FINANCIAL STATEMENT OF SUBSIDARIES 2015-16

1. **Reliance Jio Infocomm PTE. Ltd.**
2. **Reliance Jio Infocomm UK Limited**
3. **Reliance Jio Infocomm USA Inc.**
4. **Reliance Jio Global Resources LLC**

Reliance Jio Infocomm Pte. Ltd.

Independent Auditors' Report

To the Member of
RELIANCE JIO INFOCOMM PTE LTD

Report on the Financial Statements

We have audited the accompanying financial statements of Reliance Jio Infocomm Pte Ltd (the "company") which comprise the statement of financial position of the company as at December 31, 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 20.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the company as at December 31, 2015 and the financial performance, changes in equity and cash flows of the company for the financial year ended on that date.

Report on Other Legal and Regulatory Regulations

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

Public Accountants and
Chartered Accountants

Singapore
Date: April 15, 2016

Statement of Financial Position December 31, 2015

	Note	2015	2014
		US$	US$
ASSETS			
Current assets			
Cash and cash equivalents	6	368,487	2,437,834
Other receivables	7	2,268,783	771,922
Prepayments		410,898	98,975
Inventories	8	20,745,687	-
Total current assets		23,793,855	3,308,731
Non-current assets			
Prepayment for capital expenditure		-	2,093,214
Plant and equipment	9	45,605,203	42,562,746
Intangible assets	10	19,750,798	20,813,195
Total non-current assets		65,356,001	65,469,155
Total assets		89,149,856	68,777,886
LIABILITIES AND EQUITY			
Current liabilities			
Other payables and accruals	11	818,822	3,570,082
Advance billing to holding company		560,625	485,000
Total current liabilities		1,379,447	4,055,082
Capital and reserves			
Share capital	12	91,000,000	66,000,000
Accumulated losses		(3,229,591)	(1,277,196)
Total equity		87,770,409	64,722,804
Total liabilities and equity		89,149,856	68,777,886

See accompanying notes to financial statements.

Statement of Profit or Loss and other Comprehensive Income year ended December 31, 2015

	Note	2015	2014
		US$	US$
Revenue from operations		1,269,875	679,000
Purchases of Stock in Trade		1,706,130	-
Changes in Inventory of Finished Goods		(1,706,130)	-
Other operating income	13	215	290
Depreciation and amortisation		(1,618,590)	(931,755)
Employee benefits expense		(150,808)	(82,858)
Other operating expenses	14	(1,453,087)	(869,710)
Loss before tax	15	(1,952,395)	(1,205,033)
Income tax	16	-	-
Net Loss for the year, representing total comprehensive loss for the year		(1,952,395)	(1,205,033)

See accompanying notes to financial statements.

Statement of Changes in Equity year ended December 31, 2015

	Share Capital	Accumulated losses	Total
	US$	US$	US$
At December 31, 2013	21,600,000	(72,163)	21,527,837
Loss for the year, representing total comprehensive loss for the year	-	(1,205,033)	(1,205,033)
Shares issued during the period, representing transactions with owners recognised directly in equity	44,400,000	-	44,400,000
At December 31, 2014	66,000,000	(1,277,196)	64,722,804
Loss for the year, representing total comprehensive loss for the year	-	(1,952,395)	(1,952,395)
Shares issued during the period, representing transactions with owners recognised directly in equity	25,000,000	-	25,000,000
At December 31, 2015	91,000,000	(3,229,591)	87,770,409

See accompanying notes to financial statements.

Statement of Cash Flows year ended December 31, 2015

	2015	2014
	US$	US$
Cash flows from operating activities		
Loss before income tax	(1,952,395)	(1,205,033)
Adjustment for:		
Depreciation and amortisation	1,618,590	931,755
Operating cash flows before working capital changes	(333,805)	(273,278)
Other receivables	(1,496,861)	108,431
Inventory	(20,745,687)	-
Prepayments	(311,923)	(30,148)
Other payables and accruals	(175,339)	863,555
Net cash from (used in) operating activities	(23,063,615)	668,560
Cash flows from investing activities		
Purchase of plant and equipment	(4,005,732)	(34,657,233)
Additions to intangible assets	-	(4,717,670)
Net cash used in investing activities	(4,005,732)	(39,374,903)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	25,000,000	41,108,448
Net cash from financing activities	25,000,000	41,108,448
Net (decrease) increase in cash and cash equivalents	(2,069,347)	2,402,105
Cash and cash equivalents at the beginning of the year	2,437,834	35,729
Cash and cash equivalents at the end of the year	368,487	2,437,834

See accompanying notes to financial statement.

Notes to Financial Statements December 31, 2015

1 GENERAL

The company (Registration No. 201303361N) is incorporated in the Republic of Singapore with its principal place of business and registered office at 250 North Bridge Road, # 16-01, Raffles City Tower, Singapore 179101.

The principal activities of the company is to establish international connectivity and provision of services related to international and domestic Bandwidth, IP Transit, IP Peering, Internet Exchange, Voice and Data Roaming and Dark Fibre .The Company has been granted a Licence on July 8, 2013 to provide Facilities - Based Operations ("FBO") by the Info-Communications Development Authority of Singapore ("IDA") and telecom services have commenced during the previous year.

The financial statements of the company for the financial year ended December 31, 2015 were authorised for issue by the Board of directors on April 15, 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

ADOPTION OF NEW AND REVISED STANDARDS – In the current financial year, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after January 1, 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

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

- Amendments to FRS 1 *Presentation of Financial Statements: Disclosure Initiative* [1]
- FRS 115 *Revenue from Contracts with Customers* [2]
- FRS 109 *Financial Instruments*[2]

[1] Applies to annual periods beginning on or after January 1, 2016, with early application permitted.
[2] Applies to annual periods beginning on or after January 1, 2018, with early application permitted.

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

Notes to Financial Statements December 31, 2015

Management anticipates that the adoption of the FRS and amendments to FRSs that were issued at the date of authorisation of these financial statements but not yet effective until future periods will not have a material impact on the financial statements of the company in the period of their initial adoption except for the following:

FRS 115 *Revenue from Contracts with Customers*

In November 2014, FRS 115 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 *Revenue*, FRS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. More prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by FRS 115.

The management is currently evaluating the impact of the FRS 115 on the financial statements of the company.

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

Financial assets

Cash and cash equivalents

Cash and cash equivalents comprise bank balances that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Other receivables and bank balances

Other receivables and bank balances are measured at fair value on initial recognition and are subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

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

Notes to Financial Statements December 31, 2015

Objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- It is probable that the borrower or debtor will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of receivables where the carrying amount is reduced through the use of an allowance account. When a receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

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

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers or retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Loan and payables

Other payables and accruals, advance billing to holding company are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest except for short term balances when the effect of discounting is immaterial.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

Notes to Financial Statements December 31, 2015

LEASES - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

INVENTORIES - Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on a first-in-first-out basis. Cost comprises cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

PLANT AND EQUIPMENT – Plant and equipment are carried at cost, less accumulated depreciation and any accumulated impairment losses. Plant and equipment in the course of construction for production, supply and administrative purpose is carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing cost capitalised in accordance with company’s accounting policy. Depreciation commences when the assets are ready to use.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following basis:

Plant and equipment - 5 to 15 years

The estimated useful lives, residual values and depreciation method are reviewed year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Fully depreciated assets still in use are retained in the financial statements.

INTANGIBLE ASSETS - Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are not amortised. Each period, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment in accordance with the policy below.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is de-recognised.

IMPAIRMENT OF NON-FINANCIAL ASSETS - At the end of each reporting period, the company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flow shave not been adjusted.

Notes to Financial Statements December 31, 2015

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

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

PROVISIONS - Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivables. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised over the period services are rendered.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

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

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

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

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

Notes to Financial Statements December 31, 2015

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Current and deferred tax are recognised as an expense or income in profit or loss, except when it relates to items charged or credited to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The financial statements of the company are presented in United States dollars, the currency of the primary economic environment in which the company operates (its functional currency).

In preparing the financial statements of the company, transactions in currencies other than the company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. All exchange differences are recognised in profit or loss.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the company's accounting policies

In the process of applying the company's accounting policies, management is of the opinion that any instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements except for those involving estimates as indicated below.

Impairment of plant and equipment

The company assesses annually whether plant and equipment have any indication of impairment in accordance with the accounting policy. If an indication of impairment is identified, the carrying amounts of the plant and equipment are determined on the basis of the net recoverable amounts. The net recoverable amount is determined based on higher of fair value less cost to sell and value-in-use. The carrying amount of plant and equipment is disclosed in Note 9 to the financial statements. The management is of the view that there is no indication of impairment in the carrying amount of intangible assets.

Impairment of intangible assets

The company assesses annually whether there is any indication of impairment for its intangible assets. If an indication of impairment is identified, the management estimates the recoverable amount using value-in-use calculation to estimate the future cash flows expected to rise and a suitable discount rate to calculate present value. The carrying amount of intangible assets is disclosed in Note 10. The management is of the view that there is no indication of impairment in the carrying amount of intangible assets.

Notes to Financial Statements December 31, 2015

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

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

	2015	2014
	US$	US$
Financial assets		
Loans & receivables (including cash and cash equivalent)	2,637,270	3,209,756
Financial liabilities		
Amortised cost	818,822	3,570,082

a) Credit risk management

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting a loss to the company, except for amount owing to immediate holding company. The company has no significant concentration of credit risk with third parties. The company has policies in place to ensure that sales of products are made to customers with an appropriate credit history. Cash is held with a reputable financial institution. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk.

b) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company has minimal interest rate risk as the cash and cash equivalents are placed on a short-term basis and the Company does not have any financial liabilities which are subject to interest payments at any time during the financial period.

c) Foreign exchange risk management

Foreign exchange risk is the risk that the values of a financial instrument will fluctuate due to changes in foreign exchange rates. Those exposures are managed primarily by using natural hedges that arise from offsetting assets and liabilities that are denominated in foreign currencies.

At the end of reporting period, the carrying amount of monetary assets and monetary liabilities denominated in currency other than the company's functional currency is as follow:

	Assets		Liabilities	
	2015	2014	2015	2014
	US$	US$	US$	US$
Singapore dollars	74,103	105,376	46,398	11,918

No sensitivity analysis is prepared as the company does not expect any material effect on the company's profit or loss and equity arising from the effects of reasonably possible changes to foreign exchange rates at the end of the reporting period.

d) Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company, with the support of its ultimate holding company, will ensure that sufficient liquidity is available to meet all of its commitments by raising loans or arranging other facilities as and when required.

e) Fair values of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, other receivables, other payables and other accruals approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

Notes to Financial Statements December 31, 2015

f) Capital risk management policies and objectives

The Company's ultimate holding company will provide continuous financial support so as to enable the Company to finance its capital expenditure. The Company's objectives while managing capital are to safeguard its ability to continue as a going concern. The Company is not a debt geared company and the equity is attributable to the parents of the Company. The Capital management process is determined and managed at the ultimate holding company level. The company's overall strategy remains unchanged from 2014.

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

In 2013, the company was a subsidiary of Infotel Telecom Limited, incorporated in India. Infotel Telecom Limited was a subsidiary of Reliance Jio Infocomm Limited, also incorporated in India. Effective from September 1, 2014, Infotel Telecom Limited has been amalgamated with Reliance Jio Infocomm Limited whose ultimate holding company is Reliance Industries Limited also incorporated in India. Related parties in these financial statements refer to members of the ultimate holding company's group of companies.

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

The following are the related parties to the company and the transactions among them.

	2015	2014
	US$	US$
Immediate holding company		
Sale of services	1,269,875	679,000
Transfer of fixed assets	4,919,263	708,615
Commission expense	-	9,075
Related companies		
Professional services received	53,516	47,335
Rent expense	51,653	46,927

6 CASH AND CASH EQUIVALENTS

	2015	2014
	US$	US$
Cash at bank	368,487	2,437,834

7 OTHER RECEIVABLES

	2015	2014
	US$	US$
Outside parties	10,208	34,911
Amount due from holding company	2,233,303	708,615
Rent deposit due from related company	11,067	12,382
Fixed deposits with bank	14,205	16,014
	2,268,783	771,922

Notes to Financial Statements December 31, 2015

8 INVENTORIES

	2015	2014
	US$	US$
Cable system	19,039,557	
Internet Protocol addresses	1,706,130	
	20,745,687	-

9 PLANT AND EQUIPMENT

	Plant and Machinery	Construction work-in-progress	Total
	US$	US$	US$
Cost:			
At January 1, 2014	-	13,815,840	13,815,840
Additions	-	29,488,619	29,488,619
Transfers to Plant and Machinery	723,995	(723,995)	-
Transfers to immediate holding company	-	(708,615)	(708,615)
At December 31, 2014	723,995	41,871,849	42,595,844
Additions	-	27,557,470	27,557,470
Transfer to Intangible assets under development (Note 10)	-	(500,525)	(500,525)
Transfer to Inventory (Note 8)	-	(19,039,557)	(19,039,557)
Transfer to immediate holding company	-	(4,919,263)	(4,919,263)
At December 31, 2015	723,995	44,969,974	45,693,969
Accumulated depreciation:			
At January 1, 2014	-	-	-
Depreciation for the year	33,098	-	33,098
At December 31, 2014	33,098	-	33,098
Depreciation for the year	55,668	-	55,668
At December 31, 2015	88,766	-	88,766
Carrying amount:			
At December 31, 2015	635,229	44,969,974	45,605,203
At December 31, 2014	690,897	41,871,849	42,562,746

The Company has participated in consortium arrangements with various telecommunication companies for joint laying of cable systems and development of network infrastructure necessary for providing telecommunication services in Singapore. The amounts paid by the Company as part of the consortium arrangements are included under 'Construction work-in-progress'.

Notes to Financial Statements December 31, 2015

10 INTANGIBLE ASSETS

	Rights-to-use capacity	Intangible assets under development	Total
	US$	US$	US$
Cost:			
At January 1, 2014	-	16,994,182	16,994,182
Addition	1,180,000	3,537,670	4,717,670
Transfers	19,531,852	(19,531,852)	-
At December 31, 2014	20,711,852	1,000,000	21,711,852
Transfer from Plant and Equipment (Note 9)	-	500,525	500,525
Transfer to Rights-to-use capacity	1,500,525	(1,500,525)	-
At December 31, 2015	22,212,377	-	22,212,377
Accumulated amortisation:			
At January 1, 2014	-	-	-
Charge for the year	898,657	-	898,657
At December 31, 2014	898,657	-	898,657
Charge for the year	1,562,922	-	1,562,922
At December 31, 2015	2,461,579	-	2,461,579
Carrying amount:			
At December 31, 2015	19,750,798	-	19,750,798
At December 31, 2014	19,813,194	1,000,000	20,813,194

The “Rights-to-use” capacity has a useful life of 15 years from the date of agreement and is amortised over the balance useful life from the commencement of usage.

The amortisation expenses has been included in the line item “depreciation and amortisation expenses in profit and loss.

11 OTHER PAYABLES AND ACCRUALS

	2015	2014
	US$	US$
Outside parties	745,731	3,032,674
Amount due to holding company	9,075	9,075
Amount due to related company	53,516	47,335
Accruals	10,500	480,998
	818,822	3,570,082

Notes to Financial Statements December 31, 2015

12 SHARE CAPITAL

	Number of ordinary shares	US$
Balance at January 1, 2014		
Shares issued during the year	21,600,000	21,600,000
Balance at December 31, 2014	44,400,000	44,400,000
Shares issued during the year	66,000,000	66,000,000
Balance at December 31, 2015	25,000,000	25,000,000
	91,000,000	91,000,000

The company has one class of ordinary shares with no par value which carry no right to fixed income.

13 OTHER OPERATING INCOME

	2015	2014
	US$	US$
Interest income	215	290

14 OTHER OPERATING EXPENSES

	2015	2014
	US$	US$
Colocation charges	202,033	112,022
Repair and maintenance	923,920	536,630
Professional fees	84,038	64,839
License fees	61,384	63,349
Rent expense	51,653	46,927
Others	130,059	45,943
	1,453,087	869,710

15 LOSS BEFORE TAX

Profit before income tax includes the following charges:

	2015	2014
	US$	US$
Director remuneration, representing staff cost	150,808	82,858
Depreciation of plant and equipment	55,668	33,098
Amortisation of intangible assets	1,562,922	898,657
Net foreign exchange losses	8,365	9,194

Notes to Financial Statements December 31, 2015

16 INCOME TAX

	2015	2014
	US$	US$
Income tax	-	-

The income tax expense varied from the amount of tax expense determined by applying the Singapore tax rate of 17% (2014 : 17%) to loss before tax as a result of the following differences:

	2015	2014
	US$	US$
Loss before tax	(1,952,395)	(1,205,033)
Income tax expense at statutory rate of 17% (2014 : 17%)	331,907	204,856
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(331,907)	(204,856)
Total income tax expense	-	-

Subject to the agreement by the tax authorities, at the end of the reporting period, the company has unutilised tax losses and capital allowances of US$2,280,090 and $2,792,915 (2014: US$1,539,911 and US$1,342,000) respectively available for offset against future profits. Deferred tax asset of US$862,411 (2014: US$489,925) has not been recognised in respect of this amount due to unpredictability of future profit streams.

17 OPERATING LEASE COMMITMENTS

	2015	2014
	US$	US$
Minimum lease payments paid under operating leases	51,653	46,927

At the end of the reporting period, there is no commitment in respect of operating leases for the lease of office building as the lease agreement was entered with a related company.

18 CAPITAL COMMITMENTS

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	2015	2014
	US$	US$
Commitments for the acquisition of plant and equipment	26,941,611	50,842,452

19 SUBSEQUENT EVENT

Subsequent to financial year end,

(a) the Company sold interest in EIG submarine cable system amounting to US$9,974,441, constituting 70% of the interests in EIG Submarine cable that is recorded in Inventories as at December 31, 2015 to its immediate holding company; and

(b) the Company has received US$7,000,000 as share application from its immediate holding company. The Company has allotted 7,000,000 shares of US$1 each in its Board meeting on March 28, 2016.

Reliance Jio Infocomm UK Limited

Independent auditor's report to the members of Reliance Jio Infocomm UK Limited

We have audited the financial statements of Reliance Jio Infocomm UK Limited for the year ended 31 December 2015 which comprise of the Income Statement, the Balance Sheet, Statement of changes in Equity and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework"

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and auditor

As explained more fully in the Director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Director's Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from preparing a strategic report or in preparing the Director's report.

David Griffin FCA (Senior Statutory auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
15th April 2016

Income statement For the year Ended 31st December 2015

	Note	Year ended 31 December 2015 £	17 months ended 31 December 2014 (as restated see note 13 £
Operating expenses	3	**(34,482)**	(32,808)
Operating loss		**(34,482)**	(32,808)
Loss before taxation		**(34,482)**	(32,808)
Tax	5	**-**	-
Loss for the financial year attributable to owners of the Company		**(34,482)**	(32,808)

All amounts relates to continuing operations. There were no recognised gains and losses for 2015 and 2014 other than those included in the Income Statement.

Balance sheet As at 31st December 2015

	Note	2015 £	2014 £
Non-current assets			
Property, plant and equipment	6	**831,614**	455,770
		831,614	455,770
Current assets			
Trade and other receivables	7	**9,183**	47,357
Cash and bank balances		**211,374**	37,937
		220,557	85,294
Total assets		**1,052,171**	541,064
Current liabilities			
Trade and other payables	8	**(319,461)**	(273,872)
Net current assets		**(98,904)**	(188,578)
Net assets		**732,710**	(267,192)
Equity			
Share capital	9	**800,000**	300,000
Retained earnings	10	**(67,290)**	(32,808)
Equity attributable to owners of the Company		**732,710**	267,192

The financial statements of Reliance Jio Infocomm UK Limited (registered number 08630000) were approved by the board and authorised for issue on April 2016. They were signed on its behalf by

Saji Varghese
Director

Statement of changes in Equity For the year ended 31st December 2015

	Share capital £	Retained earnings £	Total £
Balance at 30 July 2013	-	-	-
Loss for the period ended 31 December 2014	-	(32,808)	(32,808)
Total comprehensive income for the period			
Issue of share capital	300,000	-	300,000
Balance at 31 December 2014	300,000	(32,808)	(267,192)
Loss for the year ended 31 December 2015	-	(34,482)	(34,482)
Total comprehensive income for the period			
Issue of share capital	**500,000**	**-**	**500,000**
Balance at 31 December 2015	**800,000**	**(67,290)**	**732,710**

Notes to the financial statements For the year ended 31st December 2015

1. **Significant accounting policies**

Reliance Jio Infocomm UK Limited (the Company) is a Company incorporated in the United Kingdom under the Companies Act. The group accounts of Reliance Industries Limited are available to the public and can be obtained as set out in note 12.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year ended 31 December 2015.

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and in accordance with applicable accounting standards. As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash flow statement, standards not yet effective and related party transactions. Where required, the equivalent disclosures are given in the group accounts of Reliance Industries Limited whose consolidated financial statements include those of the Company and are publicly available and can be obtained as set out in note 12.

The financial statements have been prepared under the historical cost convention.

Going concern

The director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, he continues to adopt the going concern basis of accounting in preparing the annual financial statements as a result of continued support from the parent company.

Changes in Accounting policies and disclosures

There are no IFRS or IFRIC interpretations that are effective for the first time this financial year which have a material impact on the Company.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairments.

Included within the cost of network infrastructure systems are materials awaiting installation which are valued at cost less a provision for excess and obsolete items. The materials are used in the construction and maintenance of new and existing infrastructure and, when issued, are charged either to the cost of specific infrastructure or to the profit and loss account.

The cost of tangible fixed assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation of tangible fixed assets

Depreciation of tangible fixed assets is charged so as to write off the cost of assets, other than assets under construction, using the straight line method over their estimated useful lives, as follows:

Plant and machinery	13-15 years
Furniture and fittings	5-10 years
Network infrastructure	5-15 years

Taxation

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the financial statements For the year ended 31st December 2015

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Foreign currency

The company's accounting records are maintained in Pounds Sterling (GBP) and transactions in foreign currencies during the year have been translated into GBP at rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

Leases

Lease payments are currently being capitalised to the balance sheet as they are wholly attributable to the fixed assets under capitalisation.

Pension costs

For defined contribution schemes the amount capitalised in the asset under construction in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as accruals in the balance sheet.

Financial instruments

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial assets and liabilities are not offset in the balance sheet. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2. Critical accounting judgements and key sources of estimation uncertainty

Useful lives of property, plant and equipment

As described above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the director determined that there should be no changes in the useful lives of property, plant and equipment.

Notes to the financial statements For the year ended 31st December 2015

3. Operating expenses

	Year ended 31 December 2015 £	17 months ended 31 December 2014 £
Professional fees	**13,070**	17,193
Payment to auditor	**8,000**	8,000
Insurance	**2,357**	1,726
Foreign Exchange losses	**744**	3,615
General expenditure	**10,311**	2,274
	34,482	32,808

Auditor's remuneration

Fees payable to Deloitte UK and their associates for the audit of the Company's annual accounts were £8,000 (2014: £8,000). There were no non audit fees payable to the company auditor (2014: £nil).

4. Directors' Emoluments and Staff costs

The average monthly number of employees (excluding the directors) during the year was 1 (2014: 1).

His aggregate remuneration comprised:

	Year ended 31 December 2015 £	17 months ended 31 December 2014 £
Wages and salaries	**104,062**	29,125
Social security costs	**13,490**	3,745
Pension costs	**9,825**	139
	127,377	33,009

The directors did not receive any remuneration from the company during the year (2014: £nil)

5. Tax

	Year ended 31 December 2015 £	17 months ended 31 December 2014 £
Corporation tax:		
UK corporation tax at 20.25% (2014: 21.94%)	-	-
	-	-

Notes to the financial statements For the year ended 31st December 2015

Corporation tax is calculated at 20.25 per cent (2014: 21.94 per cent) of the loss for the year. The charge for the year can be reconciled to the profit in the income statement as follows:

	Year ended 31 December 2015 £	**17 months ended 31 December 2014 £**
Profit before tax	**(34,482)**	(32,808)
Tax at the UK corporation tax rate of 20.25 % (2014:21.94 %)	**(6,982)**	(7,199)
Tax effect of expenses that are not deductible in determining taxable profit	**-**	439
Change in unrecognised deferred tax assets	**6,982**	6,760
Tax expense for the year	**-**	32,808

The company has an unrecognised deferred tax asset in respect of loss of £13,066 (2014: £6,162) as it is not considered probable that there will be future taxable profits available.

On 8 July 2015 the UK chancellor made an announcement to reduce the rate of corporation tax to 19% from April 2017 and ultimately to 18% by April 2019. The effects of these substantively enacted rate changes have been reflected in these financial statements. The full impact of the further changes proposed have yet to be fully ascertained but it is expected that the Company will have a lower UK effective tax rate on future profits.

6. Property, plant and equipment

	Payment on account and asset in the course of construction £
Cost or valuation	
As at 30 July, 2013	-
Additions	455,770
At 1 January 2015	455,770
Additions	**375,844**
At 31 December 2015	**831,614**

7. Current assets

	2015 £	**2014 £**
VAT Receivable	**5,381**	46,548
Prepayments and accrued income	**3,802**	809
Total Current assets	**9,183**	47,357

Notes to the financial statements For the year ended 31st December 2015

8. Current liabilities

	2015 £	2014 (as restated see note 13) £
Other Payables	**304,134**	273,872
Creditors for social security costs	**3,526**	-
Accruals	**11,801**	-
Amounts falling due within one year	**319,461**	273,872

9. Authorised share capital

	2015 £	2014 £
Issued and fully paid:		
800,000 ordinary shares of £1 each	**800,000**	300,000

500,000 shares were issued and fully paid in the year ending 31 December 2015. These were approved by the board on 27 March 2015 and 5 June 2015.

The Company has one class of ordinary shares which carry no right to fixed income.

10. Retained earnings

	£
Balance at 30 July 2013	-
Net profit for the 17 month period ended 31 December 2014	(32,808)
Balance at 1 January 2015	(32,808)
Net profit for the year ended 31 December 2015	(34,482)
Balance at 31 December 2015	(67,290)

11. Financial commitments

Minimum lease payments under non – cancellable leases are as follows:

	2015 £	2014 £
Expiry date		
- within one year	**132,779**	108,146
- between two and five years	**329,551**	313,333
- after five years	**-**	51,058
	462,330	472,537

Notes to the financial statements For the year ended 31st December 2015

12. Immediate parent and ultimate controlling party

The Company's immediate parent Company and controlling party is Reliance Jio Infocomm Limited, a Company incorporated in India. The ultimate parent company which includes the Company and for which group accounts are prepared, is Reliance Industries Limited, a Company incorporated in India. The group accounts for Reliance Industries limited can be obtained from 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021, India.

13. Transitioning from old UK GAAP to FRS 101

Basis of accounting

The Company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2015 the Company has changed its accounting framework from pre-2015 UK GAAP to FRS 101 as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices. These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

Reliance Jio Infocomm USA Inc.

Independent Auditors' Report

To the Board of Directors

Reliance JioInfocomm USAInc

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **Reliance JioInfocomm USA Inc** ("the Company"), which comprise the Balance Sheet as at December 31, 2015, the Profit and Loss Statement and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in Indiaincluding Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records, safeguarding the assets of the Company and 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 December 31, 2015, and its loss and its cash flows for the year ended on that date.

We further report that:

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

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

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W / W - 100018)

Abhijit A. Damle
(Partner)
Membership No.102912

Mumbai, dated: April 20, 2016

Balance Sheet as at 31st December, 2015

(USD)

Particulars	Note		As at 31st December, 2015		As at 31st December, 2014
I EQUITY AND LIABILITIES					
1 Shareholders' funds					
Share Capital	2	**3,24,97,664**		1,76,42,664	
Reserves and Surplus	3	**(24,59,362)**		(15,40,555)	
			3,00,38,302		1,61,02,109
2 Current liabilities					
Other Current Liabilities	4		**3,22,909**		5,18,079
TOTAL			**3,03,61,211**		1,66,20,188
II ASSETS					
1 Non-current assets					
Fixed Assets					
Tangible assets	5	**95,290**		`1,22,880	
Intangible assets	6	**-**		2,31,206	
		95,290		3,54,086	
Capital work - in - progress	7	**1,50,14,531**		1,07,58,161	
		1,51,09,820		1,11,12,247	
Non-current investments	8	**1,50,01,231**		50,00,000	
			3,01,11,052		1,61,12,247
2 Current assets					
Cash and Bank Balances	9	**12,847**		2,78,828	
Short-term loans and advances	10	**2,37,312**		2,29,113	
			2,50,159		5,07,941
TOTAL			**3,03,61,211**		1,66,20,188
Significant Accounting Policies	1				
Notes to the Financial statements	2-18				

As per our report of even date
For Deloitte Haskins and Sells LLP

Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912

Mumbai
Dated : April 20, 2016

For and on behalf of the board

Director

Texas
Dated: April 20, 2016

Profit and loss Statement for the year ended 31st December, 2015

				USD
Particulars		**Note**	**2015**	2014
I	**INCOME**			
	Revenue from Operations		-	-
	Total Revenue		**-**	-
II	**EXPENSES**			
	Employee Benefits Expense	11	**1,93,548**	2,95,547
	Depreciation and Amortisation Expense		**2,65,136**	1,78,830
	Other Expenses	12	**4,60,123**	8,42,359
	Total Expenses		**9,18,807**	13,16,736
III	**(Loss) for the year**		**(9,18,807)**	(13,16,736)
IV	Earnings per unit of USD 0.01 each	13		
	i Basic (in USD)		**(919)**	(1,317)
	ii Diluted (in USD)		**(919)**	(1,317)
	Significant Accounting Policies	1		
	Notes to the Financial statements	2-18		

As per our report of even date
For Deloitte Haskins and Sells LLP

Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912

Mumbai
Dated : April 20, 2016

For and on behalf of the board

Director

Texas
Dated: April 20, 2016

Cash Flow Statement for the year ended 31st December, 2015

		Note		2015		(USD) 2014
A	**CASH FLOW FROM OPERATING ACTIVITIES**					
	Net Loss before tax as per Profit and Loss Statement			**(9,18,807)**		(13,16,736)
	Adjusted for:					
	Depreciation and Amortization Expense			**2,65,136**		1,78,830
	Operating Loss before Working Capital Changes			**(6,53,671)**		(11,37,906)
	Adjusted for					
	Trade and Other Receivebles		**(8,199)**		(1,84,184)	
	Trade and Other Payables		**(1,95,170)**		3,58,941	
				(2,03,369)		1,74,757
	Net cash (used) in Operating Activities (A)			**(8,57,040)**		(9,63,149)
B	**CASH FLOW FROM INVESTING ACTIVITIES**					
	Purchase of Fixed Assets (Including Capital Work in progress)			**(42,62,710)**		(91,12,889)
	Purchase of Non Current Investments			**(55,02,015)**		(50,00,000)
	Investment in Subsidiary			**(44,99,216)**		-
	Net Cash (used in) Investing Activities (B)			**(1,42,63,941)**		(1,41,12,889)
C	**CASH FLOW FROM FINANCING ACTIVITIES**					
	Proceeds from issuance of share capital			**1,48,55,000**		1,49,92,664
	Net Cash from Financing Activities (C)			**1,48,55,000**		1,49,92,664
	Net (Decrease) in Cash and Cash Equivalents (A+B+C)			**(2,65,981)**		(83,374)
	Opening Balance of Cash and Cash Equivalents			**2,78,828**		3,62,202
\	**Closing Balance of Cash and Cash Equivalents (Refer Note 9)**			**12,847**		2,78,828
	Significant Accounting Policies	1				
	Notes to the Financial statements	2-18				

As per our report of even date
For Deloitte Haskins and Sells LLP

Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912

Mumbai
Dated : April 20, 2016

For and on behalf of the board

Director

Texas
Dated: April 20, 2016

SIGNIFICANT ACCOUNTING POLICIES

A COMPANY INFORMATION

Reliance Jio Infocomm USA, Inc. (the Company) was incorporated on 5 June 2013 with The Office of the Secretary of State, Texas. The corporate office of the Company is located at 5600 Tennyson Parkway, Suite 120, Plano, TX – 75024. The Company is a 100% subsidiary of Reliance Jio Infocomm Limited (RJIL), India and is incorporated for the execution and development of the International Long Distance (ILD) and content business of RJIL, the holding Company.

The Network Infrastructure for ILD traffic is still under build up phase, the capacities are still being procured from vendors for connectivity and partially activated on limited scale for trial runs and testing. The commercial application of these capacities is directly linked to launch of services in India by parent RJIL.

B BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under Indian Generally Accepted Accounting Principles (Indian GAAP) for the limited use of preparation of Consolidated Financial results of Reliance Industries Limited , the ultimate holding company.

The financial statements are prepared on accrual basis under the historical cost convention.

C USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, 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.

D FIXED ASSETS

(i) Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are shown as capital work-in-progress

(ii) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

E OPERATING LEASE

Payment made under operating leases, net of lease incentives or premium received, are charged to the Profit and Loss Statement on a straight line basis over the period of the lease .

F DEPRECIATION AND AMORTISATION

(i) Tangible Assets

Depreciation and Amortisation is calculated using straight line basis on the estimated useful lives of the related assets and starts when the assets is available for use as intended by Management . Capital Work is Progress in not depreciated until ready for service .

S No.	Head	Useful Life
1	Computer Equipments	4 years
2	Office Equipments	4 years
3	Furniture and Fixtures	7 Years

SIGNIFICANT ACCOUNTING POLICIES

(ii) Intangible Assets

Finite-lived intangible assets that were acquired in a business combination, such as software and developed technology are amortised on a straight-line basis over their estimated useful life as follows:

S No.	Head	Useful Life
1	Software	5 years

G IMPAIRMENT

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

H INVESTMENTS

Long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

I EMPLOYEE BENEFITS

All employees are eligible to participate in Company sponsored 401(k) savings plan, which is voluntary defined contribution plan. The plan is designed to help employees accumulate and augment savings for retirement. Company makes a matching contributions on a portion of eligible contributions by employees and employees are vested in Companies contribution per terms of the 401k plan.

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Employees are eligible to participate in Company sponsored insurance programs that covers welfare of the employees and their eligible family members. Company bears the expense of premium in entirety or in portion depending on the type of insurance program and as per Company policy on employee welfare.

J INCOME TAXES

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

K PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.
Contingent assets are neither recognised nor disclosed in the financial statements.

Notes to Financial Statements for the period ended 31st December, 2015

2. Share Capital	As at 31st December, 2015	As at 31st December, 2014
Authorised		
1,000 Equity Shares of USD 0.01 each fully paid up	**10**	10
Issued, Subscribed and Paid up:		
1,000 Equity Shares of USD 0.01 each fully paid up	**10**	10
Additional paid in capital	**3,24,97,654**	1,76,42,654
TOTAL	**3,24,97,664**	**1,76,42,664**

2.1 **Terms/rights attached to equity shares :**

The Company has one class of ordinary shares which carry equal voting rights,equal rights to income and distribution of assets on liquidation or otherwise .The Company has received an amount aggregating USD 32,497,654 towards additional paid in capital from Reliance Jio Infocomm Limited, the holding Company .

2.2 **Reconciliation of number of shares outstanding at the beginning and at the end of the year :**

Particulars	Equity Shares			
	2015		2014	
	No. of Shares	Amount in USD	No. of Shares	Amount in USD
Equity Share Capital at the beginning of the year	**1,000**	**10**	1,000	10
Add: Capital infusion during the year	-	-	-	-
Equity Share Capital at the end of the year	**1,000**	**10**	-	10

	Additional Paid in Capital	
	2015	2014
	Amount in USD	Amount in USD
Additional paid-in-capital at the beginning of the year	**1,76,42,654**	26,49,990
Add: Capital infusion during the year	**1,48,55,000**	1,49,92,664
Additional paid-in-capital at the end of the year	**3,24,97,654**	1,76,42,654

2.3 **Details of Shareholders holding more than 5% shares in the Company including those held by holding Company and Subsidiaries of holding Company.**

Name of Shareholders	Equity Shares			
	2015		2014	
	No of Shares	% holding	No of Shares	% holding
Reliance Jio Infocomm Ltd	**1,000**	**100%**	1,000	100%

Notes to Financial Statements for the period ended 31st December, 2015

(USD)

3. Reserves and Surplus		As at 31st December, 2015		As at 31st December, 2014
Profit and Loss Account				
As per last Balance Sheet	**(15,40,555)**		(2,23,819)	
Add: Loss for the year	**(9,18,807)**		(13,16,736)	
		(24,59,362)		(15,40,555)
TOTAL		**(24,59,362)**		(15,40,555)

(USD)

4. Other Current Liabilities	As at 31st December, 2015	As at 31st December, 2014
Creditors for Capital Expenditure	**2,92,821**	5,15,377
Other Payables	**30,088**	2,702
TOTAL	**3,22,909**	5,18,079

FIXED ASSETS

5. TANGIBLE ASSETS

(USD)

Description	Gross Block			Depreciation			Net Block	
	As at 01-01-2015	Additions	**As at 31-12-2015**	As at 01-01-2015	For the Year	**Upto 31-12-2015**	**As at 31-12-2015**	As at 31-12-2014
OWN ASSETS								
Computer Equipments	92,726	4,493	97,219	18,693	24,711	43,404	53,815	74,033
Office Equipments	16,657	1,847	18,504	2,293	3,711	6,004	12,500	14,364
Furniture and Fixtures	38,557	-	38,557	4,074	5,508	9,582	28,975	34,483
TOTAL	**1,47,940**	**6,340**	**1,54,280**	**25,060**	**33,930**	**58,990**	**95,290**	**1,22,880**
Previous year	5,945	1,41,995	1,47,940	192	24,868	25,060	1,22,880	

6. INTANGIBLE ASSETS

(USD)

Description	Gross Block			Amortization			Net Block	
	As at 01-01-2015	Additions	**As at 31-12-2015**	As at 01-01-2015	For the Year	**Upto 31-12-2015**	**31-12-2015**	As at 31-12-2014
Software	3,85,168	-	3,85,168	1,53,962	2,31,206	3,85,168	-	2,31,206
TOTAL	**3,85,168**	**-**	**3,85,168**	**1,53,962**	**2,31,206**	**3,85,168**	**-**	**2,31,206**
Previous year	-	3,85,168	3,85,168	-	1,53,962	1,53,962	2,31,206	

Notes to Financial Statements for the period ended 31st December, 2015

7. Capital work in progress includes Project Development expenditure as detailed below :-

	(In USD) **2015**	(In USD) 2014
Opening balance	**99,51,923**	21,72,436
Add		
Salaries and wages	**37,23,364**	58,32,102
Legal and professional charges	**1,16,809**	17,71,023
Colocation charges	**2,93,516**	1,76,362
Closing balance	**140,85,612**	99,51,923

8. Non Current Investments (Long Term Investment)	**As at 31st December, 2015**	As at 31st December, 2014
a **Trade Investment (valued at cost)**		
In shares of company - Unquoted Fully Paid up		
*10,000 shares of Series D Preferred Stock of USD @ $1,000 per share of Airspan Networks Inc	**100,00,000**	50,00,000
287952 shares of Series B Preferred Stock of USD @ $0.0001per share of Airhop Corporation Inc	**5,00,000**	-
**201566 shares of Series B Preferred Stock USD @ 0.0001 USD of Airhop Corporation Inc	**2,015**	-
b. **In Equity units of wholly owned subsidiary company**		
50,000 units of USD 0.002 each in Reliance Jio Global Resources LLC (including additional paid in capital of USD 44,99,116)	**44,99,216**	-
TOTAL	**150,01,231**	50,00,000

*The Company has got an option to convert the above Series D preferred stock into common stock of the investee company @ 16.2601626 shares of each unit of preferred stock held by the Company .
** Pursuant to exercise of share warrant

9. Cash and Bank Balances	**As at 31st December, 2015**	As at 31st December, 2014
Balance with Banks	**12,847**	2,78,828
	12,847	2,78,828

Notes to Financial Statements for the period ended 31st December, 2015

10. Short Term Loans and Advances (Unsecured and Considered Good)	As at 31st December, 2015	As at 31st December, 2014
Prepaid Expenses	**2,03,110**	1,89,522
Prepaid Insurance	**4,701**	10,090
Security Deposit	**29,501**	29,501
	2,37,312	2,29,113

		(USD)
	2015	2014
11 Employee Benefits Expense		
Salaries and wages	**1,93,548**	2,95,547
Total	**1,93,548**	2,95,547

		(USD)
	2015	2014
12 Other Expenses		
Accounting Charges	**5,027**	14,718
Legal and Professional Fees	**20,687**	36,900
Telephone	**20,780**	42,612
Travel	**42,986**	1,67,762
Payment to Auditors	**11,000**	10,500
General administration expenses	**1,81,631**	2,10,028
Rent	**1,71,238**	3,50,125
Insurance	**6,774**	9,714
Total	**4,60,123**	8,42,359

13 Earning Per Unit (EPS)	**2015**	2014
i) Earnings attributable to Members (Amount in USD)	**(9,18,807)**	(13,16,736)
ii) Weighted Average number of Equity Units used as denominator for calculating EPS	**1000**	1000
iii) Basic and Diluted Earnings per unit (USD)	**(919)**	(1,317)
iv) Face Value per equity unit (USD)	**0.01**	0.01

Notes to Financial Statements for the period ended 31st December, 2015

14 Related Party Disclosures

(i) List of related parties and relationship :-

Name of the Related Party	Relationship
Reliance Industries Limited (RIL)	Ultimate Holding Company
Reliance Jio Infocomm Limited	Holding Company
Reliance Jio Global Resource Inc	Subsidiary Company
Reliance Holdings USA Inc.	Fellow Subsidiary Company

(ii) Transactions with related parties during the year 2015

Nature of Transactions with Related Parties (excluding reimbursements)	Ultimate Holding	Holding	Subsidiary	Fellow Subsidiary	Total
1 Ordinary Shares issued		**148,55,000**			**148,55,000**
		(149,92,664)			(149,92,664)
2 Purchase/Subscription of Investment			**44,99,216**		**44,99,216**
			-		-
3 Acquisition of Omni Symmetry				-	-
					(4,12,664)
4 Purchase of Fixed Asset	-	-			-
	(41,592)	(73,951)			(1,15,543)
Balances as at 31st December, 2015					
1 Investments		-	44,99,216	-	**44,99,216**
2 Ordinary Share Capital		**324,97,654**	-	-	**324,97,654**
		(176,42,654)		-	(176,42,654)

(iii) Disclosure in Respect of Material Related Party Transactions during the year :

		Relation	2015	2014
1	**Subscription of Equity**			
	Reliance Jio Infocomm Limited	Holding Company	148,55,000	149,92,664
2	**Purchase/Subscription of Investment**			
	Reliance Jio Global Resource Inc	Subsidiary Company	44,99,216	-
3	**Acquisition of Omni Symmetry**			
	Reliance Holdings USA Inc.		-	4,12,664
4	**Purchase of Fixed Asset**			
	Reliance Industries Limited (RIL)	Ultimate Holding Company	-	41,592
	Reliance Jio Infocomm Limited	Holding Company	-	73,951
	Sub total		193,56,232	1,15,543

Balance as on 31st Dec 2015

	Particulars	Relation	2015	2014
1	**Share Capital**			
	Reliance Jio Infocomm Limited (including additional paid - in capital)	Holding Company	324,97,664	-
2	**Invesment**			
	Reliance Jio Global Resource Inc	Subsidiary Company	44,99,216	-

Notes to Financial Statements for the period ended 31st December, 2015

15 Leases

Operating lease relate to lease of Office buildings on cancellable basis for a lease term of 1-3 years . The company does not have an option to purchase the leased office building at the expiry of lease period

Payment recognised as an expense		**Amount (in USD)**
	2015	2014
Minimum lease payment	**1,71,238**	3,50,125
Total	**1,71,238**	**3,50,125**

16 Segment Reporting

The Company executes and develops International Long Distance (ILD) and content business for RJIL, the holding company in USA . The Company has single segment as per the requirements of Accounting Standard 17 for "Segment Reporting" notified by Companies (Accounting Standard) Rules, 2006. The assets and liabilities of the Company as on 31st December, 2015 predominantly relate to this segment.

17 Deferred Tax

Deferred tax asset has not being recognised in the financials as the Company does not have the reasonable /virtual certainity to realise the said asset . It will be recognised in the financials and will be carried forward only when it is considered reasonably/ virtually certain that the same will be realised in the future.

18 Previous year figures have been regrouped, reworked , re-arranged and reclassified where ever necessary to make then comparable with those of the current year.

As per our report of even date
For Deloitte Haskins and Sells LLP

Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912

Mumbai
Dated : April 20, 216

For and on behalf of the board

Director

Texas
Dated: April 20, 216

Reliance Jio Global Resources LLC

Independent Auditors' Report

To the Board of Directors

Reliance Jio Infocomm Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **Reliance Jio Global Resources LLC**("the Company"), which comprise the Balance Sheet as at December 31, 2015, the Profit and Loss Statement and the Cash Flow Statement for the period January 15, 2015 to December 31, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in Indiaincluding Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records, safeguarding the assets of the Company and 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 December 31, 2015, and its profit and its cash flows for the period January 15, 2015 to December 31, 2015.

We further report that:

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

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

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W / W - 100018)

Abhijit A. Damle
(Partner)
Membership No.102912

Mumbai, dated: April 20, 2016

Balance Sheet as at 31st December, 2015

	Particulars	Note	(Amount in USD) As at 31st December, 2015
I	**EQUITY & LIABILITIES**		
1	**Shareholders' funds**		
	Share Capital	2	**44,99,216**
	Reserves and Surplus	3	**3,13,664**
			48,12,880
2	**Current liabilities**		
	Other Current Liabilities	4	**1,58,890**
	TOTAL		**49,71,770**
II	**ASSETS**		
1	**Non-current assets**		
	Fixed Assets		
	Tangible assets	5	**10,044**
2	**Current assets**		
	Trade receivables	6	**35,81,814**
	Cash and Bank Balances	7	**8,66,191**
	Short-term loans and advances	8	**5,13,721**
			49,61,726
	TOTAL		**49,71,770**
	Significant accounting policies	**1**	
	Notes to the financial statements	**2-17**	

As per our report of even date

For Deloitte Haskins and Sells LLP	**For and on behalf of the board**
Chartered Accountants	
Abhijit A. Damle **Partner** **Membership No.102912**	**Manish Mangal** **Member**
Mumbai Dated : April 20, 2016	**Texas** **Dated:** April 20, 2016

Profit and Loss Statement for the period from 15th January 2015 to 31st December 2015

(Amount in USD)

	Particulars	Note	For the Period Jan 15, 2015 to Dec 31, 2015
I	**Income**		
	Revenue from Operations	9	**53,72,244**
	Total Revenue		**53,72,244**
II	**Expenses**		
	Employee Benefits Expense	10	**47,20,938**
	Depreciation expense		**1,459**
	Other Expenses	11	**3,36,183**
	Total Expenses		**50,58,580**
III	**Profit for the period**		**3,13,664**
IV	Earnings per Equity Units	13	
i	Basic (in USD)		**6.27**
ii	Diluted (in USD)		**6.27**
Significant accounting policies		**1**	
Notes to the financial statements		**2-17**	

As per our report of even date
For Deloitte Haskins and Sells LLP

Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912

Mumbai
Dated : April 20, 2016

For and on behalf of the board

Manish Mangal
Member

Texas
Dated: April 20, 2016

Cash Flow statement for the period from 15th January 2015 to 31st December 2015

			(Amount in USD) For the Period Jan 15, 2015 to Dec 31, 2015
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax as per Profit and Loss Statement		**3,13,664**
	Adjusted for:		
	Depreciation Expense		**1,459**
	Operating Profit before Working Capital Changes		**3,15,123**
	Adjusted for		
	Trade and Other Receivebles	**(40,95,535)**	
	Trade and Other Payables	**1,58,890**	
			(39,36,645)
	Cash (used in) Operations		**(36,21,522)**
	Net cash (used in) Operating Activities (A)		**(36,21,522)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets		**(11,503)**
	Net Cash (used in) Investing Activities (B)		**(11,503)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issuance of share capital		**44,99,216**
	Net Cash from Financing Activities (C)		**44,99,216**
	Net Increase in Cash and Cash Equivalents (A+B+C)		**8,66,191**
	Closing Balance of Cash and Cash Equivalents (Refer note 7)		**8,66,191**
	Significant Accounting Policies	**1**	
	Notes to the financial statement	**2-17**	

As per our report of even date

For Deloitte Haskins and Sells LLP

Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912

Mumbai
Dated : April 20, 2016

For and on behalf of the board

Manish Mangal
Member

Texas
Dated: April 20, 2016

SIGNIFICANT ACCOUNTING POLICIES

A CORPORATE INFORMATION

Reliance Jio Global Resource LLC (the Company) was incorporated on 15th January 2015 with the office of Secretary of State, Texas.The Corporate office of the company is located at 5600 Tennyson Parkway , Suite 115, Plano, TX - 75024. The Company is 100% subsidiary of Reliance Jio USA Inc , which in turn is a subsidiary of Reliance Jio Infocomm Limited and is Incorporated to offer turnkey solutions by providing manpower services - onshore and offshore in the area of information , telephony and wireless technology.

B BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under Indian Generally Accepted Accounting Principles (Indian GAAP) for the limited use of preparation of Consolidated Financial results of Reliance Industries Limited , the ultimate holding company.

The financial statements are prepared on accrual basis under the historical cost convention.

C USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, 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.

D FIXED ASSETS

(i) Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

E OPERATING LEASE

Rentals are expensed with reference to lease terms and other considerations. However, rentals pertaining to the period upto the date of commissioning of the assets are capitalised.

F DEPRECIATION AND AMORTISATION

(i) Tangible Assets

Depreciation and Amortisation is calculated using straight line basis on the estimated useful lives of the related assets and starts when the assets is available for use as intended by Management . Capital Work in Progress in not depreciated until ready for service .

(i) The depreciation has been charged on the following basis:

S No.	Head	Useful Life
1	Computer Equipment	4 years

G IMPAIRMENT

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

SIGNIFICANT ACCOUNTING POLICIES

H REVENUE RECOGNITION

Revenue from services is recognized only when risks and rewards are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection as and when services are provided. The revenue is recognised net of discounts and service tax.

I EMPLOYEE BENEFITS

All employees are eligible to participate in Company sponsored 401(k) savings plan, which is voluntary defined contribution plan. The plan is designed to help employees accumulate and augment savings for retirement. Company makes a matching contributions on a portion of eligible contributions by employees and employees are vested in Company contribution per terms of the 401k plan.

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.Employees are eligible to participate in Company sponsored insurance programs that covers welfare of the employees and their eligible family members. Company bears the expense of premium in entirety or in portion depending on the type of insurance program and as per Company policy on employee welfare.

J INCOME TAXES

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

K PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

Notes to Financial Statements for the period ended 31st December, 2015

2 SHARE CAPITAL

		As at 31st December 2015
Issued, Subscribed and Paid up:		
50000	Equity units of USD 0.002 each fully paid up	**100**
	Additional Paid in capital	**44,99,116**
TOTAL		**44,99,216**

2.1 Reconciliation of number of units outstanding at the beginning and at the end of the period :

Particulars	**Ordinary units As at 31st Dec 2015**	
	No.of units	**Amount (USD)**
Units issued during the period	**5,000**	**100**
Add : Additional paid in capital	**-**	**44,99,116**
No. of units at the end of the period	**5,000**	**44,99,216**

2.2 Details of Shareholders holding more than 5% units in the company including those held by holding company:

	Ordinary units As at 31st Dec 2015	
	No of units	**% holding**
Reliance Jio Infocomm USA Inc (Holding Company)	**5,000**	**100%**

	Additional Paid in capital As at 31st Dec 2015	
	Amount	**% holding**
Reliance Jio Infocomm USA Inc (Holding Company)	**44,99,116**	**100%**

3 RESERVES AND SURPLUS

	As at 31st Dec 2015
Surplus in the Statement of Profit and Loss	
As per last Balance Sheet	-
Add: Profit for the period	**3,13,664**
TOTAL	**3,13,664**

4 Other Current Liabilities

	As at 31st Dec 2015
Other accruals	**1,58,890**
TOTAL	**1,58,890**

Notes to Financial Statements for the period ended 31st December, 2015

5. TANGIBLE ASSETS

(Amount in USD)

Description	Gross Block		Depreciation		Net Block
	Additions	**As at 31-12-2015**	For the Period	**Upto 31-12-2015**	**As at 31-12-2015**
OWN ASSETS					
Computer Equipment	11,503	11,503	1,459	1,459	10,044
TOTAL	**11,503**	**11,503**	**1,459**	**1,459**	**10,044**

		(Amount in USD) As at 31st Dec 2015
6	**Trade Receivables** (Unsecured and Considered Good)	
	Outstanding for period exceeding six months	-
	Others	**35,81,814**
	TOTAL	**35,81,814**
7	**Cash and Bank Balance**	
	Balances with Banks	**8,66,191**
		8,66,191
8	**Short Term Loans and Advances** (Unsecured and Considered Good)	
	Withholding tax receivable	**4,97,435**
	Prepaid expense	**16,286**
	TOTAL	**5,13,721**

		(Amount in USD) For the period Jan15, 2015 to Dec31, 2015
9	**Revenue from operations:**	
	Sale of Services	53,72,244
	TOTAL	**53,72,244**

Notes to Financial Statements for the period ended 31st December, 2015

		(Amount in USD) For the period Jan15, 2015 to Dec31, 2015
10	**Employee Benefits Expense**	
	Salaries and wages	44,60,092
	Payroll taxes and benefits	2,60,846
	TOTAL	**47,20,938**
11	**OTHER EXPENSES**	
	Legal and Professional Fees	605
	Telephone	20,149
	Travel	1,07,857
	General administration expenses	16,021
	Rent	1,91,392
	Bank Charges	159
	TOTAL	**3,36,183**

As per our report of even date
For Deloitte Haskins and Sells LLP

Chartered Accountants

Abhijit A. Damle
Partner
Membership No.102912

Mumbai
Dated : April 20, 2016

For and on behalf of the board

Manish Mangal
Member

Texas
Dated: April 20, 2016