total equity		<u>(5,11,52,20,241)</u>	<u>(4,93,41,34,619)</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	2.03	5,13,76,21,448	4,95,57,54,543
Total Non-current liabilities		<u>5,13,76,21,448</u>	<u>4,95,57,54,543</u>
Current liabilities			
Financial liabilities			
Trade payables	2.04	2,89,73,695	2,79,36,355
Total Current liabilities		<u>2,89,73,695</u>	<u>2,79,36,355</u>
Total Liabilities		<u>5,16,65,95,143</u>	<u>4,98,36,90,898</u>
Total Equity and Liabilities		<u>5,13,74,902</u>	<u>4,95,56,279</u>
General Information	1.01		
Significant Accounting Policies	1.02		
Notes on Accounts	2		

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

For

For and on behalf of the Board

Director

Place: Mumbai

Date: 28th May, 2022

RELIANCE FLAG PACIFIC HOLDINGS LIMITED

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

Particulars	Notes	Amount in ₹	
		For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Revenue from operations		-	-
Total Income		<u>-</u>	<u>-</u>
EXPENSES			
Other expenses	2.05	11,921	11,873
Total Expenses		<u>11,921</u>	<u>11,873</u>
Profit before tax		<u>(11,921)</u>	<u>(11,873)</u>
Tax expense			
-Current tax		-	-
Profit after tax		<u>(11,921)</u>	<u>(11,873)</u>
Other Comprehensive Income / (Loss)		<u>(18,11,05,897)</u>	<u>17,24,65,305</u>
Total Comprehensive Income / (Loss)		<u>(18,11,17,818)</u>	<u>17,24,53,432</u>
Earnings per Share of each fully paid up			
- Basic and diluted earnings per share	2.06	(0.99)	(0.99)
General Information	1.01		
Significant Accounting Policies	1.02		
Notes on Accounts	2		

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

For

For and on behalf of the Board

Director

Place: Mumbai

Date: 28th May, 2022

RELIANCE FLAG PACIFIC HOLDINGS LIMITED
Statement of changes in equity for the period ended March, 2022

Amount in ₹

Particulars	Equity		Other equity		Total equity
	Share capital	Reserves & surplus		Other Comprehensive Income	
		Retained Earnings	Foreign Exchange Translation Reserve		
Balance as at March 31, 2020	9,07,980	(3,76,84,77,906)	(1,33,89,87,464)		(5,10,65,57,391)
Foreign exchange movement	(30,660)				(30,660)
Total Comprehensive Income for the year		(11,873)	17,24,65,305		17,24,53,432
Balance as at March 31, 2021	8,77,320	(3,76,84,89,780)	(1,16,65,22,159)		(4,93,41,34,619)
					-
Foreign exchange movement	32,196				32,196
Total Comprehensive Income for the year		(11,921)	(18,11,05,897)		(18,11,17,818)
Balance as at March 31, 2022	9,09,516	(3,76,85,01,701)	(1,34,76,28,056)		(5,11,52,20,241)

*Foreign Exchange Translation Reserve : Exchange differences on translating the financial statements

For

For and on behalf of the Board

Director

Place: Mumbai

Date: 28th May, 2022

RELIANCE FLAG PACIFIC HOLDINGS LIMITED
Statement of cash flow for the period ended March 31, 2022

Particulars	Amount in ₹	
	For the year ended March 31, 2022	For the year ended March 31, 2021
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) Before Tax	(11,921)	(11,873)
Adjustments for :		
Foreign currency translation and exchange movement (net)	(18,10,73,701)	17,24,34,647
	<u>(18,10,85,622)</u>	<u>17,24,22,773</u>
Changes in Working Capital		
(Increase) in Loan and Advances and Other Assets	(18,18,623)	17,31,860
Increase in Liabilities and Provisions	10,37,339	(9,64,196)
Cash used in Operations	<u>(18,18,66,905)</u>	<u>17,31,90,437</u>
Taxes Paid	-	-
Net Cash used in Operating Activities (A)	<u>(18,18,66,905)</u>	<u>17,31,90,437</u>
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Net Cash Used in Investing Activities (B)	<u>-</u>	<u>-</u>
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Loan from related party	18,18,66,905	(17,31,90,437)
Net Cash (used in) Financing Activities (C)	<u>18,18,66,905</u>	<u>-17,31,90,437</u>
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	-	-
Add: Cash and Cash equivalents at the beginning of the year	-	-
Cash and Cash Equivalents at the end of the year	<u>-</u>	<u>-</u>

For

For and on behalf of the Board

Director

Place: Mumbai

Date: 28th May, 2022

RELIANCE FLAG PACIFIC HOLDINGS LIMITED

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

1.01 General Information

The Company is part of a multinational corporate organization. The company operates a global telecommunication network comprised of advanced fibre-optic cable systems and interfaces that are owned by, leased to, or otherwise available to the company

1.02 Significant Accounting Policies

a) 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, as notified/ amended by Ministry of Corporate Affairs, Government of India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. 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.

Financial Statements have been prepared on a going concern basis and financial support as may be required, shall be extended by associates and / or parent company.

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018.

- Ind AS 115 Revenue from Contracts with Customers
- Amendment to Ind AS 21- Foreign Currency Transactions and Advance Consideration

The adoption of the above new standards, amendments and interpretation did not have material impact on these financial statements. There are no other Ind AS amendments that are effective that would be expected to have a material impact on Company's Financial Statements.

Standards and amendments issued and not yet effective

The following standards and amendments, which were in issue but not yet effective and have not been early adopted by the Company.

Ind AS 116 is applicable from annual periods beginning on or after April 1, 2019. It will replace previous lease standard Ind AS 17. Ind AS 116 sets out the principles for recognition, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to accounting for finance leases under Ind AS 17. The standard includes two recognition exemption for leases: leases of 'low-value' assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing right to use the underlying asset during the lease term. Lessor accounting under Ind AS 16 is substantially unchanged from today's accounting under Ind AS 17.

Appendix C to Ind AS 112 -'Uncertainty over Income tax treatments'

This Appendix explains how to recognize and measure deferred and current tax assets and liabilities where there is uncertainty over a tax treatment. It provides a framework to consider, recognize and measure the accounting impact of tax uncertainties. This Appendix is applicable for annual periods beginning on or after April 1, 2019.

The company is evaluating the impact of the new standard and amendment on the financial position and results of operation. There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

b) Foreign Currency

i) Foreign Currency Transactions

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are restated at the end of accounting period. The resulting foreign exchange gains and losses are recognized in the Statement of Profit and loss on a net basis.

ii) Translation into Presentation Currency

The financial statements are translated into presentation currency which is Indian Rupees. Foreign exchange gains and losses resulting from translation into presentation currency are recognized in Other Comprehensive Income

c) Financial Instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument.

(a) Investment and other Financial Assets

(I) Classification

The Company classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of profit and loss); and
- b) those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of profit and loss or other comprehensive income ('OCI').

(II) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the statement of profit and loss are expensed in the statement of profit and loss.

(III) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(IV) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in statement of profit or loss.

(b) Financial Liabilities

The Company determines the classification of its financial liabilities at initial recognition.

(I) Classification

The financial liabilities are classified in the following measurement categories:

- a) those to be measured as financial liabilities at fair value through profit or loss,
- b) those to be measured at amortised cost.

(II) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(III) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(IV) 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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of profit and loss.

d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

e) Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value. They are subsequently measured at amortised cost (net of allowance for impairment) using the effective interest method, if the effect of discounting is considered material.

f) Cash and Cash Equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less and that are readily convertible to known amount of cash and cash equivalent and bank overdrafts.

g) Share Capital

Ordinary Common Shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

h) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified under current liabilities if payment is due within one year or less. If not, they are presented under non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using effective interest rate method.

i) Provisions and Contingent Liabilities

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

j) Revenue Recognition

application of April 1, 2018. As a result, the Group has updated its accounting policy for revenue recognition as detailed below.

The Company has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under Ind AS 18.

Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for Company's activities as described below. Revenue is measured at the fair value of the consideration receivable and represents amount receivable for services rendered, net of taxes, expected variable consideration, price reductions and rebates. The company uses expected value method or most likely amount method to estimate the amount of variable consideration.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand- alone selling prices. Where these are not directly observable, they are estimated based on market assessment approach.

Indeasible Right of Use

The Company sells Right of Use (ROU) that provide customers with network capacity, typically over a 10 to 15 year period without transferring the legal title or giving an option to purchase the network capacity. Revenue from cancellable ROU arrangements are accounted as operating lease and recognized over the life of the contract.

Internet Protocol Services

The Company recognises internet protocol revenue over the term of the contract. Fees related to activation of services are deferred and recognised over the expected term of the related service agreement.

International Private Leased Circuits

International Private Leased Circuits include lease capacity services and restoration service for other network operators. The customer typically pays the charges for these services periodically over the life of the contract, which may be up to three years. Revenue is recognized in the Company's Statement of Profit and Loss over the term of the contract.

Operations and Maintenance Services

The Company provides operation and maintenance services over the life of the capacity contract, for which the Company receives Operation and Maintenance charges. Operation and maintenance charges are invoiced separately from capacity sales. Revenues relating to maintenance are recognized over the period in which the service is provided.

Network service revenue/expense

k) Deferred Revenue

Deferred Revenue represents income billed in accordance with the contract but not recognised in Statement of Profit and Loss as at the Balance Sheet date. Deferred Revenue net of the amount recognizable beyond one year is disclosed as unearned income in non-current liabilities and the amount recognizable within one year is disclosed as deferred revenue in current liabilities.

l) Accrued Income

Where the services are performed prior to billing, unbilled debtors is recognized in other current assets.

m) Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of Balance Sheet and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

n) Earnings Per Share

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

	As at March 31, 2022	Amount in ₹ As at March 31, 2021
2.01 Other Current assets		
Advance for supply of goods and rendering of services	5,13,74,902	4,95,56,279
	5,13,74,902	4,95,56,279
2.02 Equity		
Equity share capital		
	As at March 31, 2022	As at March 31, 2021
Authorised		
12000 (12000) ordinary shares par value US\$1 each	9,09,516	8,77,320
500,000 (500,000) Redeemable Non Cumulative Non Convertible Preference Share of US\$1 each	3,78,96,500	3,65,55,000
	3,88,06,016	3,74,32,320
Issued, subscribed & fully paid up (US\$ 1 per share)		
12000 (12000) ordinary shares par value US\$1 each, fully paid up	9,09,516	8,77,320
Total	9,09,516	8,77,320
i. Movement in share capital		
	No. of Shares	Amount in ₹
As at March 31, 2020	12,000	9,07,980
Issued during the year	-	-
Foreign exchange movement	-	30,660
As at March 31, 2021	12,000	8,77,320
Issued during the year	-	-
Foreign exchange movement	-	32,196
As at March 31, 2022	12,000	9,09,516
ii. Rights, preferences and restriction attached to the shares		
The Company has only ordinary shares (shares) having a par value of US\$ 1 each. Each holder of shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of shares held by the shareholder.		
iii. Shares of the company held by holding/ultimate holding company		
	As at March 31, 2022	As at March 31, 2021
a) Reliance Globalcom BV	12,000	12,000
	12,000	12,000
iv. Details of shareholders holding more than 5% shares in the Company		
	As at March 31, 2022	As at March 31, 2021
Ordinary Shares		
i) Reliance Globalcom BV		
No. of Shares	12,000	12,000
Shareholding %	100%	100%
Other Equity		
a) Reserves & Surplus	(3,76,85,01,701)	(3,76,84,89,780)
b) Other Reserves	(1,34,76,28,056)	(1,16,65,22,159)
	(5,11,61,29,757)	(4,93,50,11,939)
a) Reserves & surplus		
Retained earnings		
	As at March 31, 2022	As at March 31, 2021
Opening balance	(3,76,84,89,780)	(3,76,84,77,906)
Net profit for the year	(11,921)	(11,873)
Closing balance	(3,76,85,01,701)	(3,76,84,89,780)
Retained earnings represent the amount of accumulated earnings at each Balance Sheet date, prepared in accordance with the basis of preparation section.		
b) Other reserves		
Foreign Exchange Translation Reserve		
	As at March 31, 2022	As at March 31, 2021
Opening balance	(1,16,65,22,159)	(1,33,89,87,464)
Currency translation differences during the year	(18,11,05,897)	17,24,65,305
	(1,34,76,28,056)	(1,16,65,22,159)
2.03 Borrowings		
Unsecured:		
Loan from related parties	5,13,76,21,448	4,95,57,54,543
	5,13,76,21,448	4,95,57,54,543
2.04 Trade payables		
Trade payables	61,18,770	59,02,171
Trade accruals	2,28,54,925	2,20,34,184
	2,89,73,695	2,79,36,355

RELIANCE FLAG PACIFIC HOLDINGS LIMITED
Notes to the Financial Statements

	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
2.05 Other expenses		
Payment to auditors	11,921	11,873
	11,921	11,873
2.06 Earnings per share		
Profit / (Loss) for the year (A)	(11,921)	(11,873)
Weighted average number of Ordinary share of US\$ 1 each used as denominator for calculating Basic and Diluted Earnings / (Loss) per Share (B)	12,000	12,000
Basic and Diluted Earnings / (Loss) per Share (A)/(B)	(0.99)	(0.99)

RELIANCE FLAG PACIFIC HOLDINGS LIMITED**Notes Forming part of the Financial Statements for the year ended March 31, 2022****2.09 Related Party Transactions**

In accordance with Indian Accounting Standard 24 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the company's related parties and transactions are disclosed below which are in ordinary course of business and at arms' length basis:

List of related parties:**(a) Parent Company**

- i. Reliance Communication Limited
- ii. Reliance Globalcom BV

(b) Enterprises as affiliated companies are:

- i. Reliance Globalcom Limited
- ii. Reliance Communication Inc.

(c) Loans from related parties

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Parent Company	3,21,16,29,708	3,32,38,67,622
Subsidiary Company	1,57,67,82,565	1,63,18,86,921
	<u>4,78,84,12,273</u>	<u>4,95,57,54,543</u>

2.10 The previous year's figures have been regrouped and reclassified wherever necessary

For**For and on behalf of the Board**

Director

Place: Mumbai

Date: 28th May, 2022

Independent Auditors' Report

To the Board of Directors of Reliance Infocom Inc. Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Infocom Inc.** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its loss (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.13 in the financial statements where in the company's Net Worth has been fully eroded and the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The accounts have been audited by foreign auditors and their report is furnished to us by the management along with financial statements converted in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act")). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta

Proprietor
Membership No.: 035722
UDIN: 22035722AQHXMO6886

Place: Mumbai
Date : 08.08.2022

Reliance Infocom Inc

Balance Sheet as at March 31, 2022

	Notes	As at March 31, 2022	Amount in ₹ As at March 31, 2021
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2.01	152	146
Current Assets			
(a) Financial Assets			
(i) Investments	2.02	37,97,20,425	36,62,81,100
(ii) Trade Receivables	2.03	-	-
(iii) Cash and Cash Equivalents	2.04	29,73,416	18,83,358
(b) Income Tax Assets (Net)	2.05	19,99,406	-
Total Assets		38,46,93,398	36,81,64,604

EQUITY AND LIABILITIES

Equity

(a) Equity Share Capital	2.06	6,82,13,250	6,57,99,000	
(b) Other Equity	2.07	(22,15,71,188)	(15,33,57,938)	(30,05,02,966)

LIABILITIES

Non-Current Liabilities

(a) Financial Liabilities				
(i) Borrowings	2.08	53,76,26,444	53,76,26,444	57,96,13,786

Current Liabilities

(a) Other Liabilities	2.09	4,24,893	4,24,893	2,32,54,784
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Total Equity and Liabilities		38,46,93,398	38,46,93,398	36,81,64,604
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Significant Accounting Policies	1
Notes on Accounts	2
As per our Report of even date	

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor
Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

Reliance Infocom Inc**Statement of Profit and Loss for the year ended March 31, 2022**

	Notes	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
INCOME			
I	Revenue from Operations	-	-
II	Other Income	8,92,94,373	-
III	Total Income (I + II)	8,92,94,373	-
IV EXPENSES			
	Depreciation, Impairment and Amortisation	-	-
	Sales and General Administration Expenses	7,82,672	8,29,879
	Total Expenses (IV)	7,82,672	8,29,880
V	(Loss) before Tax (III - IV)	8,85,11,701	(8,29,880)
VI	Tax expense:		
	- Current Tax	82,551	2,56,05,519
	- (Excess) /Short Provision of earlier years	-	-
VII	(Loss) after Tax (V - VI)	8,84,29,150	(2,64,35,397)
	Other Comprehensive (Loss)	(94,97,373)	99,83,084
	Total Comprehensive (Loss)	7,89,31,777	(1,64,52,313)
VIII	Earnings per Share	2.12	
	- Basic	8,84,291.50	(2,64,353.97)
	- Diluted	8,84,291.50	(2,64,353.97)
	Significant Accounting Policies	1	
	Notes on Accounts	2	
	As per our Report of even date		

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Infocom Inc**Statement of changes in equity for the year ended March 31, 2022**

	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
(a) Equity Share Capital (Refer Note : 2.06)		
Balance at the beginning of the year	6,34,99,500	6,57,99,000
Change in equity capital during the year	-	
Foreign Exchange Variance	47,13,750	(22,99,500)
Balance at the end of the year	6,82,13,250	6,34,99,500

(b) Other Equity (Refer Note : 2.07)

Particulars	Attributable to Equity holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2020	(24,88,75,288)	(3,51,75,364)	(28,40,50,652)
Total Comprehensive Loss for the year	(2,64,35,397)	99,83,084	(1,64,52,313)
Balance as at March 31, 2021	(27,53,10,685)	(2,51,92,280)	(30,05,02,965)
Net Loss for the year	8,84,29,150	(94,97,373)	7,89,31,777
Balance as at March 31, 2022	(18,68,81,535)	(3,46,89,653)	(22,15,71,188)

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Infocom Inc

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		
(Loss) before Income tax	8,85,11,701	(8,29,879)
Adjusted for:		
Provision for Taxes	(82,551)	(2,56,05,519)
Operating Profit before Working Capital Changes	8,84,29,150	(2,64,35,398)
Adjusted for:		
Receivables and other Advances	(19,99,406)	23,79,967
Trade Payables	(2,28,29,891)	2,30,78,333
Effect of Exchange difference on translation of Assets & Liabilities	2,28,179	2,28,179
Cash Generated from Operations	6,35,99,853	(9,77,098)
Less : Income Tax Paid	-	-
Net Cash Inflow/(Outflow) from Operating Activities	6,38,28,032	(7,48,919)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	-	-
Sale of Investments	-	-
Financial Income	-	-
Net Cash Inflow/(Outflow) from Investing Activities	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Long term Borrowings	-	-
Net proceeds from short term borrowings	-	-
Financial Charges	-	-
Net Cash Inflow/(Outflow) from Financing Activities	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	6,38,28,032	(7,48,919)
Opening Balance of Cash and Cash Equivalents	18,83,358	26,32,276
Closing Balance of Cash and Cash Equivalents	6,57,11,389	18,83,358

The Notes referred to above form an integral part of the Balance Sheet.

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta
Proprietor
Membership No. 035722
Place : Mumbai
Date : 08.08.2022

For and on Behalf of the Board

Vaishali Mane
Director

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

Reliance Infocom, Inc. (the "Company") is a Delaware corporation incorporated on September 21, 2000 as a wholly owned subsidiary of Reliance Infocom B.V. ("B.V."). On October 17, 2000, 100 shares of common stock were issued to B.V. in exchange for \$900,000.

1.02 Basis of Preparation of Financial Statements

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.03 Revenue Recognition

Interest Income is recognised on time proportion basis.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

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 Investments

Non Current Investments are stated at cost or fair value as required .

Note :1 General Information and Significant Accounting Policies to the Financial Statements

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

(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 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

(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.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

(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.

1.11 Cash And Cash Equivalents

The company considers all highly liquid accounts (money market funds) and investments with a maturity of three months or less when acquired as cash equivalents.

Reliance Infocom Inc

Notes on Accounts to the financial statement for the year ended March 31, 2022

2.01 Property, Plant and Equipment

	Amount in ₹		
Particulars	Plant and Machinery	Furniture and Fixtures	Total
Gross carrying value			
As at March 31, 2021	1,09,23,036	1,89,603	1,11,12,639
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2022	1,09,23,036	1,89,603	1,11,12,639
Accumulated Depreciation			
As at March 31, 2021	1,09,22,960	1,89,527	1,11,12,487
Depreciation for the year	-	-	-
Disposals	-	-	-
As at March 31, 2022	1,09,22,960	1,89,527	1,11,12,487
Closing net carrying value as at March 31, 2022	76	76	152
Gross carrying value as at March 31, 2022	1,09,23,036	1,89,603	1,11,12,639
Accumulated Depreciation	1,09,22,960	1,89,527	1,11,12,487
Closing net carrying value as at March 31, 2022	76	76	152
Particulars	Plant and Machinery	Furniture and Fixtures	Total
Gross carrying value			
As at March 31, 2020	1,05,36,441	1,82,892	1,07,19,333
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2021	1,05,36,441	1,82,892	1,07,19,333
Accumulated Depreciation			
As at March 31, 2020	1,05,36,368	1,82,819	1,07,19,186
Depreciation for the year	-	-	-
Disposals	-	-	-
As at March 31, 2021	1,05,36,368	1,82,819	1,07,19,186
Closing net carrying value as at March 31, 2021	73	73	146
Gross carrying value as at March 31, 2021	1,05,36,441	1,82,892	1,07,19,333
Accumulated Depreciation	1,05,36,368	1,82,819	1,07,19,186
Closing net carrying value as at March 31, 2021	73	73	146

Reliance Infocom Inc

Notes on Accounts to the financial statement for the year ended March 31, 2022

	As at March 31, 2022	Amount in ₹ As at March 31, 2021
Note 2.02 Investment		
In Equity Shares of Companies		
Unquoted, fully Paidup		
100 (100) In Equity Shares of subsidiary company of Reliance Communications Inc of USD 50 000 each	37,89,62,500	36,55,50,000
100 (100) In Equity Shares subsidiary company of Bonn Investment Inc of USD .01 each	7,57,925	7,31,100
	<u>37,97,20,425</u>	<u>36,62,81,100</u>

Reliance Infocom Inc

Notes on Accounts to the financial statement for the year ended March 31, 2022

2.03 Trade Receivables

Particulars	As at	Amount in ₹
	March 31, 2022	As at March 31, 2021
Unsecured		
Considered Good	-	-
Considered Doubtful	6,46,62,402	6,23,73,826
Less: Provision for Doubtful Debts	6,46,62,402	6,23,73,826
	<u>-</u>	<u>-</u>

2.04 Cash and Cash Equivalents

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance with Banks in current accounts	29,73,416	18,83,358
	<u>29,73,416</u>	<u>18,83,358</u>

2.05 Income Tax Assets (Net)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Income Tax (Net)	19,99,406	-
	<u>19,99,406</u>	<u>-</u>

Reliance Infocom Inc

Notes on Accounts to the financial statement for the year ended March 31, 2022

	As at March 31, 2022	Amount in ₹ As at March 31, 2021
Note 2.06 Equity Share Capital		
Authorised		
1000 Equity Shares without par value (1 000)	6,82,13,250	6,57,99,000
	<u>6,82,13,250</u>	<u>6,57,99,000</u>
Issued, Subscribed and Paid up		
100 Equity Shares each fully paid up (100)	6,82,13,250	6,57,99,000
	<u>6,82,13,250</u>	<u>6,57,99,000</u>

Note :

2.06 (a) Share held by holding/Ultimate holding company and/or their subsidiaries/asscoicates

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Globalcom B.V.	100	100	100	100

2.06 (b) Details of Shareholders holding more than 5% shares in the Company :

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Globalcom B.V.	100	100	100	100

2.06 (c) Terms/Rights attached to Equity Shares

The Company has only one class of equity share having a par value of USD 9 000 per share. Each holder of equity shares is entitled to one vote per share .In the event of liquidation of Company, the holder of equity share will be entitled to receive remaining assets of the company.

2.06 (d) Reconciliation of shares outstanding at the beginning and at the end of the reporting year.

	No. of Shares	Amount	No. of Shares	Amount
Equity shares				
At the beginning of the year	100	6,82,13,250	100	6,57,99,000
Add/ (Less): Changes during the year	-	-	-	-
At the end of the year	<u>100</u>	<u>6 82 13 250</u>	<u>100</u>	<u>6 57 99 000</u>

Reliance Infocom Inc

Notes on Accounts to the financial statement for the year ended March 31, 2022

2.07 Other Equity

Amount in ₹

Particulars	Attributable to Equity Holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2020	(24,88,75,288)	(3,51,75,364)	(25,85,20,915)
Total Comprehensive Loss for the year	(2,64,35,397)	99,83,084	(1,64,52,313)
			-
Balance as at 31.03.2021	(27,53,10,685)	(2,51,92,280)	(30,05,02,966)
Restated balance at 01.04.2021	(27,53,10,685)	(2,51,92,280)	(30,05,02,965)
Total Comprehensive Loss for the year	8,84,29,150	(94,97,373)	7,89,31,777
Balance as at 31.03.2022	(18,68,81,535)	(3,46,89,653)	(22,15,71,188)

Reliance Infocom Inc

Notes on Accounts to the financial statement for the year ended March 31, 2022

Amount in ₹

	As at March 31, 2022	As at March 31, 2021
Note 2.08 Borrowings		
Term Loans		
Unsecured		
Loans from related parties (Refer Note 2.16)	53,76,26,444	57,96,13,786
	<u>53,76,26,444</u>	<u>57,96,13,786</u>

Reliance Infocom Inc

Notes on Accounts to the financial statement for the year ended March 31, 2022

Amount in ₹

2.09 Other Liabilities

Particulars	As on March 31, 2022	As on March 31, 2021
Provisions for Other Liabilities	4,24,893	4,09,664
Provision for Income Tax	-	2,28,45,120
	4,24,893	2,32,54,784

Reliance Infocom Inc

Notes on Accounts to the financial statement for the year ended March 31, 2022

Amount in ₹

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

For the year ended
March 31, 2021

2.10 GENERAL ADMINISTRATION EXPENSES

Legal & Professional Fees	4,06,423	4,55,124
Bank Charges	3,725	3,710
Payment to Auditors	3,72,524	3,71,045
	<u>7,82,672</u>	<u>8,29,879</u>

Reliance Infocom Inc

Notes on Accounts to the financial statement for the year ended March 31, 2022

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

Earning Per Share

	For the year ended March 31, 2022	Amount in ₹ For the year ended March 31, 2021
Net Loss (Numerator used for calculation)	8,84,29,150	(2,64,35,397)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	100	100
Basic and Diluted Earning Per Share of Euro 17.09 each	8,84,292	(2,64,354)

Note : 2.13

Going Concern

For the year ended 31st March 2022, the company has reported a net profit of Rs 7 89 31 777. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations of subsidiaries are still continuing and it is likely that a suitable investor will be found.

Note : 2.14

Impact of COVID-19

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

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices.

The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.15

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.16

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:

Name of the Related Party

Relationship

1 Reliance Communications Ltd.	Ultimate Holding Company
2 Reliance Globalcom B.V.	Holding Company
3 Reliance Communications, Inc.	Subsidiary Company
4 Reliance Communication International Inc.	Subsidiary Company
5 Reliance communication Canada Inc	Subsidiary Company

ii Transactions with related parties

Summarised below are the transactions entered into with related parties:

(Figures shown in brackets pertains to previous year.)

Entity Name	Year end Balances as on 31.03.2022	
	Trade Receivables	Short Term Borrowings
Reliance Communications Ltd	6,23,73,784	-
Less: Provision for Doubtful Debts	(6,23,73,784)	-
Reliance Communications Inc	-	53,51,92,142
	-	(57,72,65,640)
Reliance Communication International Inc.	-	12,67,097
	-	(12,22,252)
Reliance communication Canada Inc	-	30,317
	-	(29,244)
Bonn Investment Inc		11,36,888
		(10,96,650)

Note : 2.17

1 Financial Instruments

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 domestic country 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 : 2.18

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).

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor
Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

Independent Auditors' Report

To the Board of Directors of Reliance Communications Inc Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Communications Inc** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its loss (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.18 in the financial statements where in the company's Net Worth has been fully eroded and the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The accounts have been audited by foreign auditors and their report is furnished to us by the management along with financial statements converted in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act")). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V. P. Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta

Proprietor
Membership No.035722
UDIN: 22035722AQHVPX1173

Place: Mumbai
Date : 08.08.2022

Reliance Communications Inc

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	8,09,67,082		12,28,46,146
Current Assets				
(a) Financial Assets				
(i) Investments	2.02	15,15,850		14,62,200
(ii) Trade Receivables	2.03	1,70,64,93,714		1,59,57,61,137
(iii) Cash and Cash Equivalents	2.04	2,98,86,028		1,38,75,748
(iv) Loans	2.05	15,15,75,03,978		14,68,82,06,131
(b) Income Tax Asset (Net)	2.06	-		1,21,44,807
Total Assets		16,97,63,66,651		16,43,42,96,169
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	2.07	37,89,62,500	36,55,50,000	
(b) Other Equity	2.08	(75,10,88,999)	(67,54,27,445)	(30,98,77,445)
LIABILITIES				
Current Liabilities				
(a) Financial Liabilities				
(ii) Trade Payables	2.09	16,90,55,85,985	16,32,68,14,082	
(b) Other Current Liabilities	2.10	44,29,07,165	41,73,59,532	
		17,34,84,93,150		16,74,41,73,614
Total Equity and Liabilities		16,97,63,66,651		16,43,42,96,169

Significant Accounting Policies

1

Notes on Accounts

2

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

Reliance Communications Inc

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

(Amount in ₹)
For the year ended
March 31, 2021

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021	
INCOME				
I	Revenue from Operations	2.11	19,33,63,384	30,81,59,020
II	Other Income	2.12	37,34,617	1,01,56,794
III	Total Income (I + II)		19,70,98,001	31,83,15,814
IV EXPENSES				
	Access Charges, License Fees and Network Expenses	2.13	13,57,39,382	11,00,18,212
	Employee Benefits Expenses	2.14	2,36,46,341	2,20,05,635
	Depreciation, Impairment and Amortisation	2.01	4,55,98,289	4,54,17,315
	Sales and General Administration Expenses	2.15	1,86,04,582	2,19,75,500
	Total Expenses (IV)		22,35,88,595	19,94,16,662
V	Profit/ (Loss) before Exceptional Items, Adjustments and Tax (III - IV)		(2,64,90,593)	11,88,99,152
VI	Profit/ (Loss) Before Tax		(2,64,90,593)	11,88,99,152
VII	Tax expense:			
	- Current Tax		1,75,086	1,07,94,590
	- (Excess) /Short Provision of earlier years		2,33,48,871	-
VIII	(Loss) After Tax (VI - VII)		(5,00,14,551)	10,81,04,562
	Other Comprehensive Income / (Loss)		(2,56,47,003)	2,57,25,388
	Total Comprehensive Income / (Loss)		(7,56,61,554)	13,38,29,950
IX	Earnings per Share of USD each fully paid up (before and after Exceptional Items)	2.17		
	- Basic (₹)		(5,00,145.51)	10,81,045.62
	- Diluted (₹)		(5,00,145.51)	10,81,045.62
	Significant Accounting Policies	1		
	Notes on Accounts	2		

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

Reliance Communications Inc

Statement of Changes in Equity for the year ended 31st March 2022

**A. Equity Share Capital
Particulars**

(Amount in ₹)

Balance at the beginning of the reporting period	1.4.2020	37,83,25,000
Changes in equity share capital during the year		(1,27,75,000)
Balance at the end of the reporting period	31.3.2021	<u>36,55,50,000</u>
Balance at the beginning of the reporting period	1.4.2021	36,55,50,000
Changes in equity share capital during the year		1,34,12,500
Balance at the end of the reporting period	31.3.2022	<u>37,89,62,500</u>

B. Other Equity

(Amount in ₹)

Particulars	Attributable to Equity Holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2020	(83,46,84,823)	2,54,27,427	(80,92,57,396)
Total Comprehensive Income for the year	10,81,04,562	2,57,25,388	13,38,29,950
Balance as at 31.03.2021	(72,65,80,260)	5,11,52,815	(67,54,27,446)
Changes in accounting policy or prior period errors			
Restated balance at 01.04.2021	(72,65,80,260)	5,11,52,815	(67,54,27,446)
Total Comprehensive Income for the year	(5,00,14,551)	(2,56,47,003)	(7,56,61,554)
Balance as at 31.03.2022	(77,65,94,811)	2,55,05,812	(75,10,89,000)

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board**Vipul P Mehta**

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

Reliance Communications Inc

Cash Flow Statement from April 1, 2021 to 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		
Profit/ (Loss) before Income tax	(2,64,90,593)	11,88,99,153
Adjusted for:		
Depreciation and amortization	4,55,98,289	4,54,17,315
Advance written off		
Provision for Doubtful Advacnes		
Provision for Taxes	(1,13,79,152)	2,69,245
Operating Profit/ (Loss) before Working Capital Changes	77,28,544	16,45,85,713
Adjusted for:		
Receivables and other Advances	(11,01,55,409)	8,04,683
Trade Payables	60,43,19,536	(72,19,81,081)
Effect of Exchange difference on translation of Assets & Liabilities	(1,60,07,377)	1,88,68,204
Cash Generated from Operations	48,58,85,295	(53,77,22,482)
Less : Income Tax Paid	-	-
Net Cash Inflow/(Outflow) from Operating Activities	48,58,85,295	(53,77,22,482)
B CASH FLOW FROM INVESTING ACTIVITIES		
Loans to Related Parties	46,98,75,015	(48,84,32,426)
Net Cash Inflow/(Outflow) from Investing Activities	46,98,75,015	(48,84,32,426)
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash Inflow/(Outflow) from Financing Activities	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	1,60,10,280	(4,92,90,055)
Opening Balance of Cash and Cash Equivalents	1,38,75,748	6,31,65,803
Closing Balance of Cash and Cash Equivalents	2,98,86,028	1,38,75,748

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

Reliance Communications Inc

Note No:1 Significant Accounting Policies

1.01 General Information

Reliance Communications, Inc. (the "Company") is a Delaware corporation incorporated on October 21, 2002 as a wholly owned subsidiary of Reliance Infocom Inc. The Company provides international telecommunication services between the United States and foreign points on facilities and resale basis pursuant to Section 214 of the Communications Act of 1934, as amended

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

Revenue is recognised as and when the services are provided on the basis of actual usage of the Company's network. Revenue on upfront charges for services with lifetime validity and fixed validity periods of one year or more are recognised over the estimated useful life of subscribers and specified fixed validity period, as appropriate. The estimated useful life is consistent with estimated churn of the subscribers.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

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.

Note No:1 Significant Accounting Policies

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 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.

Note No:1 Significant Accounting Policies

(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.

1.10 Property, Plant And Equipment

Property, Plant and equipment are stated at cost or their estimated fair value on the date of acquisition less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Maintenance and repairs on property and equipment are expensed as incurred.

Useful Life Of Asset:

No Name of Property

1	Equipment	10 Years
2	Installation	10 Years
3	Materials	10 Years
4	Use Tax	10 Years
5	STM-1's (half Circuits)	10 Years
6	Cables	10 Years
7	Computers	10 Years
8	RCI PoP Shifting	10 Years

1.11 Cash And Cash Equivalents

Reliance Communications Inc

Note No:1 Significant Accounting Policies

The company considers all highly liquid accounts (money market funds) and investments with a maturity of three months or less when acquired as cash equivalents.

2.01. Property, Plant and Equipment

(Amount in ₹)

Particulars	Plant and Machinery	Total
Gross carrying value		
As at March 31, 2021	1,11,44,93,512	1,11,44,93,512
Additions	-	-
Transfer from CWIP	-	-
Disposals	-	-
Exchange Differences	4,08,92,201	4,08,92,201
As at March 31, 2022	1,15,53,85,714	1,15,53,85,714
Accumulated Depreciation		
As at March 31, 2021	99,16,47,367	99,16,47,367
Depreciation for the year	4,55,98,289	4,55,98,289
Disposals	-	-
Exchange Differences	3,71,72,977	3,71,72,977
As at March 31, 2022	1,07,44,18,632	1,07,44,18,632
Closing net carrying value as at March 31, 2022	8,09,67,082	8,09,67,082
Gross carrying value as at March 31, 2022	1,15,53,85,714	1,15,53,85,714
Accumulated Depreciation	1,07,44,18,632	1,07,44,18,632
Closing net carrying value as at March 31, 2022	8,09,67,082	8,09,67,082

Particulars	Plant and Machinery	Total
Gross carrying value		
As at March 31, 2020	1,15,41,24,565	1,15,41,24,565
Additions	-	-
Transfer from CWIP	-	-
Disposals	(6,59,452)	(6,59,452)
Exchange Differences	(3,89,71,601)	(3,89,71,601)
As at March 31, 2021	1,11,44,93,512	1,11,44,93,512
Accumulated Depreciation		
As at March 31, 2020	97,99,94,389	97,99,94,389
Depreciation for the year	4,54,17,315	4,54,17,315
Disposals	-	-
Exchange Differences	(3,37,64,338)	(3,37,64,338)
As at March 31, 2021	99,16,47,367	99,16,47,367
Closing net carrying value as at March 31, 2021	12,28,46,146	12,28,46,146
Gross carrying value as at March 31, 2021	1,11,44,93,512	1,11,44,93,512
Accumulated Depreciation	99,16,47,367	99,16,47,367
Closing net carrying value as at March 31, 2021	12,28,46,146	12,28,46,146

Reliance Communications Inc

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

As at
March 31, 2022

As at
March 31, 2021

Note 2.02 Investment

In Equity Shares of Companies

Unquoted, fully Paidup

100 (100) of Reliance Communications International
Inc.

7,57,925

7,31,100

100 (100) of Reliance Communications Canada Inc.

7,57,925

7,31,100

15,15,850

14,62,200

Reliance Communications Inc

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

2.03 Trade Receivables

Particulars	As on March 31, 2022	As on March 31, 2021
Unsecured		
Receivable from Related Parties (Refer Note 2.21)	1,63,70,32,542	1,56,37,25,698
Receivable from Others Considered Good	6,94,61,172	3,20,35,439
Considered Doubtful	92,72,36,520	89,44,19,131
Less: Provision for Doubtful Debts	92,72,36,520	89,44,19,131
	1,70,64,93,714	1,59,57,61,137

2.04 Cash and Cash Equivalents

Particulars	As on March 31, 2022	As on March 31, 2021
Balance with Banks	2,98,86,028	1,38,75,748
	2,98,86,028	1,38,75,748

2.05 Loans

Particulars	As on March 31, 2022	As on March 31, 2021
Unsecured, Considered good		
Advances to Related Parties (Refer Note 2.21)	15,13,74,10,358	14,66,75,35,343
Other Advances and Receivables		
Considered good	2,00,93,620	2,06,70,788
Unsecured, Doubtful		
Considered doubtful	39,55,19,599	38,15,21,099
Less: Provision for doubtful advances	39,55,19,599	38,15,21,099
	2,00,93,620	2,06,70,788
	15,15,75,03,978	14,68,82,06,131

2.06 Income Tax Asset (Net)

Particulars	As on March 31, 2022	As on March 31, 2021
Advance Tax (Net)	-	1,21,44,807
	-	1,21,44,807

Reliance Communications Inc

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

As at
March 31, 2022

As at
March 31, 2021

Note 2.07 Share Capital

Authorised

1 000 Equity Shares of USD .01 each (1 000)	3,78,96,25,000	3,65,55,00,000
	3,78,96,25,000	3,65,55,00,000

Issued, Subscribed and Paid up

100 Equity Shares of USD .01 each fully paid up (100)	37,89,62,500	36,55,50,000
	37,89,62,500	36,55,50,000

Note :

10(a) **Share held by holding/Ultimate holding company and/or their subsidiaries/associates**

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Infocom Inc.	100	100	100	100

10(b) **Details of Shareholders holding more than 5% shares in the Company :**

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Infocom Inc.	100	100	100	100

10(c) **Terms/Rights attached to Equity Share**

The Company has only one class of equity share having a par value of USD 0.1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of Company, the holder of equity share will be entitled to receive remaining assets of the company.

10(d) **Reconciliation of shares outstanding at the beginning and at the end of the reporting year.**

	No. of Shares	Amount	No. of Shares	Amount
Equity shares				
At the beginning of the year	100	37,89,62,500	100	36,55,50,000
Add/ (Less): Changes during the year		-	-	-
At the end of the year	100	37,89,62,500	100	36,55,50,000

Reliance Communications Inc

Notes on Accounts to the financial statement for the year ended March 31,2022

2.08 Other Equity

(Amount in ₹)

Particulars	Attributable to Equity Holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2020	(83,46,84,822)	2,54,27,426	(80,92,57,396)
Restated balance as at 01.04.2020	(83,46,84,822)	2,54,27,426	(80,92,57,396)
Total Comprehensive Income for the year	10,81,04,562	2,57,25,388	13,38,29,950
			-
Balance as at 31.03.2021	(72,65,80,259)	5,11,52,814	(67,54,27,445)
Restated balance at 01.04.2021	(72,65,80,259)	5,11,52,814	(67,54,27,445)
Total Comprehensive Income for the year	(5,00,14,551)	(2,56,47,003)	(7,56,61,554)
Balance as at 31.03.2022	(77,65,94,810)	2,55,05,811	(75,10,88,999)

Reliance Communications Inc

Notes on Accounts to the financial statement for the year ended March 31,2022

2.09 Trade Payables

(Amount in ₹)

Particulars	As on March 31, 2022	As on March 31, 2021
Due to Micro, Small and Medium Enterprises	-	-
Payable to Related Parties(Refer Note 2.21)	15,62,63,71,201	15,06,76,04,842
Others	1,27,92,14,784	1,25,92,09,241
	16,90,55,85,985	16,32,68,14,082

2.10 Other Current Liabilities

Particulars	As on March 31, 2022	As on March 31, 2021
Advance from Customers and Income Received in Advance from related Parties(Refer Note 2.21)	41,59,30,507	38,41,33,092
Advance from Customers and Income Received in Advance from others	32,07,489	30,93,968
Others	2,35,91,057	3,01,32,471
Provision for Tax	1,78,112	-
	44,29,07,165	41,73,59,532

Reliance Communications Inc

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
2.11 REVENUE FROM OPERATIONS		
Revenue (Refer Note 2.21)	19,33,63,384	30,81,59,020
	<u>19,33,63,384</u>	<u>30,81,59,020</u>
2.12 OTHER INCOME		
Interest Income	19,11,510	16,62,312
Bad Debts Recovered	18,23,107	-
Provisions / Creditors written back	-	84,94,482
	<u>37,34,617</u>	<u>1,01,56,794</u>
2.13 NETWORK EXPENSES		
Access Charges(Refer Note 2.21)	9,13,18,951	5,27,07,108
Telecom circuit cost & Equipments	4,44,20,432	5,73,11,103
Electricity Charges& Utility	-	-
	<u>13,57,39,382</u>	<u>11,00,18,212</u>
2.14 PAYMENT TO AND PROVISION FOR EMPLOYEES		
Salaries	2,36,46,341	2,20,05,635
	<u>2,36,46,341</u>	<u>2,20,05,635</u>
2.15 GENERAL ADMINISTRATION EXPENSES		
Insurance	-	-
Rates & Taxes	4,24,114	10,75,139
Legal & Professional Fees	1,63,95,544	1,67,94,389
Communication Expenses	2,99,580	4,38,382
Business Promotion Expenses	-	-
Bank Charges	2,26,867	2,84,592
Other Miscellaneous Expenses	5,13,431	26,40,908
Payment to Auditors	7,45,047	7,42,090
Advances Written off	-	-
	<u>1,86,04,582</u>	<u>2,19,75,500</u>

Note : 2.16

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.17

Earning Per Share

Net Loss (Numerator used for calculation)

Weighted Average number of Ordinary Shares used as denominator for calculating EPS

Basic and Diluted Earning Per Share

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

(5,00,14,551)

100.00

(5,00,146)

(Amount in ₹)

**For the year ended
March 31, 2021**

10,81,04,562

100.00

10,81,046

Note : 2.18

Going Concern

For the year ended 31st March 2022, the company has reported a net loss of Rs 7 56 61 554. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations are still continuing and it is likely that a suitable investor will be found.

Note : 2.19

Impact of COVID-19

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

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices. The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.20

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

2.21

Related Party Transactions

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 List of Related Parties with whom transactions have taken place and relationships.

Sr. Name of the Related Party

Relationship

Sr. No.	Name of the Related Party	Relationship
1	Reliance Communications Ltd.	Ultimate Holding Company
2	Reliance Infocom Inc.	Holding Company
3	Reliance Communications International Inc.	Subsidiary Company
4	Reliance Communications Canada Inc.	Subsidiary Company
5	Bonn Investment Inc.	Subsidiary Company
6	Reliance Communications Infrastructure Limited	Fellow Subsidiary
7	Reliance Communications (UK) Limited	Fellow Subsidiary
8	Reliance Communications (Hong Kong) Limited	Fellow Subsidiary
9	Reliance Communications (Singapore) Pte. Limited	Fellow Subsidiary
10	Reliance Communications (New Zealand) Pte Limited	Fellow Subsidiary
11	Reliance Communications (Australia) Pty Limited	Fellow Subsidiary

ii Transactions with related parties

Summarised below are the transactions entered into with related parties:

(Amount in ₹)

Figures in brackets are pertaining to March 31, 2021

Entity Name	For the year ended March 31,2022		As At March 31, 2022				
	Service Income	Access Charges	Trade Receivables	Investments	Loans & Advances Given	Trade Payables	Other Liabilities
Reliance Communications Ltd.	13,03,99,691	9,79,290	1,02,25,78,161		7,57,925	12,45,12,56,321	
	(14,07,81,501)	(1,15,43,758)	(98,65,11,494)		(7,31,100)	(12,01,72,88,636)	
Reliance Infocom Inc.					53,51,92,178		
					(57,72,65,672)		
Reliance Communications International Inc.	3,09,03,178			7,57,925	22,73,77,500	60,95,41,647	
	(8,30,51,747)			(7,31,100)	(22,51,64,318)	(57,18,77,955)	
Reliance Communications Canada Inc.	5,02,452			7,57,925	51,53,890		2,53,61,852
	(14,73,584)			(7,31,100)	(49,71,480)		(2,08,82,823)
Bonn Investment Inc.				-	36,16,91,201		
					(34,88,89,978)		
Reliance Communications Infrastructure Limited			22,51,91,190		45,02,60,443	43,55,582	
			(21,72,21,069)		(43,43,24,518)	(42,01,426)	
Reliance Globalcom B.V.					11,29,48,10,663		
					(10,96,99,01,389)		
Reliance Communications (UK) Limited	12,27,241	5,066	26,69,12,954		12,46,97,762	1,56,31,83,550	
	(40,21,089)	-	(25,50,16,989)		(3,31,43,396)	(1,50,78,53,354)	
Reliance Communications (Hong Kong) Limited	1,32,15,763	1,85,27,777	1,01,26,27,274		44,24,05,156	1,34,60,49,328	
	(2,70,01,857)	(3,41,49,803)	(96,14,31,009)		(40,62,47,891)	(1,28,02,28,086)	
Reliance Communications (Singapore) Pte. Limited	-	-	-	-	1,09,926	-	
	-	-	-	-	(24,29,326)	-	
Reliance Communications (New Zealand) Pte Limited	-	-	-	-	58,632	-	
	-	-	-	-	(13,525)	-	
Reliance FLAG Pacific Holdings Limited					1,69,27,10,306		
					(1,63,28,00,745)		
Reliance Communications (Australia) Pty Limited	-	-	-	-	17,20,784	-	5,46,03,160
	-	-	-	-	(1,74,07,155)	-	(4,36,31,375)

Reliance Communications Inc

Notes on Accounts to the financial statement for the year ended March 31,2022

Note : 2.22

Financial Instruments

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 domestic country 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 : 2.23

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).

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Place : Mumbai

Date : 08.08.2022

Vaishali Mane

Director

Independent Auditors' Report

To the Board of Directors of Reliance Communications International Inc. Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Communications International Inc.** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its Profit (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.16 in the financial statements wherein stated that the Company has a net profit for the year and the Net Worth is positive but the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The accounts have been audited by foreign auditors and their report is furnished to us by the management along with financial statements converted in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act"). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V. P. Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta

Proprietor
Membership No.035722
UDIN: 22035722AQHTQS9265

Place: Mumbai
Date : 08.08.2022

Reliance Communications International Inc.

Balance Sheet as at March 31, 2022

(Amount in ₹)

	Notes	As at		As at
		March 31, 2022		March 31, 2021
ASSETS				
Current Assets				
(a) Financial Assets				
(i) Trade Receivables	2.01	5,31,18,113		6,19,60,473
(ii) Cash and Cash Equivalents	2.02	1,14,00,632		3,23,45,429
(iii) Loans	2.03	1,15,15,95,489		1,08,48,83,388
(b) Other Current Assets	2.04	1,58,57,307		1,52,96,074
Total Assets		1,23,19,71,541		1,19,44,85,364

EQUITY AND LIABILITIES

Equity

(a) Equity Share Capital	2.05	7,57,925	7,31,100	
(b) Other Equity	2.06	60,50,59,486	60,58,17,411	58,00,73,952

LIABILITIES

Current Liabilities

(a) Financial Liabilities				
(i) Trade Payables	2.07	62,16,54,708	60,95,69,093	
(b) Other Current Liabilities	2.08	41,36,300	30,09,744	
(c) Income Tax Liabilities (Net)	2.09	3,63,122	62,61,54,130	61,36,80,312
Total Equity and Liabilities		1,23,19,71,541		1,19,44,85,364

Significant Accounting Policies	1
Notes on Accounts	2
As per our Report of even date	

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications International Inc.

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	Revenue from Operations	2.10	7,70,44,789	15,25,14,337
II	Other Income	2.11	-	-
III	Total Income (I + II)		7,70,44,789	15,25,14,337
IV EXPENSES				
	Access Charges, License Fees and Network Expenses	2.12	5,53,89,998	12,16,86,977
	Sales and General Administration Expenses	2.13	1,76,58,806	2,43,14,873
	Total Expenses (IV)		7,30,48,804	14,60,01,850
V	Profit before Exceptional Items, Adjustments and Tax (III - IV)		39,95,985	65,12,487
VI	Profit Before Tax		39,95,985	65,12,488
VII	Tax expense:			
	- Current Tax		3,56,952	4,94,455
	- Earlier Years		-	-
			<u>3,56,952</u>	<u>4,94,455</u>
VIII	Profit After Tax (VI - VII)		36,39,033	60,18,033
	Other Comprehensive Income / (Loss)		2,13,46,501	(2,01,53,883)
	Total Comprehensive Income / (Loss)		2,49,85,534	(1,41,35,850)
	- Basic (₹)	2.15	36,390.33	60,180.33
	- Diluted (₹)		36,390.33	60,180.33

Significant Accounting Policies

Notes on Accounts

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor
Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

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[

Reliance Communications International Inc.**Statement Of Changes In Equity**

Statement of Changes in Equity for the year ended 31st March 2022

**A. Equity Share Capital
Particulars**

(Amount in ₹)

Balance at the beginning of the reporting period	1.4.2020	1
Changes in equity share capital during the year		-
Balance at the end of the reporting period	31.3.2021	<u>1</u>
Balance at the beginning of the reporting period	1.4.2021	1
Changes in equity share capital during the year		-
Balance at the end of the reporting period	31.3.2022	<u>1</u>

B. Other Equity

(Amount in ₹)

Particulars	Attributable to Equity Holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2020	51,34,06,928	2,99,28,419	54,33,35,347
Total Comprehensive Income for the year	60,18,033	(2,01,53,883)	(1,41,35,850)
Balance as at 31.03.2021	51,94,24,961	97,74,536	52,91,99,497
Changes in accounting policy or prior period errors			
Restated balance at 01.04.2021	51,94,24,961	97,74,536	52,91,99,497
Total Comprehensive Income for the year	36,39,033	2,13,46,501	2,49,85,534
Balance as at 31.03.2022	52,30,63,994	3,11,21,037	55,41,85,031

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications International Inc.

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		
Profit before Income tax	39,95,985	65,12,486
Adjusted for:		
Other Financial Cost		
Creditors write off no longer required	-	-
Operating Profit before Working Capital Changes	39,95,985	65,12,486
Adjusted for:		
Receivables and other Advances	(1,55,53,778)	(57,36,438)
Trade Payables	(4,52,95,813)	(6,42,07,023)
Effect of Exchange difference on translation of Assets & Liabilities	10,22,63,959	4,14,87,540
Cash Generated from Operations	4,54,10,353	(2,19,43,435)
Less : Income Tax Paid	3,56,952	4,94,455
Net Cash Inflow/(Outflow) from Operating Activities	4,57,67,306	(2,14,48,980)
B CASH FLOW FROM INVESTING ACTIVITIES		
Repayment of Loans from Related Parties	6,67,12,102	(3,36,88,654)
Net Cash Inflow/(Outflow) from Investing Activities	6,67,12,102	(3,36,88,654)
C CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from short term borrowings	-	-
Net Cash Inflow/(Outflow) from Financing Activities	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	(2,09,44,796)	1,22,39,675
Opening Balance of Cash and Cash Equivalents	3,23,45,429	2,01,05,754
Closing Balance of Cash and Cash Equivalents	1,14,00,633	3,23,45,429

The Notes referred to above form an integral part of the Balance Sheet.

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta
Proprietor
Membership No. 035722

Vaishali Mane
Director

Place : Mumbai
Date : 08.08.2022

Reliance Communications International Inc.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

Reliance Communications International, Inc. (the "Company") is a Delaware corporation incorporated on September 29, 2003 as a wholly owned subsidiary of Reliance Communications, Inc. The Company provides international telecommunication services between the United States and foreign points.

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

International Voice revenue is recognized as services are performed.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

Reliance Communications International Inc.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

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').

Reliance Communications International Inc.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

(vi) **Equity investments:**

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

(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.

1.10 Cash And Cash Equivalents

The company considers all highly liquid accounts (money market funds) and investments with a maturity of three months or less when acquired as cash equivalents.

Reliance Communications International Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

2.01 Trade Receivables

Particulars	As on March 31, 2022	As on March 31, 2021
Unsecured		
Related Parties (Refer Note 2.19)	37,16,258	35,84,730
Considered Good	4,94,01,855	5,83,75,743
Considered Doubtful	2,51,96,186	2,43,04,425
Less: Provision for Doubtful Debts	2,51,96,186	2,43,04,425
	5,31,18,113	6,19,60,473

2.02 Cash and Cash Equivalents

Particulars	As on March 31, 2022	As on March 31, 2021
Balance with Banks	1,14,00,632	3,23,45,429
	1,14,00,632	3,23,45,429

2.03 Loans

Particulars	As on March 31, 2022	As on March 31, 2021
Unsecured, Considered good		
Other Loans and Advances		
Loans and Advances to Related parties (Refer Note 2.19)		
Considered good	1,14,74,18,262	1,08,48,83,388
Unsecured, Doubtful		
Considered doubtful	41,77,227.85	-
Less: Provision for doubtful advances	-	-
	1,15,15,95,489	1,08,48,83,388
	1,15,15,95,489	1,08,48,83,388

2.04 Other Current Assets

Particulars	As on March 31, 2022	As on March 31, 2021
Unsecured, Considered good	-	-
Deposits	1,58,57,307	1,52,96,074
	1,58,57,307	1,52,96,074

Reliance Communications International Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

As at March 31, 2022	As at March 31, 2021
---------------------------------	---------------------------------

Note 2.05 Share Capital**Authorised**

1 000 Equity Shares of USD .01 each (1 000)	758	731
	758	731
	758	731

Issued, Subscribed and Paid up

1 00 Equity Shares of USD .01 each fully paid up (100)	7,57,925	7,31,100
	7,57,925	7,31,100
	7,57,925	7,31,100

5(a) Share held by holding/Ultimate holding company and/or their subsidiaries/associates

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Communications Inc,	100	100	100	100

5(b) Details of Shareholders holding more than 5% shares in the Company :

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Communications Inc,	100	100	100	100

5(c) Terms/Rights attached to Equity Share

The Company has only one class of equity share having a par value of USD 0.01 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of Company, the holder of equity share will be entitled to receive remaining assets of the company.

5(d) Reconciliation of shares outstanding at the beginning and at the end of the reporting year.

	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	100	7,57,925	100	7,57,925
Add/ (Less): Changes during the year	-	-	-	-
At the end of the year	100	7,57,925	100	7,57,925
	100	7,57,925	100	7,57,925

Reliance Communications International Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

2.06 Other Equity

(Amount in ₹)

Particulars	Attributable to Equity Holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2020	51,34,06,928	8,08,02,874	59,42,09,802
Total Comprehensive Income for the year	60,18,033	(2,01,53,883)	(1,41,35,850)
	-		-
Balance as at 31.03.2021	51,94,24,961	6,06,48,991	58,00,73,952
Changes in accounting policy or prior period errors			
Restated balance at 01.04.2020	51,94,24,961	6,06,48,991	58,00,73,952
Total Comprehensive Income for the year	36,39,033	2,13,46,501	2,49,85,534
Exchange Fluctuation Reserve	-		-
Balance as at 31.03.2022	52,30,63,994	8,19,95,492	60,50,59,486

Reliance Communications International Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

2.07 Trade Payables

Particulars	As on March 31, 2022	As on March 31, 2021
Due to Micro, Small and Medium Enterprises	-	-
Others	62,16,54,708	60,95,69,093
	62,16,54,708	60,95,69,093

2.08 Other Current Liabilities

Particulars	As on March 31, 2022	As on March 31, 2021
Others	41,36,300	30,09,744
	41,36,300	30,09,744

2.09 Income Tax Liabilities (Net)

Particulars	As on March 31, 2022	As on March 31, 2021
Income Tax (Net)	3,63,122	11,01,475
	3,63,122	11,01,475

Reliance Communications International Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
2.10 REVENUE FROM OPERATIONS		
Retail Traffic Income	7,70,44,789	15,25,14,337
	<u>7,70,44,789</u>	<u>15,25,14,337</u>
2.11 OTHER INCOME		
Creditors / Provision Write Back	-	-
	<u>-</u>	<u>-</u>
2.12 NETWORK EXPENSES		
Charges for Commercial Support Service	49,36,532	2,26,09,156
Whole Traffic cost	1,18,58,392	3,38,66,019
License & Application Fees	56,46,413	74,78,390
Toll free Access	3,29,48,661	5,77,33,412
	<u>5,53,89,998</u>	<u>12,16,86,977</u>
2.13 Sales and General Administration Expenses		
Merchant Bank Charges	91,11,999	1,53,94,977
Professional Fees	21,48,716	9,06,251
Bank Charges	10,13,860	18,77,166
Software License Fee	2,19,044	2,18,174
Bad Debts	-	-
Advances written off	-	-
Repairs and Maintainance	46,43,654	53,98,841
Payment to Auditors	5,21,533	5,19,463
	<u>1,76,58,806</u>	<u>2,43,14,873</u>

Reliance Communications International Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

Note : 2.14

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.15

Earning Per Share

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit (Numerator used for calculation)	36,39,033	60,18,033
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	100	100
Basic and Diluted Earning Per Share of Euro 17.09 each	36,390	60,180

Note : 2.16

Going Concern

For the year ended 31st March 2022, the company has reported a net profit of Rs 2 48 85 534. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations are still continuing and it is likely that a suitable investor will be found.

Note : 2.17

Impact of COVID-19

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

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices.

The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.18

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.19

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:

Name of the Related Party	Relationship
1 Reliance Communications Ltd.	Ultimate Holding Company
2 Reliance Communications, Inc.	Holding Company
3 Bonn Investment Inc.	Fellow Subsidiary
4 Reliance Infocom Inc.	Fellow Subsidiary
5 Reliance Communications Infrastructure Ld	Fellow Subsidiary
6 Reliance Communications (Australia) Pty Limited	Fellow Subsidiary
7 Reliance Communications (Singapore) Pte Limited	Fellow Subsidiary
8 Reliance Communications (Hong Kong) Limited	Fellow Subsidiary
9 Reliance Communications (New Zealand) Pte Limited	Fellow Subsidiary
10 Reliance Communications Canada Inc.	Fellow Subsidiary
11 Reliance Communications (U K) Limited	Fellow Subsidiary

Transactions with related parties

Summarised below are the transactions entered into with related parties:

(Figures shown in brackets pertains to previous year.)

(Amount in ₹)

Entity Name	Network Operating Expenses	Short Term Loans and Advances given	Trade Payables
Reliance Communications Ltd.	49,36,532		58,73,03,577
	(2,26,09,156)		(55,26,71,679)
Reliance Communications, Inc.	1,18,58,392	38,21,64,118	-
	(3,38,66,019)	(36,62,93,374)	(-)
Bonn Investment Inc.	-	17,54,59,638	-
	(-)	(16,92,49,650)	(-)
Reliance Infocom Inc.	-	12,67,097	-
	(-)	(12,22,252)	(-)
Reliance Communications Infrastructure Ltd	-	58,81,02,730	2,92,44,290
	(-)	(56,72,88,196)	(2,82,09,256)
Reliance Communications (Hong Kong) Limited	-		47,23,032
	(-)		(45,55,871)
Reliance Communications Canada Inc.	-	-	-
	(-)	-	(-)

Note : 2.20

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

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 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:

Particulars	(Amount in ₹)	
	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	1,14,00,632	3,23,45,429
Total	1,14,00,632	3,23,45,429
Financial assets at fair value through Profit and Loss		

Financial liabilities at amortised cost:

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

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:

	As at March 31, 2022	(Amount in ₹) As at March 31, 2021
Fixed Rate Instruments		
Financial Assets	Nil	Nil
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

	As at March 31, 2022	(Amount in ₹) As at March 31, 2021
Impact of increase in interest rate by 100 basis point	Nil	Nil

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

Note : 2.21

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).

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor
Firm Regn.No.106326W

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

Independent Auditors' Report

To the Board of Directors of Reliance Communications Canada Inc. Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Communications Canada Inc.** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its loss (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.14 in the financial statements where in the company's Net Worth has been fully eroded and the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The accounts have been audited by foreign auditors and their report is furnished to us by the management along with financial statements converted in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act"). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

Vipul P Mehta
Proprietor
Membership No.:035722
UDIN: 22035722AQGDNG5148

Place: Mumbai
Date : 08.08.2022

Reliance Communications Canada Inc.

Financial Year 2021 - 22

Reliance Communications Canada Inc.

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) Trade Receivables	2.01	22,69,227	39,83,640
(ii) Cash and Cash Equivalents	2.02	55,32,625	62,40,149
(iii) Loans and Advances	2.03	2,06,77,861	1,59,40,571
Total Assets		2,84,79,714	2,61,64,360

EQUITY AND LIABILITIES

Equity

(a) Equity Share Capital	2.04	7,57,925	7,31,100	
(b) Other Equity	2.05	(34,22,183)	(26,64,258)	(33,35,764)
				(26,04,664)

LIABILITIES

Current Liabilities

(a) Financial Liabilities				
(i) Trade Payables	2.06	3,09,89,886	2,84,56,143	
(b) Other Current Liabilities	2.07	1,54,086	3,12,882	
Total Equity and Liabilities		3,11,43,972	3,11,43,972	2,87,69,024
		2,84,79,714	2,84,79,714	2,61,64,360

Significant Accounting Policies	1
Notes on Accounts	2

As per our Report of even date

For and on Behalf of the Board

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : August 08, 2022

Reliance Communications Canada Inc.

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	Revenue from Operations	27,41,624	65,37,739
II	Other Income	-	-
III	Total Income	27,41,624	65,37,739
IV EXPENSES			
	Access Charges, License Fees and Network Expenses	21,99,230	59,52,256
	Sales and General Administration Expenses	5,04,546	5,39,765
	Total Expenses (IV)	27,03,776	64,92,021
V	Profit Before Tax (III - IV)	37,848	45,718
VI	Tax expense:		
	- Current Tax	2,459	84,598
VII	Profit After Tax	35,389	(38,880)
	Other Comprehensive Income / (Loss)	(1,21,809)	1,15,724
	Total Comprehensive Income / (Loss)	(86,420)	76,844
VIII	Earnings per Share	2.13	
	- Basic	(864.20)	768.44
	- Diluted	(864.20)	768.44

Significant Accounting Policies

1

Notes on Accounts

2

As per our Report of even date

For V P Mehta & Co.

For and on Behalf of the Board

Chartered Accountants

Firm Regn.No.106326W

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : August 08, 2022

Reliance Communications Canada Inc.**STATEMENT OF CHANGES IN EQUITY**

Statement of Changes in Equity for the year ended 31st March 2022

**A. Equity Share Capital
Particulars**

(Amount in ₹)

Balance at the beginning of the year	1.4.2020	6,91,550
Foreign Exchange Variation		65,100
Balance at the end of the reporting period	31.3.2021	<u>7,56,650</u>

Balance at the beginning of the year	1.4.2021	7,56,650
Foreign Exchange Variation		(25,550)
Balance at the end of the reporting period	31.3.2022	<u>7,31,100</u>

B. Other Equity

(Amount in ₹)

Particulars	Attributable to Equity Holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2020	(30,35,425)	(2,30,032)	(32,65,457)
Total Comprehensive Income for the year	(38,880)	1,15,724	76,844
Balance as at 31.03.2021	(30,74,306)	(1,14,308)	(31,88,613)
Restated balance at 01.04.2021	(30,74,306)	(1,14,308)	(31,88,613)
Total Comprehensive Income for the year	35,389	(1,21,809)	(86,420)
Balance as at 31.3.2022	(30,38,916)	(2,36,117)	(32,75,033)

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : August 08, 2022

Reliance Communications Canada Inc.
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		
Profit before Income tax	37,848	45,717
Adjusted for:	-	-
Operating Profit before Working Capital Changes	37,848	45,717
Adjusted for:		
Receivables and other Advances	(30,22,878)	(37,00,835)
Trade Payables	23,74,948	37,82,196
Effect of Exchange difference on translation of Assets & Liabilities	(94,984)	90,173
Cash Generated from Operations	(7,05,065)	2,17,251
Less : Income Tax Paid	(2,459)	(84,598)
Net Cash Inflow/(Outflow) from Operating Activities	(7,07,524)	1,32,653
B CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash Inflow/(Outflow) from Investing Activities	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash Inflow/(Outflow) from Financing Activities	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	(7,07,524)	1,32,654
Opening Balance of Cash and Cash Equivalents	62,40,149	61,07,495
Closing Balance of Cash and Cash Equivalents	55,32,625	62,40,149

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : August 08, 2022

Reliance Communications Canada Inc.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

Reliance Communications Canada, Inc. (the "Company") is a Delaware corporation incorporated on April 07, 2004 as a wholly owned subsidiary of Reliance Communications, Inc. The new Company provides international telecommunication services between Canada and foreign points.

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

International Voice revenue is recognized as services are performed.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

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.

Reliance Communications Canada Inc.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

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

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

(vi) **Equity investments:**

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

(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.

Reliance Communications Canada Inc.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

(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.

1.10 CASH AND CASH EQUIVALENTS

The company considers all highly liquid accounts (money market funds) and investments with a maturity of three months or less when acquired as cash equivalents.

Reliance Communications Canada Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

2.01 Trade Receivables

(Amount in ₹)

Particulars	As on March 31, 2022	As on March 31, 2021
Unsecured		
Considered Good	22,69,227	39,83,640
Considered Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
	22,69,227	39,83,640

2.02 Cash and Cash Equivalents

Particulars	As on March 31, 2022	As on March 31, 2021
Balance with Banks in current accounts	55,32,625	62,40,149
	55,32,625	62,40,149

2.03 Loans and Advances

Particulars	As on March 31, 2022	As on March 31, 2021
Unsecured, Considered good Other Loans and Advances		
Loans and Advances to Related parties (Refer Note 2.17)	2,02,38,265	1,59,40,571
Others	4,39,597	-
Unsecured, Doubtful		
Considered doubtful	-	-
Less: Provision for doubtful advances	-	-
	2,06,77,861	1,59,40,571
	2,06,77,861	1,59,40,571

Reliance Communications Canada Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

**As at
31-Mar-22****As at
March 31, 2021****Note 2.04 Share Capital****Authorised**1 000 Equity Shares of USD .01 each
(1 000)**75,79,250**

73,11,000

75,79,25073,11,000**Issued, Subscribed and Paid up**1 00 Equity Shares of USD .01 each fully paid up
(100)**7,57,925**

7,31,100

7,57,9257,31,100**2.05(a) Share held by holding/Ultimate holding company and/or their subsidiaries/associates**

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Communications Inc,	100	100	100	100

2.05(b) Details of Shareholders holding more than 5% shares in the Company :

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Communications Inc,	100	100	100	100

2.05(c) Terms/Rights attached to Equity Share

The Company has only one class of equity share having a par value of USD 0.01 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of Company, the holder of equity share will be entitled to receive remaining assets of the company.

2.05(d) Reconciliation of shares outstanding at the beginning and at the end of the reporting year.

	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	100	7,57,925	100	7,57,925
Add/ (Less): Changes during the year	-	-	-	-
At the end of the year	100	7,57,925	100	7,57,925

Reliance Communications Canada Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

2.05 Other Equity

(Amount in ₹)

Particulars	Attributable to Equity Holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2020	(28,85,451)	(5,27,157)	(34,12,608)
Total Comprehensive Income for the year	(38,880)	1,15,724	76,844
Balance as at 31.03.2021	(29,24,331)	(4,11,432)	(33,35,764)
Changes in accounting policy or prior period errors			
Restated balance at 01.04.2021	(29,24,331)	(4,11,432)	(33,35,764)
Total Comprehensive Income for the year	35,389	(1,21,809)	(86,420)
Balance as at 31.3.2022	(28,88,942)	(5,33,241)	(34,22,183)

Reliance Communications Canada Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

2.06 Trade Payables

(Amount in ₹)

Particulars	As on March 31, 2022	As on March 31, 2021
Due to Related Parties (Refer Note 2.17)	3,09,89,886	2,81,82,283
Others	-	2,73,859
	3,09,89,886	2,84,56,143

2.07 Other Current Liabilities

Particulars	As on March 31, 2022	As on March 31, 2021
Others	1,51,585	1,46,220
Provision for Tax	2,501	1,66,662
	1,54,086	3,12,882

RELIANCE COMMUNICATIONS CANADA INC.

Notes on Accounts to the financial statement for the year ended March 31,2022

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Note		
2.08 Revenue from Operations		
Retail Traffic Income	27,41,624	65,37,739
	<u>27,41,624</u>	<u>65,37,739</u>
2.09 OTHER INCOME		
Creditors / Provision Write Back	-	-
Charges for Commercial Support Service	-	-
	<u>-</u>	<u>-</u>
2.10 NETWORK EXPENSES		
Charges for Commercial Support Service (Refer Note 2.17)	16,96,770	44,78,745
Whole Traffic cost	5,02,460	14,73,510
	<u>21,99,230</u>	<u>59,52,256</u>
2.11 Sales and General Administration Expenses		
Professional Fees	3,46,596	3,85,781
Bank Charges	8,941	5,566
Payment to Auditors	1,49,009	1,48,418
Provision for advances	-	-
	<u>5,04,546</u>	<u>5,39,765</u>

Reliance Communications Canada Inc.

Notes on Accounts to the financial statement for the year ended March 31,2022

Note : 2.12

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.13

Earning Per Share

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit (Numerator used for calculation)	(86,420)	76,844
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	100	100
Basic and Diluted Earning Per Share	(864)	768

Note : 2.14

Going Concern

For the Period ended 31st March 2022, the company has reported a net loss of Rs 86 420 and the net worth of the company has been fully eroded. There exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that operations are still continuing and it is likely that a suitable investor will be found.

Note : 2.15

Impact of COVID-19

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

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices. The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.16

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.17

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:

Name of the Related Party

Relationship

1 Reliance Communications Ltd.	Ultimate Holding Company
2 Reliance Communications, Inc.	Holding Company
3 Reliance Infocom Inc.	Fellow Subsidiary
4 Reliance Communications Infrastructure Ltd	Fellow Subsidiary
5 Reliance Communications International Inc.	Fellow Subsidiary

(Amount in ₹)

Entity Name	During the Year 2021-2022	As At March 31,2022	
	Network Operating Expenses	Loans & Advances Given	Trade Payables
Reliance Communications Ltd.	16,96,770	-	2,48,39,552
	(41,90,137)	-	(1,78,37,231)
Reliance Communications, Inc.	5,02,460	2,02,07,948	-
	(20,74,809)	(1,29,76,513)	-
Reliance Infocom Inc.	-	30,317	-
	-	(29,244)	-
Reliance Communications Infrastructure Ltd	-	-	20,09,389
	-	-	(19,38,271)
Reliance Communications International Inc.	-	-	41,40,923
	-	-	(39,94,365)

Note : 2.18**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

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 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:

Particulars	(Amount in ₹)	
	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	55,32,625	62,40,149
Total	55,32,625	62,40,149

Financial assets at fair value through Profit and Loss**Financial liabilities at amortised cost:**

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**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	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

	As at	As at
	March 31, 2022	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 vice 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.

Note : 2.19

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).

As per our Report of even date

For V P Mehta & Co.
Chartered Accountants
Firm Regn.No.106326W

For and on Behalf of the Board

Vaishali Mane
Director

Vipul P Mehta
Proprietor
Membership No. 035722

Place : Mumbai
Date : August 08, 2022

Independent Auditors' Report

To the Board of Directors of Bonn Investment Inc. Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Bonn Investment Inc.** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for Qualified Opinion paragraph of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 its loss (including total comprehensive income), its cash flows and the changes in equity 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 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 there under, 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.

Basis for Qualified Opinion

We draw your attention to note 2.15 in the financial statements where in the company's Net Worth has been fully eroded and the events or conditions set out in the note indicating that a material uncertainty exists which may cast doubt on company's ability to continue as a going concern.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The accounts have been audited by foreign auditors and their report is furnished to us by the management along with financial statements converted in INR as per Indian Accounting Standards Rules 2015, as amended ('Ind AS' prescribed under section 133 of the Companies Act, 2013 ("the Act"). This report is issued for the information and use of the Company and Reliance Communications Limited, the holding company in India only to comply with the financial reporting requirements in India and not to report on the Company as a separate entity and not to be used for any other purpose.

Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS Rules 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).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these special purpose financial statements prepared for the purpose outlined 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.

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

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.: 106326W

Vipul P Mehta

Proprietor
Membership No.: 035722
UDIN: 22035722AQGERV7796

Place: Mumbai
Date : 08.08.2022

Bonn Investment Inc.

Financial Year 2021 - 22

Bonn Investment Inc.**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	37,52,77,819	37,59,20,465
Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	2.02	1,89,18,869	1,00,72,672
(ii) Loans	2.03	31,05,956	29,96,028
(b) Income Tax Assets (Net)	2.04	1,65,986	-
Total Assets		39,74,68,630	38,89,89,165

EQUITY AND LIABILITIES**Shareholder's Fund**

(a) Equity Share Capital	2.05	7,57,925	7,31,100	
(b) Other Equity	2.06	(15,21,36,722)	(15,13,78,797)	(14,03,06,164)

LIABILITIES**Non-Current Liabilities**

(a) Financial Liabilities				
(i) Borrowings	2.07	53,71,50,900	53,71,50,900	51,81,39,688

Current Liabilities

(a) Financial Liabilities				
(i) Trade Payables	2.08	1,07,701	676	
(b) Other Current Liabilities	2.09	18,94,813	19,29,665	
(c) Other Liabilities	2.10	96,94,012	1,16,96,526	1,11,55,641

Total Equity and Liabilities**39,74,68,630** **38,89,89,165****Significant Accounting Policies** 1**Notes on Accounts** 2

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Date : 08.08.2022

Bonn Investment Inc.

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	Revenue from Operations	-	-
II	Other Income	1,36,88,600	71,24,064
III	Total Income (I + II)	1,36,88,600	71,24,064
IV EXPENSES			
	Depreciation, Impairment and Amortisation	1,41,90,374	1,41,34,054
	Sales and General Administration Expenses	52,48,037	1,54,84,005
	Total Expenses (IV)	1,94,38,410	2,96,18,059
V	Profit/ (Loss) before Exceptional Items, Adjustments and Tax (III - IV)	(57,49,811)	(2,24,93,995)
VI	Tax expense:		
	- Current Tax	74,132	1,52,425
	- Short/ (Excess) provision of earlier years	-	-
VII	Profit/(Loss) After Tax (V - VI)	(58,23,943)	(2,26,46,420)
VIII	Profit / (Loss) After Tax	(58,23,943)	(2,26,46,420)
	Other Comprehensive Income / (Loss)	(52,75,514)	44,84,591
	Total Comprehensive Income / (Loss)	(1,10,99,457)	(1,81,61,829)
IX	Earnings per Share	2.14	
	- Basic	(58,239.43)	(2,26,464.20)
	- Diluted	(58,239.43)	(2,26,464.20)

Significant Accounting Policies

1

Notes on Accounts

2

As per our Report of even date

For and on Behalf of the Board

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Dated : 08.08.2022

Bonn Investment Inc.**STATEMENT OF CHANGES IN EQUITY**

Statement of Changes in Equity for the year ended 31st March 2021

A. Equity Share Capital

Particulars		(Amount in ₹)
Balance at the beginning of the reporting period	1.4.2020	7,56,650
Foreign exchange variance		(25,550)
Balance at the end of the reporting period	31.3.2021	<u>7,31,100</u>
Balance at the beginning of the reporting period	1.4.2021	7,31,100
Foreign exchange variance		26,825
Balance at the end of the reporting period	31.3.2022	<u>7,57,925</u>

B. Other Equity

(Amount in ₹)

Particulars	Attributable to Equity Holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2020	(10,81,68,937)	(1,47,06,498)	(12,28,75,435)
Total Comprehensive Income for the year	(2,26,46,420)	44,84,591	(1,81,61,829)
Balance as at 31.03.2021	(13,08,15,357)	(1,02,21,907)	(14,10,37,264)
Changes in accounting policy or prior period errors			
Restated balance at 01.04.2021	(13,08,15,357)	(1,02,21,907)	(13,08,15,357)
Total Comprehensive Income for the year	(58,23,943)	(52,75,514)	(1,10,99,457)
Balance as at 31.03.2022	(13,66,39,300)	(1,54,97,421)	(15,21,36,721)

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Dated : 08.08.2022

Bonn Investment Inc.**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**

Profit before Income tax	(57,49,811)	(2,24,93,995)
Adjusted for:		
Depreciation and Amortisation	1,41,90,374	1,41,34,054
Operating Profit before Working Capital Changes	84,40,563	(83,59,941)
Adjusted for:		
Receivables and other Advances	(2,75,914)	1,65,514
Trade Payables	5,40,885	(7,07,699)
Effect of Exchange difference on translation of Assets & Liabilities	(3,86,232)	(3,86,232)
Cash Generated from Operations	87,05,535	(89,02,125)
Less : Income Tax Paid	-	-
Net Cash Inflow/(Outflow) from Operating Activities	83,19,303	(92,88,357)

B CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Investments	-	-
Net Cash Inflow/(Outflow) from Investing Activities	-	-

C CASH FLOW FROM FINANCING ACTIVITIES

Net proceeds from short term borrowings		
Financial Charges		
Net Cash Inflow/(Outflow) from Financing Activities	-	-

Net Increase/ (Decrease) in Cash and Cash Equivalents	83,19,303	(92,88,357)
Opening Balance of Cash and Cash Equivalents	1,00,72,672	1,93,61,029
Closing Balance of Cash and Cash Equivalents	1,83,91,975	1,00,72,672

As per our Report of even date

For V P Mehta & Co.

Chartered Accountants

Firm Regn.No.106326W

For and on Behalf of the Board

Vipul P Mehta

Proprietor

Membership No. 035722

Vaishali Mane

Director

Place : Mumbai

Dated : 08.08.2022

Bonn Investment Inc.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

Bonn Investment, Inc was renamed on Feb 17, 2010 from Reliance Netway, Inc. (the "Company") a Delaware corporation incorporated on May 11, 2004 as a wholly owned subsidiary of Reliance Communications, Inc.

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

Rental income is booked on the basis of provisional rate where the rent agreement are in process of finalization. The increase or decrease due to any change in rate of earlier years upon finalization of rent agreement is booked as rate difference during the year in which rent agreement is finalized.

1.04 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.05 Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.06 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted 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 timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

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 Investments

Non Current Investments are stated at cost or fair value as required .

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

(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 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.

Bonn Investment Inc.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

(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.

1.11 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and equipment are stated at cost or their estimated fair value on the date of acquisition less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Maintenance and repairs on property and equipment are expensed as incurred.

USEFUL LIFE OF ASSET:

Sr.

No Name of Property

1	Equipment	10 Yrs
2	Building	38 Yrs
3	Materials	10%

1.12 CASH AND CASH EQUIVALENTS

The company considers all highly liquid accounts (money market funds) and investments with a maturity of three months or less when acquired as cash equivalents.

Bonn Investment Inc.**Notes on Accounts to the Financial Statements****2.01. Property, Plant and Equipment (PPE)**

(Amount in ₹)

Particulars	Buildings	Plant and Machinery	Total
Gross carrying value			
As at March 31, 2021	52,91,88,868	2,21,623	52,94,10,491
Additions	-	-	-
Transfer from CWIP	-	-	-
Disposals	-	-	-
Exchange Differences	1,94,16,621	-	1,94,16,621
As at March 31, 2022	54,86,05,489	2,21,623	54,88,27,112
Accumulated Depreciation			
As at March 31, 2021	15,32,68,404	2,21,623	15,34,90,026
Depreciation for the year	1,41,90,374	-	1,41,90,374
Disposals	-	-	-
Exchange Differences	58,68,893	-	58,68,893
As at March 31, 2022	17,33,27,670	2,21,623	17,35,49,293
Closing net carrying value as at March 31, 2022	37,52,77,819	-	37,52,77,819
Gross carrying value as at March 31, 2021	54,86,05,489	2,21,623	54,88,27,112
Accumulated Depreciation	17,33,27,670	2,21,623	17,35,49,293
Closing net carrying value as at March 31, 2022	37,52,77,819	-	37,52,77,819

Particulars	Buildings	Plant and Machinery	Total
Gross carrying value			
As at March 31, 2020	54,76,82,611	2,21,623	49,48,58,479
Additions	-	-	-
Transfer from CWIP	-	-	-
Deductions/ Adjustment Including on Account of CTR	-	-	-
Exchange Differences	(1,84,93,743)	-	(1,84,93,743)
As at March 31, 2021	52,91,88,868	2,21,623	47,63,64,736
Accumulated Depreciation			
As at March 31, 2020	14,42,13,336	2,21,623	11,29,31,090
Depreciation for the year	1,41,34,054	-	1,41,34,054
Deductions/ Adjustment Including on Account of CTR	-	-	-
Exchange Differences	(50,78,986)	-	(50,78,986)
As at March 31, 2021	15,32,68,404	2,21,623	12,19,86,157
Closing net carrying value as at March 31, 2021	37,59,20,465	-	37,59,20,465
Gross carrying value as at March 31, 2021	52,91,88,868	2,21,623	52,94,10,491
Accumulated Depreciation	15,32,68,404	2,21,623	15,34,90,026
Closing net carrying value as at March 31, 2021	37,59,20,465	-	37,59,20,465

“Tangible fixed assets are carried at cost less accumulated depreciation less impairment charge, if any. The cost of assets is made up of the purchase price of the assets plus any costs directly attributable to bringing the assets into working condition for its intended use.

Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives as follows:

Class of Assets	Depreciation Rate
Buildings	10%
Plant and Machinery	10%

Depreciation is charged as per the Local GAAP of country where company is situated”.

Bonn Investment Inc.**Notes on Accounts to the Financial Statements****2.02 Cash and Cash Equivalents****(Amount in ₹)**

Particulars	As on March 31, 2022	As on March 31, 2021
Balance with Banks in current accounts	1,89,18,869	1,00,72,672
	1,89,18,869	1,00,72,672

2.03 Loans

Particulars	As on March 31, 2022	As on March 31, 2021
Loans to Related Parties (Refer Note 2.18)	11,36,888	10,96,650
Others	19,43,200	18,74,425
Deposits	25,869	24,953
	31,05,956	29,96,028

2.04 Current Tax Assets (Net)

Particulars	As on March 31, 2022	As on March 31, 2021
Income Tax (Net)	1,65,986	-
	1,65,986	-

Notes on Accounts to the Financial Statements

	(Amount in ₹)	
	As at March 31, 2021	As at March 31, 2021
Note 2.05 Share Capital		
Authorised		
1 000 Equity Shares of USD .01 each (1 000)	758	731
	758	731
Issued, Subscribed and Paid up		
1 00 Equity Shares of USD .01 each fully paid up (100)	7,57,925	7,31,100
	7,57,925	7,31,100

Note :

2.05 (a) Share held by holding/Ultimate holding company and/or their subsidiaries/associates

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Infocom Inc.	100	100	100	100

2.05 (b) Details of Shareholders holding more than 5% shares in the Company :

Equity Shares	%	No. of Shares	%	No. of Shares
Reliance Infocom Inc.	100	100	100	100

2.05(c) Terms/Rights attached to Equity Share

The Company has only one class of equity share having a par value of USD 0.01 per share. Each holder of equity shares is entitled to one vote per share .In the event of liquidation of Company, the holder of equity share will be entitled to receive remaining assets of the company.

(Amount in ₹)

2.05 (d) Reconciliation of shares outstanding at the beginning and at the end of the reporting year.

	No. of Shares	Amount	No. of Shares	Amount
Equity shares				
At the beginning of the year	100	7,57,925	100	7,31,100
Add/ (Less): Changes during the year	-			
At the end of the year	100	7,57,925	100	7,31,100

Bonn Investment Inc.**Notes on Accounts to the Financial Statements****2.06 Other Equity****(Amount in ₹)**

Particulars	Attributable to Equity Holders		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2020	(10,81,68,937)	(1,47,06,498)	(9,82,83,200)
Total Comprehensive Income for the year	(2,26,46,420)	44,84,591	(1,81,61,829)
Transfer to retained earnings			-
Balance as at 31.03.2021	(13,08,15,357)	(1,02,21,907)	(14,10,37,264)
Restated balance at 01.04.2021	(13,08,15,357)	(1,02,21,907)	(14,10,37,264)
Total Comprehensive Income for the year	(58,23,943)	(52,75,514)	(1,10,99,457)
Balance as at 31.3.2022	(13,66,39,301)	(1,54,97,421)	(15,21,36,722)

Bonn Investment Inc.**Notes on Accounts to the Financial Statements**

(Amount in ₹)

**As at
March 31, 2021****As at
March 31, 2021****Note 2.07 Borrowings****Term Loans****Unsecured**Loans from related parties (Refer Note
2.18)

<u>53,71,50,900</u>	53,71,50,900	<u>51,81,39,688</u>	<u>51,81,39,688</u>
	<u>53,71,50,900</u>		<u>51,81,39,688</u>

Bonn Investment Inc.
Notes on Accounts to the Financial Statements

2.08 Trade Payables		(Amount in ₹)	
Particulars	As on March 31, 2022	As on March 31, 2021	
Others	1,07,701	676	
	1,07,701	676	

2.09 OTHER CURRENT LIABILITIES			
Particulars	As on March 31, 2022	As on March 31, 2021	
Security Deposit	18,94,813	18,27,750	
Provision for Tax	-	1,01,915	
	18,94,813	19,29,665	

2.10 Other Liabilities			
Particulars	As on March 31, 2022	As on March 31, 2021	
Provisions for Other Liabilities	96,94,012	92,25,299	
	96,94,012	92,25,299	

Bonn Investment Inc.
Notes forming part of the Statement of Profit and Loss

(Amount in ₹)

Note	For the year ended March 31, 2022	For the year ended March 31, 2021
2.11 OTHER INCOME		
Rent	1,34,10,846	71,24,064
Refund of Tax	2,77,754	-
	<u>1,36,88,600</u>	<u>71,24,064</u>
2.12 Sales and General Administration Expenses		
Insurance Rates and taxes	7,50,411	1,00,30,781
Legal & Professional Fees	2,70,974	2,42,122
Bank Charges	3,725	7,421
Other Miscellaneous Expenses	4,73,924	2,22,967
Electricity Utilities expenses	35,99,993	48,32,296
Payment to Auditors	1,49,009	1,48,418
	<u>52,48,037</u>	<u>1,54,84,005</u>
2.12 A Payment to Auditors		
Audit Fees	1,49,009	1,48,418
	<u>1,49,009</u>	<u>1,48,418</u>

Bonn Investment Inc.
Notes on Account to Financial Statements

Note : 2.13

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.14

Earning Per Share

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit (Numerator used for calculation)	(1,10,99,457)	(2,45,92,235)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	100	100
Basic and Diluted Earning Per Share	(1,10,995)	(2,45,922)

Note : 2.15

Going Concern

For the year ended 31st March 2022, the company has reported a net loss of Rs 1 10 99 458 there exists a material uncertainty as significant group balances still exist and the ultimate parent company in India is undergoing insolvency proceedings. The rationale for the management to continue to believe that financial statements are prepared on a going concern basis is that rental income from the property are still continuing and it is likely that a suitable investor will be found.

Note : 2.16

Impact of COVID-19:

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

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by the Government to ensure safety of employees across all its offices. The Company has continued to provide services to its Enterprise customers without any interruptions and honour commitments, despite facing all odds during lockdown.

The extent to which the COVID-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and the action to mitigate its spread.

Note : 2.17

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.18

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:

Name of the Related Party	Relationship
1 Reliance Communications Ltd.	Ultimate Holding Company
2 Reliance Communications, Inc.	Fellow Subsidiary
3 Reliance Communications International Inc.	Fellow Subsidiary

Transactions with related parties

Summarised below are the transactions entered into with related parties:
(Figures shown in brackets pertains to previous year.)

(Amount in ₹)
As at 31.03.2022

Entity Name	Short Term Borrowings
Reliance Communications Inc.	36,16,91,284 (34,88,90,038)
Reliance Communications International Inc.	17,54,59,638 (16,92,49,650)
	Loans to Related Parties
Reliance Infocom Inc.	11,36,888 (10,96,650)

Note : 2.19

2.19.1 Financial Instruments

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

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

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

Fair value hierarchy

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

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

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

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

Particulars	(Amount in ₹)	
	As at March 31, 2022	As at March 31, 2020
Financial assets at amortised cost:		
Cash and cash equivalents (Refer Note 2.02)	1,89,18,869	1,00,72,672
Total	1,89,18,869	1,00,72,672
Financial assets at fair value through Profit and Loss		
Investments		
(Fair valued under hierarchy - Level 1)		
Financial liabilities at amortised cost:		
Financial liabilities at fair value through Statement of Profit and Loss/ other Comprehensive Income:	Nil	Nil
Trade Payables	1,07,701	676
Borrowings	53,71,50,900	51,81,39,688

2.19.2 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

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:

	As at March 31, 2022	(Amount in ₹) As at March 31, 2020
Fixed Rate Instruments		
Financial Assets	Nil	Nil
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

	As at March 31, 2022	As at March 31, 2020
Impact of increase in interest rate by 100 basis point	Nil	Nil

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 vice 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 doesnot have any contractual maturities of financial liabilities.

Note : 2.20

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).

As per our Report of even date

For and on Behalf of the Board

For V P Mehta & Co.

Chartered Accountants
Firm Regn.No.106326W

Vaishali Mane

Director

Vipul P Mehta

Proprietor
Membership No. 035722

Place : Mumbai
Date : 08.08.2022

2021-22

**Reliance Telecom Infrastructure (Cyprus) Holdings
Limited**

March 31, 2022

Reliance Telecom Infrastructure (Cyprus) Holdings Limited

Unaudited Balance Sheet as at March 31, 2022

		As at March 31, 2022	(Amount in ₹) As at March 31, 2021
ASSETS			
Non Current Assets			
Financial Assets			
(i) Investments	2.01	35,76,45,490	34,49,85,181
Current Assets			
Financial Assets			
(i) Cash and Bank balance	2.02	-	-
(ii) Other Financial Asset	2.03	-	-
Total		35,76,45,490	34,49,85,181
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.04	1,70,231	1,64,205
(b) Other Equity	2.05	31,60,52,641	30,55,98,557
Liabilities			
Current Liabilities			
Other Current Liabilities	2.06	4,14,22,618	3,92,22,418
Total		35,76,45,490	34,49,85,181

Significant Accounting Policies 1 0 (0)

Notes to the Financial Statements 2

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

For and on Behalf of the Board

Director

Place : Mumbai

Date : 28th May, 2022

Reliance Telecom Infrastructure (Cyprus) Holdings Limited
Unaudited Statement of Profit and Loss for the year ended March 31, 2022

	Notes	For the year ended March 31, 2022	(Amount in ₹) For the year ended March 31, 2021
<u>Income</u>			
Other Income	2.07	-	-
<u>Expenditure</u>			
Finance Costs	2.08	-	-
General Administration Expenses	2.09	7,47,881	7,44,910
		7,47,881	7,44,910
Profit /(Loss) before Tax		(7,47,881)	(7,44,910)
Current Tax		-	-
Profit /(Loss) after Tax		(7,47,881)	(7,44,910)
Other Comprehensive Income / (Loss)			
(a) Item that will reclassified to Profit or loss			
(i) Exchange difference on translation of financial statements of foreign		1,12,01,965	(1,06,94,472)
Total Comprehensive Income / (Loss)		1,04,54,084	(1,14,39,382)
Basic and Diluted Earning per Share of Euro 17.09 each	2.11	(333)	(332)

Significant Accounting Policies

1

Notes on Account

2

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

For and on Behalf of the Board

Director

Place : Mumbai

Date : 28th May, 2022

Reliance Telecom Infrastructure (Cyprus) Holdings Limited
Statement of changes 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 (Refer Note : 2.03)		
Balance at the beginning of the year	1,64,205	1,55,322
Change in equity capital during the year	-	-
Foreign Exchange Variance	6,026	8,883
Balance at the end of the year	<u>1,70,231</u>	<u>1,64,205</u>

(b) Other Equity (Refer Note : 2.04)

Particulars	Attributable to equity holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2020	27,28,08,449	4,42,29,490	31,70,37,939
Net Loss for the year	(7,44,910)		(7,44,910)
Foreign Exchange Variance *		(1,06,94,472)	(1,06,94,472)
Balance as at March 31, 2021	<u>27,20,63,539</u>	<u>3,35,35,018</u>	<u>30,55,98,557</u>
Net Profit for the year	(7,47,881)		(7,47,881)
Foreign Exchange Variance *	-	1,12,01,965	1,12,01,965
Balance as at March 31, 2022	<u>27,13,15,658</u>	<u>4,47,36,983</u>	<u>31,60,52,641</u>

* Exchange differences on translating the financial statements

For and on Behalf of the Board

Director

Place : Mumbai
Date : 28th May, 2022

Reliance Telecom Infrastructure (Cyprus) Holdings Limited

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

The Company Reliance Telecom Infrastructure (Cyprus) Holdings Limited (the "Company") was incorporated in Cyprus as a private limited liability company under the Cyprus Companies Law, Cap. 113. Its registered office is at Meliza Court, 229 Arch Makariou III 4th Floor, P.C. 3105 Limassol Cyprus.

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 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees ("Rupees" or " ₹ ") but the functional currency is Euro. All amounts are rounded off to the nearest rupees, unless stated otherwise

1.04 Revenue Recognition

Interest Income is recognised on time proportion basis.

1.05 Foreign Currency Transactions

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.06 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.

1.07 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable / recoverable in respect of the taxable income / loss for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

Reliance Telecom Infrastructure (Cyprus) Holdings Limited

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.08 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.

1.09 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. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.1 Investments

Non Current Investments are stated at cost or fair value as required .

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.

Reliance Telecom Infrastructure (Cyprus) Holdings Limited

Note :1 General Information and Significant Accounting Policies to the Financial Statements

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

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

(vi) Equity investments:

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

(vii) Derecognition of Financial Assets

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

(viii) Impairment of Financial Assets

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

Financial Liabilities

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

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

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

(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 Telecom Infrastructure (Cyprus) Holdings Limited
Notes on Accounts to Financial Statements

(Amount in ₹)
As at
March 31, 2021

As at
March 31, 2022

Note: 2.01

Non Current Investments

Unquoted, fully paid up (Valued at amortised Cost)

13,37,50,582(13,37,50,582) equity shares of Reliance Infratel Limited of ₹ 10 each, fully paid-up

35,76,45,490

34,49,85,181

35,76,45,490

34,49,85,181

Note: 2.02

Cash & Bank Balance

Balance With Bank in current account

-

-

-

-

Note: 2.03

Other Financial Asset

Other Receivables

-

-

-

-

Note: 2.04

Equity Share Capital

Authorised

500 (500) Ordinary shares of Euro 17.09 each

8,51,155

8,21,025

8,60,000 (8,60,000) Redeemable Preference shares of Euro 17.09 each

1,49,57,05,114

1,44,27,58,578

1,49,65,56,269

1,44,35,79,603

Issued, Subscribed and Paid up

100 (100) Ordinary shares of Euro 17.09 each

1,70,231

1,64,205

1,70,231

1,64,205

1) Details of Shares held by holding Company:

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Ledra Trustee Services Limited as trustee of Reliance Communications Shareholders Trust	100	100	100	100

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

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Ledra Trustee Services Limited as trustee of Reliance Communications Shareholders Trust	100	100	100	100

Reliance Telecom Infrastructure (Cyprus) Holdings Limited
Notes on Accounts to Financial Statements

(Amount in ₹)

As at
March 31, 2022

As at
 March 31, 2021

3) The Company has only one class of ordinary shares having a par value of Euro 17.09 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

	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Ordinary Shares				
At the beginning of the year	100	1,70,231	100	1,64,205
Add/Less: Changes for the year	-	-	-	-
At the end of the year	100	1,70,231	100	1,64,205

Note: 2.05

Other Equity

Other Comprehensive Income

Exchange Fluctuation Reserve

(i) Opening Balance	3,35,35,018	4,42,29,490
(ii) Additions during the year (net)	1,12,01,965	(1,06,94,472)
	4,47,36,983	3,35,35,018

Surplus /(deficit) in retained earnings

Opening Balance	27,20,63,539	27,28,08,449
Add: Profit/ (Loss) the year	(7,47,881)	(7,44,910)
	27,13,15,658	27,20,63,539

Note: 2.06

Other Current Liabilities

Payable to Related Party (Refer Note 2.13)	3,75,93,176	3,62,62,414
Other Liabilities	38,29,441	29,60,005
	4,14,22,618	3,92,22,418

For the year ended
March 31, 2022

(Amount in ₹)
 For the year ended
 March 31, 2021

Note: 2.07

Other Income

Other Income	-	-
	-	-

Note: 2.08

Finance Costs

Other Finance Cost	-	-
	-	-

Note: 2.09

General Administrative Expenses

Auditors Remuneration	7,47,881	7,44,910
Other Professional Fees	-	-
Rates and Taxes	-	-
Other Expenses	-	-
	7,47,881	7,44,910

Reliance Telecom Infrastructure (Cyprus) Holdings Limited
Notes on Accounts to Financial Statements

Note : 2.10

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.11

Earning Per Share

(Amount in ₹)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit (Numerator used for calculation)	(7,47,881)	(7,44,910)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	2,246	2 246
Basic and Diluted Earning Per Share of Euro 17.09 each	(333)	(332)

Note : 2.12

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.13

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:

Name of the Related Party	Relationship	Relationship
1 Lendra Trustee Services Limited	Holding Company	Holding Company
Transaction during the year with related party	NIL	NIL
Closing Balance:		
Particulars	As at March 31, 2022	As at March 31, 2021
Other Current Liabilities	3,75,93,176	3,62,62,414

Note : 2.14

1 Financial Instruments

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

Interest Rate Risk

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

Exposure to interest rate risk

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

The Company does not have interest bearing financial instruments.

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss. However, as there is no financial instruments outstanding, hence sensitivity analysis not computed.

Derivative financial instruments

The Company does not hold derivative financial instruments

Credit risk

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

Liquidity risk

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

Note : 2.15

The amounts relating to Balance Sheet items appearing in Indian Rupees have been translated at Closing Rate of 1 USD = Rs. 75.793 (Previous Year 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 (Previous Year 1 USD = Rs. 74.209).

For and on Behalf of the Board

Director

Place : Mumbai

Date : 28th May, 2022

2021-22

Lagerwood Investments Limited

March 31, 2022

Lagerwood Investments Limited**Unaudited Balance Sheet as at March 31, 2022****(Amount in ₹)**

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Current Assets			
Financial Assets			
(i) Trade Receivables	2.01	-	-
(ii) Cash and Bank balance	2.02	-	-
	Total	-	-
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.03	1,71,899	1,65,813
(b) Other Equity	2.04	(31,01,393)	(27,34,387)
Liabilities			
Current Liabilities			
Other Current Liabilities	2.05	29,29,494	25,68,574
	Total	-	-

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

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

For and on Behalf of the Board**Director**

Place : Mumbai

Date : 28th May, 2022

Lagerwood Investments Limited
Unaudited Statement of Profit and Loss for the year ended March 31, 2022

	Notes	For the year ended March 31, 2022	(Amount in ₹) For the year ended March 31, 2021
Income			
Other Income		-	-
		-	-
Expenditure			
Finance Costs	2.06	-	-
General Administration Expenses	2.07	2,62,127	2,69,601
Selling & Marketing Expenses	2.08	-	2,63,73,879
		2,62,127	2,66,43,480
Profit /(Loss) Before Tax		(2,62,127)	(2,66,43,480)
Current Tax		-	-
Profit /(Loss) After Tax		(2,62,127)	(2,66,43,480)
Other Comprehensive Income / (Loss)			
(a) Item that will reclassified to Profit or loss			
(i) Exchange difference on translation of financial statements of foreign operations		(1,04,878)	(4,27,192)
Total Comprehensive Income / (Loss)		(3,67,005)	(2,70,70,672)
Basic and Diluted Earning per Share of Euro 1.71 each	2.10	(117)	(11,863)

Significant Accounting Policies

1

Notes to the Financial Statements

2

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

For and on Behalf of the Board

Director

Place : Mumbai

Date : 28th May, 2022

Lagerwood Investments Limited**Statement of changes in equity for the year ended March 31, 2022****(Amount in ₹)****For the year ended 31-Mar-22** **For the year ended 31-Mar-21****(a) Equity Share Capital** (Refer Note : 2.03)

Balance at the beginning of the year	1,65,813	1,71,608
Change in equity capital during the year	-	-
Foreign Exchange Variance	6,085	(5,795)
Balance at the end of the year	1,71,899	1,65,813

(b) Other Equity (Refer Note : 2.04)**(Amount in ₹)**

Particulars	Attributable to equity holders		Total
	Retained Earnings	Other Comprehensive Income (OCI)	
Balance as at April 1, 2020	2,07,47,703	35,88,582	2,43,36,285
Net Loss for the year	(2,66,43,480)		(2,66,43,480)
Foreign Exchange Variance	-	(4,27,192)	(4,27,192)
Balance as at March 31, 2021	(58,95,777)	31,61,390	(27,34,387)
Net Profit for the year	(2,62,127)	-	(2,62,127)
Foreign Exchange Variance	-	(1,04,878)	(1,04,878)
Balance as at March 31, 2022	(61,57,904)	30,56,512	(31,01,393)

* Exchange differences on translating the financial statements

For and on Behalf of the Board**Director**

Place : Mumbai

Date : 28th May, 2022

Lagerwood Investments Limited

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.01 General Information

The Company Lagerwood Investments Limited (the "Company") was incorporated in Cyprus as a private limited liability company under the Cyprus Companies Law, Cap. 113. Its registered office is at Meliza Court, 229 Arch Makarios III Avenue, Meliza Court 4th Floor, Limassol 3105, Cyprus.

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 Functional Currency and Presentation Currency

These financial statements are presented in Indian Rupees ("Rupees" or " ₹ ") but the functional currency is Euro. All amounts are rounded off to the nearest rupees, unless stated otherwise.

1.04 Revenue Recognition

Interest Income is recognised on time proportion basis.

1.05 Foreign Currency Transactions :

Exchange difference arising either on settlement or on translation of monetary items is recognised in the Statement of Profit and Loss.

1.06 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.

1.07 Taxes on Income and Deferred Tax

Provision for Income Tax is made on the basis of taxable income for the year at current rates. Tax expense comprises of Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable / recoverable in respect of the taxable income / loss for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, Deferred Tax Assets are recognised only if there is virtual certainty of realisation of assets.

Note :1 General Information and Significant Accounting Policies to the Financial Statements

1.08 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.

1.09 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. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.10 Investments

Non Current Investments are stated at cost or fair value as required .

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.

Lagerwood Investments Limited

Note :1 General Information and Significant Accounting Policies to the Financial Statements

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

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

(vi) Equity investments:

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

(vii) Derecognition of Financial Assets

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

(viii) Impairment of Financial Assets

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

Financial Liabilities

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

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

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

(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.

Lagerwood Investments Limited**Notes on Accounts to Balance Sheet and Statement of Profit and Loss****(Amount in ₹)**

	As at March 31, 2022	As at March 31, 2021
Note: 2.01		
Trade Receivables		
Considered Good	2,69,36,832	2,59,83,294
Less: Provision for doubtful debts	(2,69,36,832)	(2,59,83,294)
	<u>-</u>	<u>-</u>
Note: 2.02		
Cash & Bank Balance		
Balance With Bank in current account	-	-
	<u>-</u>	<u>-</u>
Note: 2.03		
Equity Share Capital		
Authorised		
5,000 (5,000) Ordinary shares of Euro 1.71 each	8,59,493	8,29,068
	<u>8,59,493</u>	<u>8,29,068</u>
Issued, Subscribed and Paid up		
1000 (1,000) Ordinary shares of Euro 1.71 each	1,71,899	1,65,813
	<u>1,71,899</u>	<u>1,65,813</u>

1) Details of Shares held by holding Company:

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Ledra Trustee Services Limited as trustee of Reliance Communications Shareholders Trust	100	1000	100	1000

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

Particulars	% of Holding	No of Shares	% of Holding	No of Shares
Ledra Trustee Services Limited as trustee of Reliance Communications Shareholders Trust	100	1000	100	1000

3) The Company has only one class of ordinary shares having a par value of Euro 1.71 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.

Lagerwood Investments Limited**Notes on Accounts to Balance Sheet and Statement of Profit and Loss****(Amount in ₹)**

	As at March 31, 2022		As at March 31, 2021	
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
4) Reconciliation of shares outstanding at the beginning and at the end of the reporting period				
Ordinary Shares				
At the beginning of the year	1 000	1,71,899	1 000	1,65,813
Add/Less: Changes for the year	-	-	-	-
At the end of the year	<u>1 000</u>	<u>1,71,899</u>	<u>1 000</u>	<u>1,65,813</u>

Note: 2.04**Other Equity****Other Comprehensive Income****Exchange Fluctuation Reserve**

(i) Opening balance		31,61,390		35,88,582
(ii) Additions during the year (net)		<u>(1,04,878)</u>		<u>(4,27,192)</u>
		<u>30,56,512</u>		<u>31,61,390</u>

Surplus/(deficit) in retained earnings

Opening Balance		(58,95,777)		2,07,47,703
Add: Profit/ (Loss) the year		<u>(2,62,127)</u>		<u>(2,66,43,480)</u>
		<u>(31,01,393)</u>		<u>(27,34,387)</u>

Note: 2.05**Other Current Liabilities**

Payable to Related Party (Refer Note 2.12)		2,49,890		2,41,044
Other Liabilities		<u>26,79,605</u>		<u>23,27,530</u>
		<u>29,29,494</u>		<u>25,68,574</u>

(Amount in ₹)

For the year ended March 31, 2022	For the year ended March 31, 2021
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Note: 2.06**Finance Costs**

Bank Charges		<u>-</u>		<u>-</u>
		<u>-</u>		<u>-</u>

Note: 2.07**General Administrative Expenses**

Auditors Remuneration		2,59,277		2,58,247
Other Professional Fees		2,850		11,354
Rates and Taxes		-		-
Other Expenses		-		-
		<u>2,62,127</u>		<u>2,69,601</u>

Note: 2.08**Selling & Marketing Expenses**

Provision for Doubtful debts		<u>-</u>		<u>2,63,73,879</u>
		<u>-</u>		<u>2,63,73,879</u>

Lagerwood Investments Limited

Notes on Accounts to Balance Sheet and Statement of Profit and Loss

Note : 2.09

Figures for the previous year have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

Note : 2.10

(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)	(2,62,127)	(2,66,43,480)
Weighted Average number of Ordinary Shares used as denominator for calculating EPS	2,246	2,246
Basic and Diluted Earning Per Share of Euro 1.71 each	(117)	(11,863)

Note : 2.11

Segment Reporting

The Company has a single line activity. Hence Accounting Standard on Operating Segment (Ind AS -108), is not applicable.

Note : 2.12

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:

Name of the Related Party	Relationship	Relationship
1 Lendra Trustee Services Limited	Holding Company	Holding Company

Transaction during the year with related party	NIL	NIL
--	-----	-----

Closing Balance:

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Current Liabilities	2,49,890	2,41,044

Note : 2.13

1 Financial Instruments

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 domestic country 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

The amounts relating to Balance Sheet items appearing in Indian Rupees have been translated at Closing Rate of 1 USD = Rs. 75.793 (Previous Year 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 (Previous Year 1 USD = Rs.74.209).

For and on Behalf of the Board

Director

Place : Mumbai

Date : 28th May, 2022

