

Reliance Jio Infocomm Limited

Annual Report

2015-2016

NOTICE

Notice is hereby given that the Ninth Annual General Meeting of the members of Reliance Jio Infocomm Limited will be held on Tuesday, the 13th day of September, 2016, at 10:00 a.m. at 2nd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai - 400 021 to transact the following business:

Ordinary Business

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2016 and the report of the Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as an **Ordinary Resolution(s)**:

- (a) **“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
- (b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2016 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Shri Manoj H. Modi (DIN: 00056207) who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Manoj H. Modi (DIN: 00056207), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. To appoint a Director in place of Shri Mahendra Nahata (DIN: 00052898) who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or

without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Mahendra Nahata (DIN: 00052898), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

4. To ratify the appointment of Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s. Atul Kulshrestha & Co., Chartered Accountants (Registration No. 013768N), M/s. Chaturvedi & Shah, Chartered Accountants (Registration No. 101720W) and M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W / W-100018) as Auditors of the Company for the financial year 2016-17 be and is hereby ratified and that the Auditors be paid such remuneration as shall be fixed by the Board of Directors of the Company.”

Special Business

5. To approve offer or invitation to subscribe to Redeemable Non-Convertible Debentures on private placement and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to the Board of Directors of the

Company to offer or invite subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, of the aggregate nominal value up to 30,000 crore (Rupees Thirty Thousand Crore) on private placement, from such persons and on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including, without limitation, as to when the said debentures are to be issued, the face value of debentures to be issued, the consideration for the issue, mode of payment, coupon rate, redemption period, utilization of the issue proceeds and all matters connected therewith or incidental thereto;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto.”

6. To approve reclassification of the Authorised Share Capital of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded for reclassification of the Authorised Share Capital of the Company from Rs. 70130,00,00,000 (Rupees Seventy Thousand One Hundred and Thirty Crore only) comprising into 7000,00,00,000 (Seven Thousand Crore) Equity Shares of Rs. 10 (Rupees Ten) each and 13,00,00,000 (Thirteen Crore) Preference Shares of Rs. 10 (Rupees Ten) each to Rs. 70130,00,00,000 (Rupees Seventy Thousand One Hundred and Thirty Crore Only) comprising 6700,00,00,000 (Six Thousand Seven Hundred Crore) Equity Shares of Rs. 10 (Rupees Ten) each and 313,00,00,000 (Three Hundred Thirteen Crore) Preference Shares of Rs.10 (Rupees Ten) each and consequently the existing Clause V of the Memorandum of Association of the Company, relating to the Share Capital be and is hereby altered by deleting the same and substituting in its place and stead, the following new Clause V:

‘V. The Authorised Share Capital of the Company is Rs. 70130,00,00,000 (Rupees Seventy Thousand One Hundred and Thirty Crore Only) comprising 6700,00,00,000 (Six Thousand Seven Hundred Crore) Equity Shares of Rs. 10 (Rupees Ten) each and 313,00,00,000 (Three Hundred Thirteen Crore) Preference Shares of Rs.10 (Rupees Ten) each, with the power to the Board to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.’

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as it may deem necessary, proper or expedient to give effect to this resolution.”

7. To approve offer or invitation to subscribe to Optionally Convertible Preference Shares on Rights Basis and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 55, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to the Board of Directors of the Company to offer and issue upto 300,00,00,000 – 9% Non-Cumulative Optionally Convertible Preference Shares (Series – II, Preference Share Capital) (‘OCPS’) of Rs. 10 each for cash, at a premium of Rs. 40 per OCPS aggregating to Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crore only), in one or more tranche(s), to the existing holders of equity shares of the Company on Rights Basis, on the terms and conditions given below:

- Issue price: OCPS of face value of Rs. 10 each will be issued at a premium of Rs. 40 per OCPS.

- **Rate of Dividend:** Dividend rate will be 9% p.a. (on the face value) which will remain fixed over the tenure of the OCPS.
- **Non-cumulative:** The OCPS will carry non-cumulative dividend right.
- **Tenure & Conversion / Redemption Terms:** Each OCPS can either be redeemed at Rs. 50 or be converted into 5 (Five) Equity Shares of Rs. 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the OCPS.
- **Priority with respect to payment of dividend or repayment of capital:** The OCPS will carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up.
- **Participation in surplus funds:** The OCPS shall be non-participating in the surplus funds and profits, on winding up which may remain after the entire capital has been repaid.
- **Voting rights:** The OCPS shall carry voting rights as prescribed under the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as it may deem necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

Jyoti Jain
Company Secretary

Date: September 12, 2016
Mumbai

Registered Office:

9th Floor, Maker Chambers - IV
222, Nariman Point
Mumbai - 400 021
Maharashtra, India.

CIN: U72900MH2007PLC234712
Website: www.jio.com
Email: Jio.InvestorRelations@ril.com

Notes:

1. **A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company before the commencement of the Meeting.**
2. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
3. Attendance slip, proxy form and route map of the venue of the Meeting are annexed hereto.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. In terms of Section 152 of the Act, Shri Manoj H. Modi (DIN: 00056207) and Shri Mahendra Nahata (DIN: 00052898), Directors, retire by rotation at the Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commend their respective re-appointments.

Details of Directors retiring by rotation, as required to be provided pursuant to the provisions of the Secretarial Standard on General Meetings (“SS-2”), issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government are annexed to the Notice.
6. Shri Manoj H. Modi and Shri Mahendra Nahata are interested in the Ordinary Resolutions set out at Item Nos. 2 and 3, respectively, of the Notice with regard to their re-appointment. The relatives of Shri Manoj H. Modi and Shri Mahendra Nahata may be deemed to be interested in the said Resolutions to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolutions set out under Item Nos. 1 to 4 of the Notice.
7. The number and dates of Meetings of the Board and Committees held during the financial year 2015-16

indicating the number of Meetings attended by each Director, as required to be provided pursuant to SS-2, are annexed to the Notice.

8. Members/Proxies/Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of their Annual Report.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
10. Relevant documents referred to in the Notice are open

for inspection by the members at the Registered Office of the Company on all working days (i.e., except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting. The Company's Debenture Trustee is Axis Trustee Services Limited having its office at Axis House, 2nd Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025; Tel: 91-22-2425 5215/5216; Fax: 91-22-4325 3000; and email: debenturetrustee@axistrustee.com

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item No. 5

The members of the Company, at the Extraordinary General Meeting held on October 16, 2015, had passed a special resolution authorising the Board of Directors of the Company to offer or invite subscriptions for redeemable non-convertible debentures, in one or more series / tranches, aggregating up to Rs. 30,000 crore on private placement. The said resolution was valid and effective for one year from October 16, 2015. Out of the said approved limit of Rs. 30,000 crore, the Company has till date raised NCDs of Rs. 19,500 crore.

The Board may, at an appropriate time, consider offering or inviting subscriptions for secured/ unsecured redeemable non-convertible debentures, in one or more series / tranches, on private placement, issuable / redeemable at par, in order to augment long-term resources for financing *inter alia* the ongoing capital expenditure and for general corporate purposes.

Section 71 of the Act which deals with the issuance of debentures read with Section 42 of the Act which deals with the offer or invitation for subscription of securities of a company on private placement and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 provide that a company which intends to make a private placement of its non-convertible debentures, shall, before making an offer or invitation for subscription, obtain approval of its shareholders by means of a special resolution. It shall be sufficient if the company passes a special resolution only once in a year for all the offers or invitations for such non-convertible debentures during the year.

Keeping in view the above, consent of the members is sought for passing the Special Resolution as set out at Item No. 5 of the Notice. This enabling resolution authorises the Board of Directors of the Company to offer or invite subscription for redeemable non-convertible debentures, as may be required by the Company, from time to time and as set out herein, for a year from the date of passing this resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6

Considering the business plans and fund requirements of the Company, it is proposed to reclassify the Authorised Share Capital of the Company from the existing Rs. 70130,00,00,000 comprising 7000,00,00,000 Equity Shares of Rs. 10 each and 13,00,00,000 Preference Shares of Rs. 10 each to Rs. 70130,00,00,000 comprising 6700,00,00,000 Equity Shares of Rs. 10 each and 313,00,00,000 Preference Shares of Rs. 10 (Rupees Ten) each.

Accordingly, the Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, set out at Item No. 6 of the Notice.

Item No. 7

The Board of Directors at its meeting held on September 12, 2016 has approved the offer and issue of 300,00,00,000 – 9% Non-Cumulative Optionally Convertible Preference Shares (Series – II, Preference Share Capital) ('OCPS') of Rs. 10 each for cash, at a premium of Rs. 40 per OCPS aggregating to Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crore only), in one or more tranche(s) on a Rights Basis to the equity Shareholders of the Company.

Section 55 of the Act read with Rule 9 of the Companies (Share

Capital and Debentures) Rules, 2014 framed there under, *inter alia*, requires a company to obtain the approval of the Equity Shareholders, by way of a Special Resolution for issuance of preference shares.

Accordingly, the approval of the Members is being sought, by way of a Special Resolution, to offer and issue, in one or more tranche(s), OCPS on a Rights Basis.

Disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 and the terms of issue of the OCPS, are as under:

(a) the size of the issue and number of preference shares to be issued and nominal value of each share	Upto 300,00,00,000 – 9% Non-Cumulative Optionally Convertible Preference Shares ('OCPS') of Rs. 10 each for cash, at a premium of Rs. 40 per OCPS aggregating upto Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crore only) in one or more tranche(s).										
(b) the nature of such shares i.e. cumulative or non - cumulative, participating or non - participating , convertible or non – convertible	Non – cumulative, Non-participating and Optionally Convertible Preference Shares.										
(c) the objectives of the issue	The objectives of the issue are to meet the project expenses and other general corporate purposes.										
(d) the manner of issue of shares	Offer on Rights Basis.										
(e) the price at which such shares are proposed to be issued	The OCPS of face value of Rs. 10 each will be issued at a premium of Rs. 40 per OCPS.										
(f) the basis on which the price has been arrived at	The price has been arrived at considering the terms of redemption / conversion.										
(g) the terms of issue, including terms and rate of dividend on each share, etc.	Dividend rate will be 9% p.a. (on the face value) which will remain fixed over the tenure of the OCPS.										
(h) the terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	Each OCPS can either be redeemed at Rs. 50 or be converted into 5 (Five) Equity Shares of Rs. 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the OCPS.										
(i) the manner and modes of redemption / conversion	Each OCPS can either be redeemed at Rs. 50 or be converted into 5 (Five) Equity Shares of Rs. 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the OCPS. The redemption / conversion shall be made in accordance with the applicable provisions of the Companies Act, 2013.										
(j) the current shareholding pattern of the Company	Equity Shareholding Pattern of the Company as on August 31, 2016: <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>Category</td> <td>% to Equity Capital</td> </tr> <tr> <td>Bodies Corporate</td> <td>99.82</td> </tr> <tr> <td>Individuals</td> <td>0.18</td> </tr> </table> Preference Shareholding Pattern (Series-I, Preference Share Capital) as on August 31, 2016: <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>Category</td> <td>% to Preference Capital</td> </tr> <tr> <td>Bodies Corporate</td> <td>100</td> </tr> </table>	Category	% to Equity Capital	Bodies Corporate	99.82	Individuals	0.18	Category	% to Preference Capital	Bodies Corporate	100
Category	% to Equity Capital										
Bodies Corporate	99.82										
Individuals	0.18										
Category	% to Preference Capital										
Bodies Corporate	100										
(k) the expected dilution in equity share upon conversion of preference shares	Nil, since the OCPS are issued on a Rights Basis to the existing equity shareholders.										

Accordingly, the Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, set out at Item No. 7 of the Notice.

By Order of the Board of Directors

Jyoti Jain
Company Secretary

Date: September 12, 2016
Mumbai

Registered Office:

9th Floor, Maker Chambers - IV
222, Nariman Point
Mumbai - 400 021
Maharashtra, India.

CIN: U72900MH2007PLC234712

Website: www.jio.com

Email: Jio.InvestorRelations@ril.com

Profile of Directors (seeking re-appointment):

Shri Manoj H. Modi (DIN: 00056207)

Shri Manoj Modi, aged 59 years, a Chemical Engineer from Institute of Chemical Technology, Mumbai, has played an invaluable role in the growth and evolution of the Reliance Group. He has been associated with the Group for over three decades and has led several of the initiatives of the Group in this period of time. He has driven the overall corporate strategy for the Group and has been instrumental in formulation of strategy and policies, project planning & implementation and commercial, financial and regulatory matters. Shri Modi was part of the core team, alongwith Shri Mukesh D Ambani, which conceived and executed Reliance's petrochemical project at Hazira and refinery project at Jamnagar.

Shri Modi also drove the Group's first entry into the telecommunications business in 2002. He conceptualized and developed the strategy for setting up Reliance Infocomm (now Reliance Communications Limited), which was a transformational event for the telecom industry in India. He

is leading Reliance's implementation of a pan India organized retail network spanning multiple formats and supply chain infrastructure. Today, Reliance Retail is the largest retail player in the Country.

Shri Modi has been instrumental in the Group's re-entry into the telecommunications business through Reliance Jio Infocomm Limited. He is leading the project which involves setting up one of the most complex 4G broadband wireless services in the world, offering end to end solutions that address the entire value chain across various digital services in key domains of national interest such as Education, Healthcare, Security, Financial Services, Government-Citizen interfaces and Entertainment.

Shri Mahendra Nahata (DIN: 00052898)

Shri Mahendra Nahata, aged 57 years, a Commerce Graduate from Kolkata University. He is Managing Director of Himachal Futuristic Communications Limited (HFCL) and has business experience of over 35 years. He leads the overall strategy and planning, business development and marketing activities of HFCL. He is one of the pioneers in the New Age Telecom sector of India and has been associated with many esteemed forums related to the industry. In recognition of his wide experience in the industry, he was appointed as President of TEMA (Telecom Equipment Manufacturers Association of India) and was recognised as the "Telecom Man of the Millennium" by Voice & Data in 2003. Shri Nahata's contributions to the telecom sector are commendable and many milestones in the sector have been achieved due to his initiatives and entrepreneurship. He has also been on the board of IIT – Mumbai and IIT-Chennai. He was also the Co-Chairman of the Telecom Committee of FICCI and Executive Member of Telecom Industry and Services Association of India. He has also been on the Board of Governors of Indian Institute of Information Technology, Allahabad and Member of Council of Scientific & Industrial Research, Government of India along with his association with many other bodies.

Other details of Directors seeking re-appointment:

Name of the Directors	Shri Manoj H. Modi	Shri Mahendra Nahata
Terms and conditions of appointment / re-appointment	Non-executive director liable to retire by rotation	Non-executive director liable to retire by rotation
Directorships in other companies	<ul style="list-style-type: none"> • EIH Limited • Reliance Retail Ventures Limited 	<ul style="list-style-type: none"> • Himachal Futuristic Communications Limited • HTL Limited • India Card Technology Private Limited • DigiVive Services Private Limited • DragonWave HFCL India Private Limited • MN Ventures Private Limited • HFCL Advance Systems Private Limited • Krishiv Ventures Private Limited
Date of first appointment on the Board	22-06-2010 as an additional director	22-06-2010 as an additional director
No. of Meetings of the Board attended during the FY 2015-16	4	2
Chairmanship/Membership of Board Committees of the other companies	Reliance Retail Ventures Limited a) Audit Committee - Member b) Nomination and Remuneration Committee - Member	Himachal Futuristic Communications Ltd a) Corporate Social Responsibility Committee - Chairman
Shareholding in the Company	Nil	Nil
Remuneration drawn in the Company for the FY 2015-16	Nil	Nil
Remuneration sought to be paid	Nil	Nil
Relation with any Director, Manager and other Key Managerial Personnel of the Company	None	None

The number and dates of Meetings of the Board and Committees held during the financial year 2015-16 indicating the number of Meetings attended by each Director are as follows:

Particulars	Board Meeting	Audit Committee Meeting	Finance Committee Meeting	Nomination and Remuneration Committee Meeting	Allotment Committee Meeting
Number of Meetings held during the year	4	4	2	2	1
Date of Meeting	April 16, 2015 July 23, 2015 October 15, 2015 January 18, 2016	April 16, 2015 July 23, 2015 October 15, 2015 January 18, 2016	April 6, 2015 April 22, 2015	July 23, 2015 January 18, 2016	February 6, 2016
Directors' Attendance:					
Shri Mukesh D. Ambani	4	-	-	-	-
Shri Manoj H. Modi	4	4	1	2	-
Shri Sanjay Mashruwala	4	-	2	-	0
Shri Mahendra Nahata	2	-	-	-	1
Shri Akash M. Ambani	4	-	1 [#]	-	-
Ms. Isha M. Ambani	4	-	-	-	-
Shri Mathew Oommen [^]	3	-	-	-	-
Shri Pankaj Pawar ^{^^}	2	-	-	-	1
Shri Adil Zainulbhai	4	4	-	2	-
Prof. Dipak C. Jain	4	4	-	2	-
Prof. Mohanbir Singh Sawhney	3	-	-	-	-
Shri Ranjit V. Pandit [^]	3	-	-	1 ^{##}	-
Shri Shumeet Banerji ^{^^^}	2	-	-	-	-

[^]Appointed as Director w.e.f. 23.07.2015. Three Board meetings were held during the tenure.

^{^^}Appointed as Director w.e.f. 01.09.2015. Two Board meetings were held during the tenure.

^{^^^}Appointed as Director w.e.f. 18.09.2015. Two Board meetings were held during the tenure.

[#]Appointed as member of the Committee w.e.f 16.04.2015. One Finance Committee meeting held during the tenure.

^{##}Appointed as member of the Committee w.e.f 15.10.2015. One Nomination and Remuneration Committee meeting held during the tenure.

No CSR Committee meeting was held during the year ended March 31, 2016.

ROUTE MAP TO THE AGM VENUE



Landmark: Near Oberoi Hotel

Reliance Jio Infocomm Limited**CIN: U72900MH2007PLC234712****ATTENDANCE SLIP****Registered Office:** 9th floor, Maker Chambers IV, 222, Nariman Point, Mumbai – 400 021

Website: www.jio.com; Email: Jio.InvestorRelations@ril.com; Tel: 022-22785000

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholder may obtain additional Slip at the venue of the meeting.

DP ID*	
--------	--

Folio No.	
-----------	--

Client ID*	
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No. of Shares	
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Name of the Share Holder	
Address of the Shareholder	

I hereby record my presence at the **Ninth Annual General Meeting** of the Company held on September 13, 2016 at 10 a.m. at 2nd floor, Maker Chambers IV, 222, Nariman Point, Mumbai – 400 021.

*Applicable for investors holding shares in electronic form.

Signature of Shareholder/ proxy**Reliance Jio Infocomm Limited****CIN: U72900MH2007PLC234712****Registered Office:** 9th floor, Maker Chambers IV, 222, Nariman Point, Mumbai-400021

Website: www.jio.com; Email: Jio.InvestorRelations@ril.com; Tel: 022-22785000

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		e-mail ID:	
		Folio No/* Client ID:	
Registered address:		*DP ID:	

I/We, being the member(s) of _____ shares of Reliance Jio Infocomm Limited, hereby appoint:

1) _____ of _____ having e-mail ID _____ or failing him

2) _____ of _____ having e-mail ID _____ or failing him

3) _____ of _____ having e-mail ID _____

And whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Ninth Annual General Meeting** of the Company, to be held on September 13, 2016 at 10 a.m. at 2nd floor, Maker Chambers IV, 222, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

**I wish my above Proxy to vote in the manner as indicated in the below box:

Resolutions		For	Against
1.	Consider and adopt:		
	a) Audited Financial Statement for the Financial Year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon		
	b) Audited Consolidated Financial Statement for the Financial Year ended March 31, 2016 and the Report of the Auditors thereon		
2.	Re-appointment of Shri Manoj H. Modi, a Director retiring by rotation		
3.	Re-appointment of Shri Mahendra Nahata, a Director retiring by rotation		
4.	Ratification of appointment of Auditors and fixing their remuneration		
5.	Approval of offer or invitation to subscribe to redeemable non-convertible debentures on private placement		
6.	Approval of reclassification of the Authorised Share Capital of the Company		
7.	Approval of offer or invitation to subscribe to Optionally Convertible Preference Shares on Rights Basis		

*Applicable for investors holding shares in electronic form.

Signed this.....day of.....2016

Signature of the Shareholder

Affix
Revenue
Stamp
15 p

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company before the commencement of the Meeting.**
- (2) **A proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.**
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- ** (4) This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the Meeting in person if he so wishes. When a Member appoints a Proxy and both the Member and Proxy attend the Meeting, the Proxy will stand automatically revoked.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- (7) This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- (8) This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- (9) Undated proxy form will not be considered valid.
- (10) If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Ninth Annual Report and the Company's audited financial statement for the financial year ended March 31, 2016.

1. Financial Results

The Company's financial performance for the year ended March 31, 2016 is summarised below:

Particulars	2015 -16	2014-15
	Rs. in crore	Rs. in crore
Profit/(Loss) before Tax	(23.87)	(23.12)
Less: Provision for Tax	-	-
Profit/(Loss) for the year	(23.87)	(23.12)
Add: Balance in Profit and Loss Account (loss)	(50.83)	(27.39)
Add: Adjustment relating to fixed assets	-	(0.08)
Add: Pursuant to Scheme of amalgamation	-	(0.24)
Closing Balance (loss)	(74.70)	(50.83)

2. State of Company's affairs

Reliance Jio Infocomm Limited (the Company or 'Jio') is rolling out the largest greenfield Long Term Evolution (LTE) deployment in the world and will be launching a state-of-the-art pan-India digital services business. This includes fixed and wireless broadband connectivity services offering superior voice and data quality on an all-Internet Protocol (IP) network. In addition, the Company will offer end-to-end solutions encompassing the entire digital value chain across domains such as education, healthcare, security, communication, financial services, Government-citizen interfaces and entertainment.

Jio has entered into agreements with Reliance Communications Limited (RCOM) for change in spectrum allotment in the 800MHz band from RCOM to Jio across 13 circles, with this change in spectrum approval Jio holds 846.1 megahertz (MHz) of liberalised spectrum across the 800MHz, 1800MHz and 2300MHz bands. In addition to this Jio had also entered into sharing of spectrum in the 800MHz band across 21 circles (4 circles are still awaiting regulatory approval).

This combined spectrum footprint across frequency bands

provides significant network capacity and deep in-building coverage.

The Company is in stabilisation phase of this large and complex network and is also testing its services end to end for ensuring highest quality of customer service and experience. Jio took significant strides this year by real-time testing its service propositions across the country. Reliance Group employees, channel partners and vendors were amongst the first to test the true LTE experience as part of the trial launch and test programme. Results have been positive with high consumption trends across data and voice.

This comprehensive and extensive test program covering network, technology products and services proposed to be offered will be progressively upgraded into commercial operations in coming months.

Market environment

The world is increasingly moving from 'Orality' (audio) and written content to 'Visuality' (video). Video will be the new voice for most in the new evolved network industry. There is a rapid increase in data traffic across global mobile networks according to various industry

reports from likes of Ericsson and the trend is expected to continue:

- 60% growth in mobile data traffic between Q1 CY 2015 and Q1 CY 2016
- Projected 14x increase in mobile video traffic between CY 2015 and CY 2021

A similar mobile and digital revolution is expected in India, with initial trends visible in the increased data consumption. India has a higher proportion of young people, who are the pre-dominant internet users today, than any other country in the world. Increasing per capita income and rising middle class further strengthen the digital opportunity for India. All these reflect in Cisco Visual Networking Index Mobile Forecast 2015-2020, which projects mobile data traffic in India to grow 12-fold from CY 2015 to CY 2020 at a CAGR of 63%.

While the potential is significant, India is a grossly underserved market from a broadband and digital Services perspective. From less than 5 million mobile users in CY 2001, India has grown to more than 1,059 million mobile users as of April 2016 (Source: Telecom Regulatory Authority of India (TRAI)), making it the second largest telecom customer base in the world. However, the growth in broadband connections has not been commensurate. At 151 million broadband internet subscribers as of April 2016 (Source: TRAI), India's broadband penetration is among the lowest in the world and internet speeds are

slow compared to most other countries. India was ranked 155th in mobile broadband penetration in the State of Broadband 2015 report of the Broadband Commission (ITU and UN).

Lack of investment in good quality broadband infrastructure and the lag in adoption of technological advancements by the industry are main reasons for such underservice.

This underserved broadband need combined with the shift towards a data centric world presents a great opportunity to create a reliable, next generation digital services ecosystem. This is an enormous opportunity for digital industry players to be the architect of modern India and potential to transform the lives of 1.3 billion people with a multiplier impact on the gross domestic product (GDP).

The large potential, in terms of underserved addressable market and dormant usage given the poor level of penetration today, provides a substantial opportunity for the Company to build India's digital eco-system. The Company is well positioned to address this opportunity with its investment in network infrastructure that will give India one of the most powerful and unmatched video networks in the world.

The Company's ultimate aim is to connect Digital India and Digital Bharat till the last mile and provide the benefits of digitisation to every town and village.

Strategy

The four pillars of our Company's strategic interventions are:

Coverage refers to anytime, anywhere mobile broadband access. Currently mobile broadband coverage in India is estimated at just 15%, as compared to 75% in the US. At launch the Company will have 70% coverage of population, which will rise to 90% in next one year. This coverage will be backed by the largest network of spectrum, tower and fibre assets, thus providing huge capacity.

Data consumption per consumer in India is far below the global average. Currently, the per capita data consumption is estimated to be 0.15 GB per month mainly due to supply side constraints. The Company's network is engineered to provide capacity of over 10 GB per month for every Indian.

Quality of broadband services in India is below par international standards. The Company plans to offer speeds that are multiple times faster than the current average speeds offered in the market, through investment in superior LTE based networks backed by world class customer service quality.

Affordability is key to success of the digital revolution. The Company will make its services accessible and affordable to all consumers. It has developed its network at an extremely efficient cost base coupled with significant operating efficiencies. These efficiencies will enable it to offer services at a substantially lower cost than others.

Linking Opportunity and Strategy to Execution

The Company is present in all of the 29 states of India with a direct physical presence in more than 18,000 urban and rural towns and over 1,50,000 villages. Jio has built the most sophisticated and one of the largest telecom networks in the country and already has the largest fibre network and highest amount of LTE-ready spectrum as compared with the current industry players. The spectrum holding and infrastructure network strengthens the coverage and data availability.

License and Spectrum Holding

The Company signed the Unified License Agreement with Government of India, Ministry of Communication and IT, Department of Telecommunication (“DoT”) in October 2013. This license approves providing any telecom service (including voice, except Global Mobile Personal Communication by Satellite (GMPCS) Service) using any technology within the licensed areas.

The Company is the first telecom operator to hold pan India Unified License. It has total liberalised spectrum holdings of 846.10 MHz, including 440.0 MHz in the 2300 MHz band (one block of 20 MHz in all 22 circles), 213.60 MHz in the 1800 MHz band (blocks ranging from 2x3 MHz to 2x10 MHz in 18 circles) and 192.50 MHz in the 800 MHz band (blocks ranging from 2x2.5 MHz to 2x5 MHz in all 22 circles, including spectrum acquired from Reliance Communications Group (“RCOM”) across 13 circles).

All of this spectrum is liberalised and can be used for rolling out any technology. In addition to this the Company entered into agreements with RCOM for sharing of spectrum in the 800MHz band across 21 circles (4 Circles are still awaiting regulatory approval).

In addition to 2300MHz band, the Company now also has pan-India spectrum in the 800MHz band and is the only operator using sub-GHz spectrum band for LTE services in the country today.

The Company plans to provide seamless 4G services using LTE technology in 800 MHz, 1800 MHz and 2300 MHz bands through an integrated ecosystem. This combined spectrum footprint across frequency bands provides significant network capacity and deep in-building coverage.

Network and Business Infrastructure

The Company has set-up a next generation network which

is amongst the best in the world. The network has advanced features such as Software Defined Networking (SDN) and Network Functions Virtualization (NFV). It is ready for future evolution of technology including transition to 5G with minimal additional capital expenditure in the network.

The Company will have over 92,000 Evolved Node B (eNodeB) and over 100,000 small cells at launch, this is significantly more than what any other operator had at their launch. Fibre is the critical backbone on which a telecom service provider is able to provide high end services to consumers. The Company has a network of over 250,000 route km of fibre optics cables for a full IP network. In addition to the fibre backhaul, extensive last mile fibre connectivity is being rolled out to address the fibre to the home potential.

The Company is also creating a multi-terabit capacity international network and along with partners recently announced the launch of a new, state-of-the-art 8,100 km cable system, the Bay of Bengal Gateway (BBG). BBG provides direct connectivity to South East Asia and the Middle East, then onward to Europe, Africa and Far East Asia through seamless interconnection with existing cable systems. This strategically important undersea cable landing facility in Chennai, provides a high-speed, high-capacity, low latency route connecting India to the rest of the world.

With respect to sales and distribution, the Company will have half a million activation outlets and close to a million recharge outlets at launch. This will be in addition to the digital channels that Jio is promoting for seamless activation and recharge facilities for customers. All the outlets will have real time access to the 1,072 Jio offices set-up across the country. The Company has on-boarded most of these outlets and provided them merchant devices and/or solutions to cater to their business and payment requirements.

The customers of the Company will have access to large suite of digital services. These span across the areas of news, music, video, broadcast, communication, financial services, healthcare and education. These digital applications are being tested extensively as part of the employee launch program.

Technology Framework - LTE

Large scale capacity expansion in mobile networks is

required to meet the anticipated data explosion, and the trend globally has been to shift from Universal Mobile Telecommunications System (UMTS) to High Speed Packet Access (HSPA+) and now towards LTE to meet the increasing data requirements. Globally the first LTE networks were launched in 2010 and since then there has been a rapid migration to LTE. LTE has been the fastest growing mobile technology ever. It offers superior performance at substantially lower effective cost, compared to other technologies and also has a well evolved ecosystem. Currently there are 503 commercially operational LTE networks in the world across 167 countries as per GSA (Global Mobile Suppliers Association).

The Company is deploying LTE using both Time Division Duplex (LTE-TDD) and Frequency Division Duplex (LTE-FDD) technology to launch its wireless broadband services.

Devices

Globally there are 5,614 (brands) devices announced by 455 suppliers which supports LTE. Handsets with multiband, multimode support, are becoming the default offering. India is also not far behind. Close to 62 million out of 219 million smartphones currently in circulation are LTE enabled. Over 60% of smartphones sold in India during Oct'15-Mar'16 have LTE capability and these are compatible with our network. Next phase of growth is in Voice over LTE (VoLTE) devices, with more devices being launched.

The Company has been actively involved in developing the ecosystem for India's LTE phones, working with renowned Original Equipment Manufacturers (OEMs), Original Design Manufacturers (ODMs) and chipset vendors on end-to-end device design and engineering. With the launch of LYF brand of devices by Reliance Retail Limited and several launches by other leading OEMs, it is expected that almost all the smartphones in the coming months will be LTE enabled, as has been observed in large markets such as China post launch of LTE services.

The Company is ensuring the tight integration of these devices with its network infrastructure, platforms and applications portfolio to ensure seamless experience to customers.

The Company's deployment of LTE, Fibre-to-the-home (FTTH) and wireless fidelity (Wi-Fi) will make high speed

broadband access widely available to customers across India. This type of broadband access network offers high capacity, low latency services at an affordable price, a first for most Indian customers. The Company will enable IP-centric and content focused services, including VoLTE with the ability to offer rich, multimedia communication and digital services as well as high quality voice calling from and to other telecom networks and video calling as well. Jio's network is specifically designed to carry multimedia content, including music and video, thereby enabling a rich customer experience. In addition to LTE and its future versions, we will continue to evaluate and deploy other technologies, both wireless and wire line, to offer comprehensive broadband solutions to consumers, small businesses, enterprises, government and other entities.

Digital Services

Lifestyle Applications (app)

Customers of the Company will have access to a large suite of digital services that will enrich their experience:

- MyJio – Jio's gateway to digital life. One App to rule them all - everything from signing up and paying bills to topping up and managing all your accounts
- JioPlay – All TV channels and LIVE TV across various languages in one app, Record, Pause & Play with 7-day catch up
- JioOn – Demand - Huge collection of movies, TV programs, events and proprietary content any time any place
- JioBeats – Access to huge library of best quality music in various regional languages with option to download
- JioNews – Various editions of newspapers with ease of offline viewing
- JioMags – Vast library of premium magazines and back issues, with an integrated option to listen to articles
- JioXpress News - Curated news from range of sources in local languages
- JioMoney - One stop payment solution for both online and offline payments
- JioDrive – Secured data on the cloud, easy storing, on the go access from smartphone, tablet or PC easy sharing and quick sync

- JioJoin – A telco-grade smartphone application that enables Jio’s latest communication services on non-VoLTE devices.
- JioSecurity – Award winning App Advisor that warns on risky websites, apps etc. Proactive antivirus protects you and your device 24x7Jio Chat - Integrated messaging app with chat services, both voice and video calling and conferencing abilities, document and location sharing features. The app is available on both iOS and android platforms with downloads crossing three million mark.

Recent Developments

The Company has substantially completed setting up of its network across the country. The network is currently being tested and optimized. Most of the business platforms have been rolled out and are being used to run operations. The organisation is in place with the required manpower hired and on boarded.

Currently the services are being used extensively by employees, vendors, partners and associates as part of the successful employee launch, which has till date resulted in over 15 lakh customers on-boarded on the network. These test services were made available to all such users on trial basis with the view to obtain the feedback so as to enable smooth and seamless commercial launch of the services. The current average monthly data and voice consumption per user is in excess of 26GB and over 355 minutes respectively with rapidly increasing trends. The initial feedback is very encouraging and the quality of services are being appreciated by users. This test program will be progressively upgraded into commercial operations in coming months.

The Company has undertaken extensive testing of technology, products and services being offered and has entered into inter-connect agreements with all the other telecom operators.

The Company has been allotted Mobile Switching Centre (MSC) codes and various other network resources (such as Mobile Country Code (MCC) and Mobile Network Code (MNC), Signalling Point codes, Location routing numbers etc.) by the DoT, which are required for provisioning of Mobile Access Services under Unified License, across all 22 circles. The Company has successfully demonstrated Lawful Intercept and Monitoring (LIM) facilities for LTE Data and Voice, Video

and Messaging Services in all circles to DoT. The Company has also successfully completed Acceptance Testing of its network in all circles with DoT for Intra circle and Inter circle Mobile Number Portability.

The Company will play a significant role in lifting India from its current 155th rank on mobile broadband penetration ranking to amongst the top 10 nations in the world.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

3. Dividend

Your Directors have not recommended any dividend for the year under review, as there are no distributable profits.

4. Consolidated Financial Statement

In accordance with the Companies Act, 2013 ('the Act') and Accounting Standard (AS) - 21 on Consolidated Financial Statements, the audited consolidated financial statement is provided in the Annual Report.

5. Subsidiaries, Joint Ventures and Associate Companies

During the year under review, no company has become or ceased to be Company's subsidiary, joint venture or associate Company.

A statement containing the salient features of the financial statement of subsidiary is provided as Annexure A to the consolidated financial statement and therefore not repeated to avoid duplication.

6. Directors' Responsibility Statement

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of

the Company as at March 31, 2016 and of the loss of the Company for the year ended on that date;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. Contracts and arrangements with Related Parties

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

Members may refer to Note 31 to the financial statement which sets out related party disclosures pursuant to AS - 18.

8. Corporate Social Responsibility (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The Company has not made any profits during the previous three years. Hence, in terms of Section 135 of the Act, the Company is not required to spend any amount on CSR.

The CSR Policy may be accessed on the Company's website at the link <http://www.ril.com/getattachment/2165cb03-84af-4aa2-b235-3b9752531cc8/Corporate-Social-Responsibility-Policy.aspx>.

9. Risk Management

The Company manages, monitors and reports on the

principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company has implemented Reliance Management System (RMS) that incorporates framework for managing risks and internal controls. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviours together form the Reliance Management System (RMS) that governs how the company conducts the business and manages associated risks.

The Company initiated integration of Enterprise Risk Management, Internal Controls Management and assurance framework and processes to drive common integrated view of risks, optimal risk mitigation responses and efficient management of internal controls and assurance activities.

10. Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. Key internal financial controls have been documented, digitised and embedded in respective business processes. Such controls have been assessed during the year under review and were operating effectively.

11. Directors and Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Manoj Modi and Shri Mahendra Nahata, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

During the year under review, the members approved the appointment of Shri Akash M. Ambani, Ms. Isha M. Ambani, Shri Mathew Oommen and Shri Pankaj M Pawar as Directors liable to retire by rotation. The members also approved the appointment of Shri Ranjit V Pandit and Shri Shumeet Banerji as Independent Directors whose office is not liable to retire by rotation.

Shri Mathew Oommen who was appointed as Managing Director of the Company, resigned from the office of Managing Director and continues to be Director of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that

they meet with the criteria of independence as prescribed under the Act.

The Company has devised a Policy for performance evaluation of the Board, Committees and Individual Directors (including Independent Directors) which includes criteria for performance evaluation of the non-executive directors and executive directors. The Board of Directors (Board) has carried out an annual evaluation of its own performance and that of its Committees and individual Directors. The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. The Nomination and Remuneration Committee reviewed the performance of the individual Directors.

The following policies of the Company are attached herewith:

- a) Policy for selection of Directors and determining Directors independence marked as **Annexure IA**
- b) Remuneration Policy for Directors, Key Managerial Personnel and other employees marked as **Annexure IB**.

12. Auditors and Auditors' Report

12.1 Statutory Auditors

As per the provisions of Act, M/s. Atul Kulshrestha & Co., Chartered Accountants, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants and M/s. Chaturvedi & Shah, Chartered Accountants, Statutory Auditors of the Company, hold office respectively, till the conclusion of the Tenth, Twelfth and Thirteenth Annual General Meeting subject to ratification by the members at every Annual General Meeting of the Company. They have confirmed their eligibility to the effect that the ratification of their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified from continuing as Statutory Auditors of the Company.

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

12.2 Secretarial Auditor

The Board had appointed M/s BNP and Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as **Annexure II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

13. Disclosures:

13.1 Meetings of the Board

Four meetings of the Board of Directors were held during the financial year 2015-16.

13.2 Audit Committee

The Audit Committee comprises Shri Adil Zainulbhai (Chairman), Prof Dipak C Jain, Independent Directors and Shri Manoj Modi. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

13.3 CSR Committee

The CSR Committee comprises Shri Adil Zainulbhai (Chairman-Independent Director), Shri Sanjay Mashruwala and Ms Isha M Ambani.

13.4 Vigil Mechanism

The Vigil Mechanism of the Company which also incorporates a whistle blower policy, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower to the Task Force or to the Chairman of the Audit Committee.

The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at the link: <http://www.ril.com/getattachment/cc59b9bf-7776-492d-a65f-0e458410e062/Vigil-Mechanism-and-Whistle-Blower-Policy.aspx>.

13.5 Particulars of loans given, investments made, guarantees given and securities provided

Particulars of loans given, investments made, guarantees given and securities provided are provided in the financial statement (Please refer to Note 13, 14, 16 and 39 to the standalone financial statement).

13.6 Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure III** to this Report.

13.7 Extract of Annual Return

Extract of annual return of the Company is annexed herewith as **Annexure IV** to this Report.

13.8 Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a Statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

14. General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares and ESOS) to employees of the Company under any scheme.
4. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
5. The Managing Directors of the Company did not receive any remuneration or commission from any of its subsidiaries.
6. There were no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. No fraud was reported by the Auditors to the Audit Committee or the Board of Directors of the Company.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgement

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, and vendors during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives and staff.

For and on behalf of the Board of Directors

Mukesh D. Ambani
Chairman

Date: July 14, 2016
Place: Mumbai

Annexure IA to Directors' Report

Policy for Selection of Directors and determining Directors' Independence

1. Introduction

- 1.1 Reliance Jio Infocomm Limited (RJIL) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, RJIL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2 RJIL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. RJIL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2. Scope and Purpose:

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 "Director"** means a director appointed to the Board of a company.
- 3.2 "Nomination and Remuneration Committee"** means the committee constituted by RJIL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013
- 3.3 "Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

4. Policy:

4.1 Qualifications And Criteria

The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience

required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.

In evaluating the suitability of individual Board members, the NR Committee shall take into account many factors, including the following:

- General understanding of the Company's business dynamics, global business and social perspective,
- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively;

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Company's Code of Conduct;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, and other relevant laws.

The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Criteria of Independence

The NR Committee shall assess the independence of Directors at the time of appointment/re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

The criteria of independence, as laid down in Companies Act, 2013 is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director:

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b.
 - (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
 - (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives:
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of:

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;

f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.

g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

4.3 Other Directorships/Committee Memberships

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public

limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

- 4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- 4.3.3 A Director shall not serve as an Independent

Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

For and on behalf of the Board of Directors

Mukesh D. Ambani
Chairman

Date: July 14, 2016
Place: Mumbai

Annexure IB to Directors' Report

Remuneration Policy for Directors, Key Managerial Personnel and other Employees

Directors, Key Managerial Personnel and other employees of the Company.

1. Introduction

1.1 Reliance Jio Infocomm Limited (RJIL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- 1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully
- 1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks
- 1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals

2. Scope and Purpose:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 "Director"** means a director appointed to the Board of a company.
- 3.2 "Key Managerial Personnel"** means
- (i) the Chief Executive Officer or the managing director or the manager;
 - (ii) the company secretary;
 - (iii) the whole-time director;
 - (iv) the Chief Financial Officer; and
 - (v) such other officer as may be prescribed under the Companies Act, 2013
- 3.3 "Nomination and Remuneration Committee"** means the committee constituted by RJIL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

4. Policy:

4.1 Remuneration to Executive Directors and Key Managerial Personnel

4.1.1 The Board, on the recommendation of the

Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retiral benefits
- (vi) Annual Performance Bonus

4.2 Remuneration to Non-Executive Directors

The Board on the recommendation of the NR Committee shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved

by the shareholders.

Non-Executive Directors may be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors may also be entitled to profit related commission in addition to the sitting fees.

4.3 Remuneration to Other Employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration is determined within the appropriate grade and is based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

For and on behalf of the Board of Directors

Mukesh D. Ambani
Chairman

Date: July 14, 2016
Place: Mumbai

Annexure II to Directors' Report

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2016
*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
 (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
 The Members
Reliance Jio Infocomm Limited
 9th Floor, Maker Chambers IV
 222, Nariman Point
 Mumbai 400021

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **Reliance Jio Infocomm Limited** (hereinafter called 'the Company') for the audit period covering the financial year ended on 31st March, 2016 ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit; we hereby report that in our opinion, the Company has, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial borrowings;

(v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(vi) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India related to meetings and minutes;
- (ii) Debt Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have also examined, on test-check basis, the relevant documents and records maintained by the Company according to the following laws applicable specifically to the Company:

- (i) The Indian Telegraph Act, 1885;
- (ii) The Indian Wireless Telegraphy Act, 1933;
- (iii) The Telecom Regulatory Authority of India Act, 1997

Based on such examination and having regard to the compliance system prevailing in the Company; the Company has complied with the provisions of the above laws during the audit period.

During the period under review, provisions of the following Act/Regulations were not applicable to the Company:

- (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998.

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Proper notice is given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the meetings of the Board of Directors of the Company and its Committees were carried out unanimously as recorded in the minutes of such meetings.

We further report that –

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has:

1. Issued and allotted 35,000 – 8.55% Secured Redeemable Non-Convertible Debentures – PPD6 of face value of Rs.10 Lakhs each for cash at par aggregating Rs.3500 Crores on Private Placement basis.
2. Issued and allotted 6,750 – 8.40% Secured Redeemable Non-Convertible Debentures - PPD7 (option 1) of face value of Rs.10 Lakhs each for cash at par aggregating Rs.675 Crores on Private Placement basis.
3. Issued and allotted 3,250 – 8.40% Secured Redeemable Non-Convertible Debentures - PPD7 (option 2) of face value of Rs.10 Lakhs each for cash at par aggregating Rs.325 Crores on Private Placement basis.
4. Issued and allotted 30,000 – 8.25% Secured Redeemable Non-Convertible Debentures - PPD8 of face value of Rs.10 Lakhs each for cash at par aggregating Rs.3000 Crores on Private Placement basis.
5. Issued and allotted 1500,00,00,000 equity shares of Rs.10/- each for cash at par aggregating Rs.15,000 Crores on Rights basis.
6. Obtained approval from the members to borrow monies aggregating upto Rs.60,000 Crores.
7. Varied the terms of Preference Shares issued to Reliance Industrial Investments and Holdings Ltd. from “0.1% Non-Cumulative Redeemable Preference Shares” to “0.1% Non-Cumulative Optionally Convertible Preference Shares”.

For BNP & Associates

Company Secretaries

[Firm Regn. No. P2014MH037400]

Keyoor Bakshi

Partner

Place: Mumbai

Date: 21st April, 2016

FCS 1844/CP No.2720

Annexure III to Directors' Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

A. Conservation of Energy

(a) Steps taken for conservation of energy:

Energy conservation dictates how efficiently a company can conduct its operations while minimising energy consumption. Your Company has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. Your Company carries out its operations in an environmental friendly manner and is in the look-out for different way and means to reduce the consumption of energy in its operations.

The following energy conservation measures were undertaken during the year:

- i. Use of LED lights in the workplaces. LED consume less electricity, requires less maintenance and has a longer life than the conventional lighting equipment. All offices and facilities, indoors and outdoors now use LED lighting.
- ii. Very close monitoring and automation for air conditioning, water recycling, lighting control in offices and large facilities to conserve and reduce energy.
- iii. Electricity consumption as also diesel generator operations, fuel reconciliation and efficiency monitoring through centralised supervisory and control data acquisition system regularly and suitable corrective actions were taken.

(b) Steps taken by the Company for utilising alternate sources of energy:

- i. Installation of roof top and ground based solar power generation
- ii. Test installation of liquid fuel based fuel cells to eliminate diesel generators and associated air and noise pollution. Fuel cells are completely noise and pollution free.
- iii. Use of high efficiency storage systems to reduce eliminate diesel operations during power outages.

(c) The capital investment on energy conservation equipment:

Since company is setting up the infrastructure for the first time, significant technological innovations have been utilised for improving energy consumption and use of alternative energy sources. However, as these are done from the beginning, it is not possible to assign separate cost for the same. In most cases, there is no additional significant cost involved.

B. Technology Absorption

(i) Major efforts made towards technology absorption:

The Company has not entered into any technology agreement or collaborations.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Not Applicable.

(iii) Information regarding imported technology (Imported during last three years):

The Company has not imported any technology during the last three years.

(iv) Expenditure incurred on research and development:

Nil.

C. Foreign exchange earnings and Outgo-

	Rs. in Lakhs
Foreign Exchange earned in Terms of Actual Inflows	-
Foreign Exchange outgo in Terms of Actual outflows	2386,20

For and on behalf of the Board of Directors

Mukesh D. Ambani
Chairman

Date: July 14, 2016

Place: Mumbai

Annexure IV to Directors' Report

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I.	REGISTRATION AND OTHER DETAILS:	
	i) CIN:-	U72900MH2007PLC234712
	ii) Registration Date	15/2/2007
	iii) Name of the Company	Reliance Jio Infocomm Limited
	iv) Category/Sub-Category of the Company	Public Company/Limited by Shares
	v) Address of the Registered office and contact details	9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai – 400 021 Tel: +91 22 22785000
	vi) Whether listed company	Yes/No
	vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Karvy Computershare Private Limited 6th Floor, Karvy Selenium Tower B, Plot 31-32 Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032, Telangana, India. Tel: +91-40-6716 1700 Fax: +91-40-6716 1680
II.	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY	
	All the business activities contributing 10% or more of the total turnover of the company shall be stated:-	As per Attachment A
III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	As per Attachment B
IV.	SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)	
	i) Category-wise Share Holding	As per Attachment C
	ii) Shareholding of Promoters	As per Attachment D
	iii) Change in Promoters' Shareholding (please specify, if there is no change)	As per Attachment E
	iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
	v) Shareholding of Directors and Key Managerial Personnel	As per Attachment G
V.	INDEBTEDNESS	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment H
VI.	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	
	A. Remuneration to Managing Director, Whole-time Directors and/or Manager:	As per Attachment I
	B. Remuneration to other directors:	As per Attachment J
	C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment K
VII.	PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:	As per Attachment L

Attachment A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated: -

Sl. No.	Name and Description of main products/services	NIC Code of the product/service *	% to total turnover of the company #
1	Telecommunication	61	100%

* As per National Industrial Classification 2008– Ministry of Statistics and Programme Implementation

On the basis of revenue from operations

Attachment B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable section
1	Reliance Industries Limited	3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai – 400 021	L17110MH1973PLC019786	Holding	99.44	2(46)
2	Reliance Jio Infocomm Pte Limited	250 North Bridge Road, #16-01, Raffles City Tower, Singapore 179101	NA	Subsidiary	100.00	2(87)(ii)
3	Reliance Jio Infocomm USA Inc	5600 Tennyson Parkway, Suite 120, Plano, Texas - 75024	NA	Subsidiary	100.00	2(87)(ii)
4	Reliance Jio Infocomm UK Limited	8th Floor, 105 Wigmore Street, London, United Kingdom, W1U 1Qy	NA	Subsidiary	100.00	2(87)(ii)
5	Reliance Jio Global Resources LLC	5600, Tennyson Parkway, Suite 115, Plano, Texas - 75024	NA	Subsidiary	100.00	2(87)(ii)

Attachment C

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at end of the year (As on 31-03-2016)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A Promoters									
1. Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	22694489995	7053000000	29747489995	99.16	29747489995	15000000000	44747489995	99.44	0.28
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub - Total (A) (1):-	22694489995	7053000000	29747489995	99.16	29747489995	15000000000	44747489995	99.44	0.28
2. Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub - Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter(A) = (A)(1) + (A)(2)	22694489995	7053000000	29747489995	99.16	29747489995	15000000000	44747489995	99.44	0.28
B Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FII's	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
(i-i) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i-ii) UTI	0	0	0	0.00	0	0	0	0.00	0.00
Sub - Total (B) (1)	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-institutions									
a) Bodies Corp.									
i) Indian	126255000	48481920	174736920	0.58	126255000	48481920	174736920	0.39	-0.19
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh*	0	5	5	0.00	0	5	5	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	77773080	77773080	0.26	0	77773080	77773080	0.17	-0.09
c) Others (specify)									
Sub - Total (B) (2)	126255000	126255005	252510005	0.84	126255000	126255005	252510005	0.56	-0.28
Total Public Shareholding (B) = (B)(1) + (B)(2)	126255000	126255005	252510005	0.84	126255000	126255005	252510005	0.56	-0.28
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A + B + C) ¹	22820744995	7179255005	30000000000	100.00	29873744995	15126255005	45000000000	100.00	0.00

*One share each held by five nominees of Reliance Industries Limited (RIL) (Holding Company), jointly with it, the beneficial interest of which is with RIL.

Attachment D

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)*ii) Shareholding of Promoters*

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2015)			Shareholding at the end of the year (As on 31-03-2016)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Reliance Industries Limited (RIL)	29747489995	99.16	0.00	44747489995	99.44	0.00	0.28
	Total	29747489995	99.16	0.00	44747489995	99.44	0.00	0.28

Attachment E

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)*iii) Change in Promoters' Shareholding (please specify, if there is no change)*

Sl. No.		Shareholding at the beginning of the year (As on 01-04-2015)		Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	29747489995	99.16		
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	As given below			
	At the End of the year	44747489995	99.44	44747489995	99.44

Date of Allotment	No. of Shares	% Shareholding
06-02-2016	15000000000	0.28

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)*iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)*

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of shares at the beginning (01-04-15)/ end of the year 31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Anant Nahata	75753000	0.25	01-04-2015	0	Nil movement during the year	75753000	0.17
		75753000	0.17	31-03-2016				
2	Nextwave Communications Private Limited	37876500	0.13	01-04-2015	0		37876500	0.08
		37876500	0.08	31-03-2016				
3	Infotel Telecom Holdings Private Limited	6312750	0.02	01-04-2015	0		6312750	0.01
		6312750	0.01	31-03-2016				
4	Digivision Ventures Private Limited	4292670	0.01	01-04-2015	0	4292670	0.01	
		4292670	0.01	31-03-2016				
5	Vikash Agarwal	2020080	0.01	01-04-2015	0	2020080	0.01	
		2020080	0.01	31-03-2016				
6	Infotel Infocomm Enterprises Private Limited	126255000	0.42	01-04-2015	0	126255000	0.28	
		126255000	0.28	31-03-2016				

Note1: There is no movement in shareholding of above top ten shareholders. The decrease in the % of the above shareholders is due to allotment of shares to Reliance Industries Limited.

Note 2: Apart from above list, one share each held by five nominees of Reliance Industries Limited (RIL) (Holding Company), jointly with it, the beneficial interest of which is with RIL.

Attachment G

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)*v) Shareholding of Directors and Key Managerial Personnel*

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15)/ end of the year 31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
A	Directors							
1	Shri Mukesh D. Ambani	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
2	Shri Manoj H Modi	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
3	Shri Sanjay Mashruwala	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
4	Shri Mahendra Nahata	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
5	Shri Akash M Ambani	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
6	Ms. Isha M Ambani	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
7	Shri Adil Zainulbhai	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
8	Prof. Dipak C. Jain	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
9	Prof. Mohanbir Singh Sawhney	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
10	Shri Ranjit V Pandit (Appointed as a Director on 23.07.2015)	0	0	23-07-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
11	Shri Mathew Oommen (Appointed as a Director on 23.07.2015)	0	0	23-07-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
12	Shri Pankaj M Pawar (Appointed as a Director on 01.09.2015)	1	0	01-09-2015	0	*	1	0
		1	0	31-03-2016	0	*	1	0
13	Shri Shumeet Banerji (Appointed as a Director on 18.09.2015)	0	0	18-09-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
B	Key Managerial Personnel							
1	Shri Rajneesh Jain	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0
2	Shri Jyoti Jain	0	0	01-04-2015	0	**	0	0
		0	0	31-03-2016	0	**	0	0

* Nil movement during the year

** Nil Holding/movement during the year

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount (Rs. in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2015)				
i) Principal Amount	1,51,685	20,78,802	-	22,30,487
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	693	37,156	-	37,849
Total (i + ii + iii)	1,52,378	21,15,958	-	22,68,336
Change in Indebtedness during the financial year				
Addition	7,50,000	34,38,605	-	41,88,605
Reduction	522	31,58,625	-	31,59,147
Exchange Difference	-	-58,763	-	-58,763
Net Change	7,49,478	3,38,743	-	10,88,221
Indebtedness at the end of the financial year (31.03.2016)				
i) Principal Amount	9,01,163	24,17,545	-	33,18,708
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	30,318	36,635	-	66,953
Total (i + ii + iii)	9,31,481	24,54,180	-	33,85,661

Attachment I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Rs. in lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Sanjay Mashruwala	Mathew Oommen*	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	396.87	-	396.87
	(b) Value of perquisites u/s 17(2)Income-tax Act, 1961	2.63	-	2.63
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	— as % of profit	-	-	-
	— others, specify...	-	-	-
5	Others, (Provident Fund, Superannuation)	9.70	-	-
	Total (A)	409.20	-	-
	Ceiling as per the Act	473.72	1,074.46	

*Appointed as Managing Director on 01.08.2015 and Ceased to be Managing Director on 18.01.2016

Attachment J

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**B. Remuneration to other directors:**

Rs. in lakhs

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Dipak C. Jain	Adil Zainulbhai	Mohanbir Singh Sawhney	Shumeet Banerji	
1	Independent Directors					
	• Fee for attending board/ committee meetings	3.75	3.75	1.75	1.00	10.25
	• Commission					
	• Others, please specify					
	Total (1)	3.75	3.75	1.75	1.00	10.25
2	Other Non-Executive Directors					
	• Fee for attending board/ committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)					
	Total (B) = (1 + 2)	3.75	3.75	1.75	1.00	10.25
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	One lakh rupees per meeting of the Board or Committee				

Attachment K

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Rs. in lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary (Jyoti Jain)	CFO (Rajneesh Jain)	
1	Gross salary		35.17	157.00	192.17
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		0.61	0.50	1.11
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	— as % of profit				
	— others, specify...				
5	Others, (Provident Fund, Superannuation)		1.49	6.30	7.79
	Total		37.27	163.80	201.07

Attachment L

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type		Section of the Companies Act	Brief Description	Details of Penalty / punishment / compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give details)
A	Company					
	Penalty					
	Punishment					
	Compounding					
B	Directors					
	Penalty					
	Punishment					
	Compounding					
C	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					

NIL

For and on behalf of the Board of Directors

Mukesh D. Ambani
Chairman

Date: July 14, 2016
Place: Mumbai

Independent Auditor's Report

TO THE MEMBERS OF RELIANCE JIO INFOCOMM LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Reliance Jio Infocomm Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Profit and Loss Statement and the Cash Flow Statement for the year then ended, and a summary of the 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 matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 misstatements.

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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 26(a)(iii) to the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There are no amount which are required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“CARO 2016”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of CARO 2016.

For **Chaturvedi & Shah**
Chartered Accountants
(Registration No.101720W)

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

For **Atul Kulshrestha & Co.**
Chartered Accountants
(Registration No.013768N)

R. Koria
Partner
Membership No. 35629

Abhijit A. Damle
Partner
Membership No. 102912

R. Varadharajan
Partner
Membership No. 207728

Mumbai, dated 21st April, 2016

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

We have audited the internal financial controls over financial reporting of **RELIANCE JIO INFOCOMM LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Chaturvedi & Shah**
Chartered Accountants
(Registration No.101720W)

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

For **Atul Kulshrestha & Co.**
Chartered Accountants
(Registration No.013768N)

R. Koria
Partner
Membership No. 35629

Abhijit A. Damle
Partner
Membership No. 102912

R. Varadharajan
Partner
Membership No. 207728

Mumbai, dated 21st April, 2016

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2, under ‘Report on Other Legal and Regulatory Requirements’ section of our Report of even date)

- i. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii. The nature of Company’s activities during the year does not involve the use of inventory. Accordingly, clause (ii) of paragraph 3 of CARO 2016 is not applicable to the Company.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured and unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) of paragraph 3 of CARO 2016 is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- vi. According to the information and explanations given to us, the Companies (Cost Records and Audit) Rules, 2014, as amended and specified by the Central Government under Section 148(1) of the Companies Act, 2013 are not applicable to the Company. Accordingly, clause (vi) of paragraph 3 of the CARO 2016 is not applicable to the Company.
- vii. In respect of statutory dues:
 - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.
 - b) There are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, , Duty of Excise and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- ix. In our opinion and according to the information and explanations given to us, monies raised by way of term loans have, *prima facie*, been applied by the Company during the year for the purposes for which they were raised. The Company has not raised monies by way of initial public offer or further public offer (including debt instruments).
- x. In our opinion and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Shah**
Chartered Accountants
(Registration No.101720W)

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

For **Atul Kulshrestha & Co.**
Chartered Accountants
(Registration No.013768N)

R. Koria
Partner
Membership No. 35629

Abhijit A. Damle
Partner
Membership No. 102912

R. Varadharajan
Partner
Membership No. 207728

Mumbai, dated 21st April, 2016

Balance Sheet as at 31st March, 2016

(Rs. in lakh)

	Note	As at 31st March, 2016	As at 31st March, 2015
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	45125,00	30125,00
(b) Reserves and Surplus	3	(74,71)	(50,83)
		45050,29	30074,17
2 Non - Current Liabilities			
(a) Long Term Borrowings	4	30282,48	18691,29
(b) Deferred Payment Liabilities	5	13820,75	7388,04
(c) Other Long Term Liabilities	6	2266,34	1545,47
		46369,57	27624,80
3 Current Liabilities			
(a) Short Term Borrowings	7	2569,29	8
(b) Other Current Liabilities	8	41697,58	24297,83
(c) Short Term Provisions	9	39,90	18,21
		44306,77	24316,12
TOTAL		135726,63	82015,09
II ASSETS			
1 Non - Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	936,91	882,11
(ii) Intangible Assets	11	2,82	3,67
(iii) Capital Work-in-Progress	12	68806,60	37595,65
(iv) Intangible Assets under Development	12	49543,27	34702,12
Total		119289,60	73183,55
(b) Non-Current Investments	13	814,84	524,36
(c) Long Term Loans and Advances	14	7895,52	4224,29
(d) Other Non-Current Assets	15	27,70	14,11
		128027,66	77946,31
2 Current Assets			
(a) Current Investments	16	18,50	268,00
(b) Trade Receivables	17	1	3
(c) Cash and Bank Balances	18	15,31	27,01
(d) Short Term Loans and Advances	19	7610,98	3680,98
(e) Other Current Assets	20	54,17	92,76
		7698,97	4068,78
TOTAL		135726,63	82015,09
Significant Accounting Policies	1		
Notes to the Financial Statements	2 - 41		

As per our Report of even date

For and on behalf of the Board

For Chaturvedi & Shah
Chartered Accountants
Firm Regn No: 101720W

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/
W-100018

For Atul Kulshrestha & Co
Chartered Accountants
Firm Regn No: 013768N

R.Koria
Partner
Membership No: 35629

Abhijit A. Damle
Partner
Membership No: 102912

R.Varadharajan
Partner
Membership No: 207728

Mukesh D. Ambani
Chairman
DIN : 00001695

Isha M. Ambani
Director
DIN : 06984175

Prof. Dipak C. Jain
Director
DIN: 00228513

Rajneesh Jain
Chief Financial Officer
PAN: ABFPJ1815L

Manoj H. Modi
Director
DIN : 00056207

Sanjay Mashruwala
Managing Director
DIN : 01259774

Ranjit V. Pandit
Director
DIN: 00782296

Jyoti Jain
Company Secretary
Membership No.: A18825

Akash M. Ambani
Director
DIN : 06984194

Adil Zainulbhai
Director
DIN: 06646490

Shumeet Banerji
Director
DIN: 02787784

Place: Mumbai
Date: 21st April, 2016

Profit and Loss Statement for the year ended 31st March, 2016

	Note	2015-16	(Rs. in lakh) 2014-15
INCOME			
I	Revenue from Operations	21	4
II	Other Income	22	3,22
	Total Revenue	3,26	1,37
III EXPENDITURE			
	Employee Benefits Expense	23	4,08
	Finance Costs (Interest)		1,43
	Depreciation and Amortisation Expense		4,33
	Operating and Other expenses	24	17,30
	Total Expenses	27,14	24,49
IV	Loss for the year	(23,88)	(23,12)
V	Earnings per equity share of face value Rs. 10 each		
	Basic (in Rupees)	30	(0.01)
	Diluted (in Rupees)	30	(0.01)
	Significant Accounting Policies	1	
	Notes to the Financial Statements	2 - 41	

As per our Report of even date

For and on behalf of the Board

For Chaturvedi & Shah
Chartered Accountants
Firm Regn No: 101720W

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/
W-100018

For Atul Kulshrestha & Co
Chartered Accountants
Firm Regn No: 013768N

Mukesh D. Ambani
Chairman
DIN : 00001695

Manoj H. Modi
Director
DIN : 00056207

Akash M. Ambani
Director
DIN : 06984194

R.Koria
Partner
Membership No: 35629

Abhijit A. Damle
Partner
Membership No: 102912

R.Varadharajan
Partner
Membership No: 207728

Isha M. Ambani
Director
DIN : 06984175

Sanjay Mashruwala
Managing Director
DIN : 01259774

Adil Zainulbhai
Director
DIN : 06646490

Prof. Dipak C. Jain
Director
DIN: 00228513

Ranjit V. Pandit
Director
DIN: 00782296

Shumeet Banerji
Director
DIN: 02787784

Place: Mumbai
Date: 21st April, 2016

Rajneesh Jain
Chief Financial Officer
PAN: ABFJP1815L

Jyoti Jain
Company Secretary
Membership No.: A18825

Cash Flow Statement for the year 2015-16

	2015-16	(Rs. in lakh) 2014-15
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss Before Tax as per Profit and Loss Statement	(23,88)	(23,12)
Adjusted for:		
Depreciation and Amortisation Expense	4,33	3,36
Interest Income	(90)	(49)
Profit on Sale of Current Investments (Net)	(1,92)	(72)
Loss on Sale of Fixed Assets	25	41
Interest and Finance charges	1,43	1,63
Operating Loss before Working Capital Changes	(20,69)	(18,93)
Adjusted for:		
Trade and Other Receivables	(4371,36)	(2843,94)
Trade and Other Payables	25,93	61,21
Cash used in Operations	(4366,13)	(2801,66)
(Taxes Paid) / Refund	26	-
Net Cash used in Operating Activities	(4365,87)	(2801,66)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (Including movement in Capital Work in Progress and Intangible Assets Under Development)	(17633,77)	(9537,32)
Sale of Fixed Assets	40	2,23
Purchase of Investments	(36738,80)	(15104,60)
Sale of Investments	37004,70	14843,87
Purchase of Investment in Subsidiaries	(290,48)	(273,03)
Interest Income	5	1,01
Fixed Deposits / Margin Money with the banks	(1,94)	(1,78)
Net Cash used in Investing Activities	(17659,84)	(10069,62)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Equity Shares	15000,00	7053,00
Proceeds from Long Term Borrowings	11336,77	7181,26
Repayment of Long Term Borrowings	(3611,39)	(24,55)
Proceeds from Short Term Borrowings	30263,74	13000,40
Repayment of Short Term Borrowings	(27703,03)	(13005,85)
Interest and Finance Charges Paid	(3274,02)	(1345,26)
Net Cash from Financing Activities	22012,07	12859,00
Net (Decrease) in Cash and Cash Equivalents	(13,64)	(12,28)
Opening Balance of Cash and Cash Equivalents	19,26	31,54
Closing Balance of Cash and Cash Equivalents (Refer Note 18)	5,62	19,26

As per our Report of even date

For and on behalf of the Board

For Chaturvedi & Shah
Chartered Accountants
Firm Regn No: 101720W

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/
W-100018

For Atul Kulshrestha & Co
Chartered Accountants
Firm Regn No: 013768N

Mukesh D. Ambani
Chairman
DIN : 00001695

Isha M. Ambani
Director
DIN : 06984175

Prof. Dipak C. Jain
Director
DIN: 00228513

Rajneesh Jain
Chief Financial Officer
PAN: ABFPJ1815L

Manoj H. Modi
Director
DIN : 00056207

Sanjay Mashruwala
Managing Director
DIN : 01259774

Ranjit V. Pandit
Director
DIN: 00782296

Jyoti Jain
Company Secretary
Membership No.: A18825

Akash M. Ambani
Director
DIN : 06984194

Adil Zainulbhai
Director
DIN: 06646490

Shumeet Banerji
Director
DIN: 02787784

R.Koria
Partner

Membership No: 35629

Abhijit A. Damle
Partner

Membership No: 102912

R.Varadharajan
Partner

Membership No: 207728

Place: Mumbai
Date: 21st April, 2016

Significant Accounting Policies

1 SIGNIFICANT ACCOUNTING POLICIES

A BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lakh.

B 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. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

C FIXED ASSETS

(i) Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, 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 disclosed under 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.

D OPERATING LEASE - As a Lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Profit and Loss Statement on a straight line basis over the period of the lease, except lease rental pertaining to the period upto the date of commissioning of assets are capitalised.

E DEPRECIATION AND AMORTISATION

(i) Tangible Assets

Depreciation on fixed assets is provided on straight line method over their useful life and in the manner prescribed in Schedule II to the Companies Act, 2013. Leasehold land is amortised on a straight line basis over the period of lease. Leasehold improvements are depreciated on a straight line basis over the period of lease or the useful life whichever is lower.

(ii) Intangible Assets

These are amortised as under:-

Sr. No.	Particulars	Amortisation
1	Softwares	Over a period of 5 to 10 years
2	Internet Service Provider (ISP) License Fee	Amortised equally over the remainder of the License period of 15 Years from the date of commencement of the commercial operation.
3	Broadband Wireless Access (BWA) Spectrum Fees and 800 MHz/1800 MHz Spectrum Fees	Will be amortised from the date of commencement of commercial operation over the balance validity period.

Notes on Financial Statements for the year ended 31st March, 2016

F IMPAIRMENT

The Company assesses at each reporting date as to whether there is any indication that an asset (tangible and intangible) may be impaired. An asset is treated as impaired, when the carrying cost of the asset exceeds its recoverable value. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

An impairment loss is charged to Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in previous accounting period is reversed if there has been a change in the estimate of recoverable amount.

G FOREIGN CURRENCY TRANSACTIONS

- (i) Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of transaction or that approximates the actual rate on the date of the transaction.
- (ii) Monetary items denominated in foreign currency at the year end are restated at the year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) In respect of integral foreign operations, all transactions are translated at rates prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Monetary assets and liabilities are restated at the year end rates.
- (v) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Statement except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

H INVESTMENTS

Current Investments are carried at lower of cost and quoted / fair value, computed category wise. Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

Investments that are readily realisable and intended to be held for not more than 12 months from the date of acquisition are classified as current investment. All other investments are classified as non-current investments.

I REVENUE RECOGNITION

- (i) Revenue from services are recognised when services have been rendered and no significant uncertainty to collectability exists. The revenue is recognised net of discounts and services tax.
- (ii) Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- (iii) Dividend income is recognized when right to receive payment is established.

J EMPLOYEE BENEFITS

(i) Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

Notes on Financial Statements for the year ended 31st March, 2016

(ii) Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement / Project Development expenditure during the period in which the employee renders the related service.

Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss Statement / Project Development expenditure.

K BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

L FINANCIAL DERIVATIVE TRANSACTIONS

In respect of derivative contracts, premium paid, gains/losses on settlement and losses on restatement are recognised in the Profit and Loss Statement except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

M 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.

N 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 on Financial Statements for the year ended 31st March, 2016

(Rs. in lakh)

2 Share Capital

Authorised Share Capital:

		As at 31st March, 2016	As at 31st March, 2015
5000,00,00,000 (5000,00,00,000)	Equity Shares of Rs. 10 each	50000,00	50000,00
13,00,00,000 (13,00,00,000)	Preference Shares of Rs. 10 each	130,00	130,00
		50130,00	50130,00

Issued, Subscribed and Paid up:

4500,00,00,000 (3000,00,00,000)	Equity Shares of Rs. 10 each fully paid up	45000,00	30000,00
12,50,00,000 (12,50,00,000)	0.1% Non Cumulative Optionally Convertible Preference Shares of Rs. 10 each fully paid up (Refer Note 2.6)	125,00	125,00
	TOTAL	45125,00	30125,00

2.1 Terms/rights attached to equity shares:

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

2.2 Terms/ rights attached to Preference Shares:

0.1% Non Cumulative Optionally Convertible Preference Shares are convertible into 2 equity shares of Rs. 10 each at any time not later than June 29, 2030 at the option of company. The preference shareholders will carry the voting rights if no dividend is paid for a period of 2 years. In the event the shares are not converted, these will be redeemed at any time at the option of the Company at Rs. 20 each but not in any case later than June 29, 2030.

2.3 Aggregate numbers of Shares issued for consideration other than cash during the period of 5 years immediately preceding the reporting date:

Pursuant to the Scheme of Amalgamation 25,25,10,000 equity shares of Rs. 10 each and 12,50,00,000 0.1% Non Cumulative Redeemable Preference Shares of Rs. 10 each were issued and allotted as fully paid up without payment being received in cash during the year 2010-11.

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

Particulars	Equity Shares			
	2015-16		2014-15	
	No. of Shares	Rs. in lakh	No. of Shares	Rs. in lakh
No. of shares at the beginning of the year	3000,00,00,000	30000,00	2294,70,00,000	22947,00
Add: Issue of Shares	1500,00,00,000	15000,00	705,30,00,000	7053,00
No. of shares at the end of the year	4500,00,00,000	45000,00	3000,00,00,000	30000,00
	0.1% Non Cumulative Optionally Convertible Preference Shares			
	2015-16		2014-15	
	No. of Shares	Rs. in lakh	No. of Shares	Rs. in lakh
No. of shares at the beginning of the year (Refer Note 2.6)	12,50,00,000	125,00	12,50,00,000	125,00
Add: Issue of Shares	-	-	-	-
No. of shares at the end of the year	12,50,00,000	125,00	12,50,00,000	125,00

Notes on Financial Statements for the year ended 31st March, 2016

2.5 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			
	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Reliance Industries Limited (Holding Company)	4474,74,90,000	99.44%	2974,74,90,000	99.16%
	0.1% Non Cumulative Optionally Convertible Preference Shares			
	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Reliance Industrial Investments and Holdings Limited (Subsidiary of Holding Company) (Refer Note 2.6)	12,50,00,000	100%	12,50,00,000	100%

2.6 During the year, the terms of 12,50,00,000 Preference Shares of Rs. 10 each have been modified from 0.1% Non Cumulative Redeemable Preference Shares to 0.1% Non Cumulative Optionally Convertible Preference Shares. (Refer Note 2.2)

3 Reserves and Surplus	(Rs. in lakh)	
	As at 31st March, 2016	As at 31st March, 2015
Profit and Loss Account		
As per last Balance Sheet	(50,83)	(27,39)
Add: Pursuant to Scheme of amalgamation	-	(24)
Add: Depreciation adjustment (Refer Note 10.1)	-	(8)
Add: Loss for the period	(23,88)	(23,12)
	<u>(74,71)</u>	<u>(50,83)</u>
TOTAL	<u><u>(74,71)</u></u>	<u><u>(50,83)</u></u>

3.1 In view of loss for the year, the Company has not created the Debenture Redemption Reserve for cumulative amount of Rs. 972,89 lakh (Previous Year Rs. 465,31 lakh) in terms of Section 71 of the Companies Act, 2013. The Company shall create the Debenture Redemption Reserve out of profits, if any, in the future years.

4 Long Term Borrowings	(Rs. in lakh)			
	As at 31st March, 2016		As at 31st March, 2015	
	Non Current	Current	Non Current	Current
(I) Secured				
(a) Term Loans - from Banks	1506,37	5,26	1511,67	5,18
(b) Non Convertible Debentures	7500,00	-	-	-
	<u>9006,37</u>	<u>5,26</u>	<u>1511,67</u>	<u>5,18</u>
(II) Unsecured				
(a) Non Convertible Debentures *	7000,00	-	7000,00	-
(b) Term Loans - from Banks	13003,62	31,95	9693,55	3500,00
(c) Term Loans - from Others	1272,49	298,11	486,07	108,32
	<u>21276,11</u>	<u>330,06</u>	<u>17179,62</u>	<u>3608,32</u>
TOTAL	<u><u>30282,48</u></u>	<u><u>335,32</u></u>	<u><u>18691,29</u></u>	<u><u>3613,50</u></u>

Notes on Financial Statements for the year ended 31st March, 2016

4.1 Secured term loans from banks referred to in 4(I)(a) above comprise of the following:

- (a) Loan of Rs. 11,63 lakh (Previous Year Rs. 16,85 lakh) secured by hypothecation of specific vehicles and repayable over a period of 4 years in equated monthly installments.
- (b) Loan of Rs. 1500,00 lakh (Previous Year Rs. 1500,00 lakh)[#] secured by hypothecation of the moveable properties, both present and future, including movable plant and machinery, spares, tools and accessories, furniture, fixtures and vehicles, save and except the telecom licenses and spectrum as well as brand name, goodwill and any intellectual property rights and such of the assets that are procured by using financing from Cisco Systems Capital India Private Limited and carries interest @ 9.5 - 9.8% p.a. compounding monthly repayable in 18 equated quarterly installments starting September, 2017.

Represents amount received from a finance company which obtained the banking license during the current year

4.2 Secured Non Convertible Debentures referred to in 4(I)(b) above are secured by hypothecation of the moveable properties, both present and future, including movable plant and machinery, spares, tools and accessories, furniture, fixtures and vehicles, save and except the telecom licenses and spectrum as well as brand name, goodwill and any intellectual property rights and such of the assets that are procured by using financing from Cisco Systems Capital India Private Limited and consist of:

- (a) 30,000 (Previous Year Nil) 8.25% p.a. Secured Redeemable Non Convertible Debentures (NCD - PPD8) of face value of Rs. 10,00,000/- each, aggregating to Rs. 3000,00 lakh (Previous year Nil) redeemable at par in 3 equal installments on 30th October in the years 2023,2024,2025.
- (b) 10,000 (Previous Year Nil) 8.40% p.a. Secured Redeemable Non Convertible Debentures (NCD - PPD7) of face value of Rs. 10,00,000/- each, aggregating to Rs. 1000,00 lakh (Previous year Nil) redeemable at par on 3rd August, 2018.
- (c) 35,000 (Previous Year Nil) 8.55% p.a. Secured Redeemable Non Convertible Debentures (NCD - PPD6) of face value of Rs. 10,00,000/- each, aggregating to Rs. 3500,00 lakh (Previous year Nil) redeemable at par on 31st July, 2018.

4.3 Debentures referred to in 4(II)(a) above consist of:

- (a) 10,000 (Previous Year 10,000) 9.00% p.a. Unsecured Redeemable Non Convertible Debentures (NCD - PPD5 Option II) of face value of Rs. 10,00,000/- each, aggregating to Rs. 1000,00 lakh (Previous year Rs. 1000,00 lakh) redeemable at par on 21st January, 2025.
- (b) 25,000 (Previous Year 25,000) 9.25% p.a. Unsecured Redeemable Non Convertible Debentures (NCD - PPD3) of face value of Rs. 10,00,000/- each, aggregating to Rs. 2500,00 lakh (Previous year Rs. 2500,00 lakh) redeemable at par on 16th June, 2024.
- (c) 10,000 (Previous Year 10,000) 8.95% p.a. Unsecured Redeemable Non Convertible Debentures (NCD - PPD2) of face value of Rs. 10,00,000/- each, aggregating to Rs. 1000,00 lakh (Previous year Rs. 1000,00 lakh) redeemable at par on 4th October 2020.
- (d) 10,000 (Previous Year 10,000) 8.95% p.a. Unsecured Redeemable Non Convertible Debentures (NCD - PPD1) of face value of Rs. 10,00,000/- each, aggregating to Rs. 1000,00 lakh (Previous year Rs. 1000,00 lakh) redeemable at par on 15th September 2020.
- (e) 10,000 (Previous Year 10,000) 8.90% p.a. Unsecured Redeemable Non Convertible Debentures (NCD - PPD5 Option I) of face value of Rs. 10,00,000/- each, aggregating to Rs. 1000,00 lakh (Previous year Rs. 1000,00 lakh) redeemable at par on 21st January, 2020.
- (f) 5,000 (Previous Year 5,000) 8.95% p.a. Unsecured Redeemable Non Convertible Debentures (NCD - PPD4) of face value of Rs. 10,00,000/- each, aggregating to Rs. 500,00 lakh (Previous year Rs. 500,00 lakh) redeemable at par on 18th November, 2019.

4.4 Unsecured Term Loans from Banks referred to in 4 (II) (b) above comprises of 2 sets of External Commercial Borrowings, loan from banks denominated in United States Dollars and Rupee Loan from Banks and are repayable as follows:

- (a) Loan of Rs. 638,82 lakh (US \$ 96.42 Million) repayable in 20 semi-annual instalments starting December 2016.
- (b) Loan of Rs. 458,50 lakh (US \$ 69.20 Million) repayable in 20 semi-annual instalments starting November 2017.

Notes on Financial Statements for the year ended 31st March, 2016

(c) Loan of Rs. 3312,75 lakh (US \$ 500 Million)

Date	Amount
29th November, 2021	Rs. 1656,38 lakh (US \$ 250 Million)
30th November, 2020	Rs. 1656,38 lakh (US \$ 250 Million)

(d) Loan of Rs. 6625,50 lakh (US \$ 1000 Million)

Date	Amount
28th May, 2020	Rs. 3312,75 lakh (US \$ 500 Million)
28th November, 2019	Rs. 3312,75 lakh (US \$ 500 Million)

(e) Loan of Rs. 2000,00 lakh carries interest rate of 9.30% p.a. and is repayable on 29th May, 2018.

4.5 Unsecured loans from others referred to in 4(II)(c) above carries interest rate of 6 - 6.5% p.a. and is repayable over a period of 6 years in semi-annual installments starting from 6 months from the date of receipt of loan.

4.6 All payment obligations under Unsecured Loans of Rs. 14606,16 lakh (Previous Year Rs. 12287,94 lakh) are guaranteed by Reliance Industries Limited, the Holding company.

* The company has entered into currency and interest rate swap for the entire term of the non convertible debentures (PPD1 and PPD2) in respect of Rs. 1025,00 lakh and corresponding exchange loss of Rs. 470,05 lakh (Previous Year Rs. 385,32 lakh) is disclosed under Other Long Term Liabilities (Refer Note 6)

5 Deferred Payment Liabilities	(Rs. in lakh)	
	As at 31st March, 2016	As at 31st March, 2015
Unsecured		
Payable to DoT towards 1800 MHz Spectrum (Refer Note 5.1)	6649,24	7388,04
Payable to DoT towards 800MHz/1800 MHz Spectrum (Refer Note 5.2)	7171,51	-
TOTAL	13820,75	7388,04

5.1 Represents amount payable towards cost of acquisition of Spectrum of 1800 MHz in 14 Key Service Areas repayable in 10 equated annual installments starting from March, 2017 and carries interest rate of 10% p.a. [Refer Note 40(i)]

5.2 Represents amount payable towards cost of acquisition of Spectrum of 800Mhz/1800 MHz in 13 Key Service Areas repayable in 10 equated annual installments starting from April,2018 and carries interest rate of 10% p.a. [Refer Note 40(ii)]

6 Other Long Term Liabilities	(Rs. in lakh)	
	As at 31st March, 2016	As at 31st March, 2015
(a) Interest accrued but not due on Deferred Payment Liabilities	1605,48	801,75
(b) Interest accrued but not due on Borrowings	18,05	-
(c) Creditors for Capital Expenditure	142,01	240,79
(d) Others*	500,80	502,93
TOTAL	2266,34	1545,47

* Comprises of Premium payable on Forward Contracts and Exchange Loss referred to in Note 4.

Notes on Financial Statements for the year ended 31st March, 2016

	(Rs. in lakh)	
	As at	As at
	31st March, 2016	31st March, 2015
7 Short Term Borrowings		
Unsecured		
Loan repayable on demand		
From Banks		
Rupee Loans	1919,29	8
From Others		
Rupee Loans - Commercial Paper*	650,00	-
TOTAL	<u>2569,29</u>	<u>8</u>

*Maximum amount outstanding at any time during the year was Rs. 6000,00 Lakh (Previous Year Rs. 3000,00 Lakh)

	(Rs. in lakh)	
	As at	As at
	31st March, 2016	31st March, 2015
8 Other Current Liabilities		
(a) Current maturities of Long Term Debt (Secured)	5,26	5,18
(b) Current maturities of Long Term Debt (Unsecured)	330,06	3608,32
(c) Current maturities of Deferred Payment Liabilities	738,80	-
(d) Interest accrued but not due on Borrowings	651,47	378,48
(e) Interest accrued but not due on Deferred Payment Liabilities	716,06	-
(f) Creditors for Capital Expenditure	37925,04	19079,75
(g) Other Payables	1330,89	1226,10
TOTAL	<u>41697,58</u>	<u>24297,83</u>

8.1 Other Payables includes statutory dues, Premium payable on Forward Contracts, etc.

8.2 Disclosures relating to amount unpaid as at year end together with interest paid/ payable to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been determined based on the available information with the Company and are as under:

	(Rs. in lakh)	
	As at	As at
	31st March, 2016	31st March, 2015
1. Principal amount due and remaining unpaid	-	-
2. Interest due thereon	-	-
3. Interest paid by the Company on all delayed payments under the MSMED Act	-	-
4. Payment made beyond the appointed day during the year	-	-
5. Interest due and payable for the period of delay other than (3) above	-	-
6. Interest accrued and remaining unpaid	-	-
7. Further Interest remaining due and payable in succeeding years	-	-

	(Rs. in lakh)	
	As at	As at
	31st March, 2016	31st March, 2015
9 Short Term Provisions		
Provisions for employee benefits	39,90	18,21
TOTAL	<u>39,90</u>	<u>18,21</u>

Notes on Financial Statements for the year ended 31st March, 2016

10 TANGIBLE ASSETS

(Rs. in lakh)

Description	Gross Block				Depreciation				Net Block	
	As at 01-04-2015	Additions	Deductions/ Adjust- ments	As at 31-03-2016	As at 01-04-2015	For the Year	Deductions/ Adjust- ments	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
OWNASSETS:										
Leasehold Land	150,43	2,61	-	153,04	13,22	6,88	-	20,10	132,94	137,21
Freehold Land	16,24	3,67	-	19,91	-	-	-	-	19,91	16,24
Leasehold Improvements	93	-	-	93	19	10	-	29	64	74
Buildings-Temporary Structures	1,53	-	-	1,53	1,15	14	-	1,29	24	38
Plant and Equipments	97,76	129,21	-	226,97	13,02	34,04	-	47,06	179,91	84,74
Construction Equipments	683,81	52	-	684,33	99,95	52,79	-	152,74	531,59	583,86
Office Equipments	20,04	6,84	-	26,88	3,95	2,60	-	6,55	20,33	16,09
Furniture and Fixtures	13,13	2,36	-	15,49	1,96	1,31	-	3,27	12,22	11,17
Vehicles	37,07	12,67	97	48,77	5,39	4,58	33	9,64	39,13	31,68
Total	1020,94	157,88	97	1177,85	138,83	102,44	33	240,94	936,91	882,11
Previous Year Figures	775,04	248,94	3,04	1020,94	64,88	74,32	37	138,83	882,11	

10.1 Pursuant to the enactment of Companies Act 2013, the Company has, in the previous year, applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives. The written down value of fixed Assets whose lives have expired as at 1st April 2014 have been adjusted in the Profit and Loss Statement.

11 INTANGIBLE ASSETS:

(Rs. in lakh)

Description	Gross Block				Depreciation				Net Block	
	As at 01-04-2015	Additions	Deductions/ Adjust- ments	As at 31-03-2016	As at 01-04-2015	For the Year	Deductions/ Adjust- ments	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
Software*	4,04	-	-	4,04	83	75	-	1,58	2,46	3,21
ISP License Fee	20	-	-	20	9	1	-	10	10	11
Others *	43	-	-	43	8	9	-	17	26	35
Total	4,67	-	-	4,67	1,00	85	-	1,85	2,82	3,67
Previous Year Figures	1,23	3,44	-	4,67	16	84	-	1,00	3,67	

* Other than internally generated

Notes on Financial Statements for the year ended 31st March, 2016

12 Capital Work-in-Progress and Intangible Assets under Development:

The Company emerged as a successful bidder in all the 22 circles in the 2300 MHz band, 18 circles in the 1800 MHz band and 10 circles in the 800 MHz band in the auction for Spectrum conducted by the Department of Telecommunications, Government of India. The Company is implementing Digital Services project (“Project”) and the expenditure towards the same comprises of Capital Work in Progress amounting to Rs. 68806,60 Lakh (Previous Year Rs. 37595,65 Lakh) and Intangible Assets under Development amounting to Rs. 49543,27 Lakh (Previous Year Rs. 34702,12 Lakh).

Capital Work-in-Progress includes:

- Rs. 13796,02 Lakh (Previous Year Rs. 10280,31 Lakh) on account of capital goods inventory.
- Rs. 636,34 Lakh (Previous Year Rs. 153,94 Lakh) on account of foreign currency exchange loss (net).
- Rs. 15028,18 Lakh (Previous Year Rs. 5999,98 Lakh) on account of Project Development Expenditure.

Project Development Expenditure as detailed below:	2015-16	(Rs. in Lakh) 2014-15
Opening Balance	5999,98	1875,37
Add:		
Salaries and Wages	1430,81	656,36
Contribution to Provident and other Funds	72,60	43,79
Staff Welfare Expenses	84,17	27,46
Depreciation	98,96	71,80
Insurance	21,97	18,28
Travelling Expenses	77,72	41,36
Professional Fees	1668,13	1129,62
Interest and Finance charges	2802,07	1059,24
Rent	1305,36	836,58
Repairs and Maintenance	401,76	20,71
Power and Fuel	669,63	25,66
Other Expenses	413,63	201,17
Less: Other Income*	(18,61)	(7,42)
Closing Balance	<u>15028,18</u>	<u>5999,98</u>

* Includes Interest Income of Rs. 1,84 lakh (Previous Year Rs. 91 Lakh) and Profit on sale of Current Investment Rs. 14,48 Lakh (Previous Year Rs. 6,45 Lakh)

Intangible Assets under Development includes:

- Payment of Rs. 12847,77 Lakh (Previous Year Rs. 12847,77 Lakh) to Department of Telecommunications, Government of India, towards allotment of Broadband Wireless Spectrum of 2300 MHz of 20 MHz each in all 22 telecom circles valid for a period of 20 years from 17th August 2010.
- Payment of Rs. 1673,46 Lakh (Previous Year Rs. 1673,46 Lakh) to Department of Telecommunications, Government of India, towards grant of Unified License in all 22 telecom circles valid for a period of 20 years from 21st October, 2013.
- Rs. 11026,93 Lakh (Previous Year Rs. 11026,93 Lakh) being cost of acquisition of Spectrum of 1800 MHz in 14 telecom circles valid for a period of 20 years from 8th September, 2014.

Notes on Financial Statements for the year ended 31st March, 2016

- (d) Rs. 7876,42 Lakh (Previous Year Nil) being cost of acquisition of Spectrum of 800 MHz in 10 telecom circles valid for a period of 20 years from 28th May, 2015.
- (e) Rs. 1886,86 Lakh (Previous Year Nil) being cost of acquisition of Spectrum of 1800 MHz in 6 telecom circles valid for a period of 20 years from 27th May, 2015.
- (f) Rs. 127,04 Lakh (Previous Year Rs. 127,04 Lakh) being cost of acquisition of Spectrum charges in accordance with the Scheme of Amalgamation in year ended March, 2011.
- (g) Rs. 2602,22 Lakh (Previous Year Rs. 2003,72 Lakh) on account of foreign currency exchange loss (net).
- (h) Rs. 7579,43 Lakh (Previous Year Rs. 5153,83 Lakh) on account of Project Development Expenditure.

Project Development Expenditure as detailed below:	2015-16	(Rs. in Lakh) 2014-15
Opening Balance	5153,83	2753,20
Add:		
Interest	2190,75	1415,40
Other Borrowing Costs	14,94	148,36
Loss / (Gain) on Derivative Contracts	11,46	57,48
Premium on Forward Exchange Contract	115,46	742,47
Spectrum Usage Charges/License Fees	47,35	16,16
Maintenance cost on fibre taken on IRU	45,64	20,76
Closing Balance	7579,43	5153,83

13 Non Current Investments (Long Term Investments) (Valued at cost less other than temporary diminution in value, if any)	As at 31st March, 2016	(Rs. in lakh) As at 31st March, 2015
Trade Investments		
In Equity Shares of wholly owned subsidiary companies -		
Unquoted, fully paid up		
980,00,000 (Previous Year 666,00,000) shares of USD 1 each in Reliance Jio Infocomm Pte Limited	604,66	399,68
1,000 (Previous Year 1,000) shares of USD 0.01 each in Reliance Jio Infocomm USA Inc. [including additional paid in capital of USD 32,497,654 (previous year USD 198,92,654)]	202,25	121,38
8,00,000 (Previous Year 3,33,333) shares of GBP 1 each in Reliance Jio Infocomm UK Ltd	7,93	3,30
TOTAL	814,84	524,36
Aggregate amount of Unquoted Investments	814,84	524,36

14 Long Term Loans and Advances (Unsecured and Considered Good)	As at 31st March, 2016	(Rs. in lakh) As at 31st March, 2015
(a) Capital Advances (Refer Note 41)	6680,71	3441,70
(b) Security Deposits	1212,87	782,15
(c) Advance Income Tax and TDS	1,94	44
TOTAL	7895,52	4224,29

Notes on Financial Statements for the year ended 31st March, 2016

		(Rs. in lakh)	
		As at	As at
15 Other Non-Current Assets		31st March, 2016	31st March, 2015
Others*		27,70	14,11
TOTAL		27,70	14,11
* On account of revaluation of Forward Contracts			
		(Rs. in lakh)	
		As at	As at
16 Current Investments		31st March, 2016	31st March, 2015
<i>(Carried at lower of cost and fair value)</i>			
Other Investments			
In Mutual Fund Units - Unquoted			
77,962 (Previous Year 7,65,504) units of SBI-Premier Liquid Fund - Growth Option (Face value of Rs. 1,000 each)		18,50	168,00
Nil (Previous Year 48,30,864) units of ICICI Prudential Liquid Fund - Direct Plan - Growth Option (Face value of Rs. 10 each)		-	100,00
TOTAL		18,50	268,00
Aggregate amount of Unquoted Investments		18,50	268,00
		(Rs. in lakh)	
		As at	As at
17 Trade Receivables		31st March, 2016	31st March, 2015
<i>(Unsecured and considered good)</i>			
Over six months		-	-
Others		1	3
TOTAL		1	3
		(Rs. in lakh)	
		As at	As at
18 Cash and Bank Balances		31st March, 2016	31st March, 2015
Cash and Cash Equivalents			
Balances with Banks in current accounts		5,62	19,26
Other bank balances			
Fixed Deposits with Banks		9,39	7,45
Margin Money Deposit		30	30
TOTAL		15,31	27,01

18.1 Fixed Deposits with Banks have been pledged with Semi government authorities and includes deposits of Rs. 2,85 Lakh (Previous Year Rs. 2,89 Lakh) with maturity of more than 12 months.

18.2 Margin Money Deposit held with banks against bank guarantee issued with maturity more than 12 months.

Notes on Financial Statements for the year ended 31st March, 2016

	As at 31st March, 2016	(Rs. in lakh) As at 31st March, 2015
19 Short Term Loans and Advances (Unsecured and Considered Good)		
(a) Balance with Customs, Central Excise Authorities	5939,77	2829,68
(b) Other Loans and Advances	1671,21	851,30
TOTAL	7610,98	3680,98

19.1 Other Loans and Advances includes CENVAT credit pending for credit availment of Rs. 1384,29 Lakh (Previous Year Rs. 740,54 Lakh) and loans to employees as per the Company policy.

	As at 31st March, 2016	(Rs. in lakh) As at 31st March, 2015
20 Other Current Assets		
Others*	54,17	92,76
TOTAL	54,17	92,76

*Includes revaluation of Forward Contracts

	2015-16	(Rs. in lakh) 2014-15
21 Revenue from Operations		
Sale of Services	4	4
Less: Service Tax recovered [Rs. 53,865 (Previous Year Rs. 42,472)]	0	0
TOTAL	4	4

	2015-16	(Rs. in lakh) 2014-15
22 Other Income		
i Interest Income	90	49
ii Profit on sale of current investments	1,92	72
iii Commission on Corporate Guarantee	1	3
iv Others	39	9
TOTAL	3,22	1,33

	2015-16	(Rs. in lakh) 2014-15
23 Employee Benefits Expense		
i Salaries and Wages	3,67	2,87
ii Contribution to Provident and Other Funds	19	19
iii Staff Welfare Expenses	22	10
TOTAL	4,08	3,16

Notes on Financial Statements for the year ended 31st March, 2016

		(Rs. in lakh)	
24 Operating & Other Expenses	2015-16	2014-15	
(i) Operating Expenses			
License Fees	1,60	70	
Network and other Operating Expenses	4	6	
	1,64	6	76
(ii) Other Expenses			
Repairs and Maintenance - Others	75	92	
Insurance	50	32	
Rates and Taxes	54	20	
Professional Fees	99	1,20	
Payment to Auditors	77	72	
Sponsorship Expenses	69	3,70	
Travelling Expenses	5	1	
Telephone Expenses	7	3	
Training Expenses	64	1,09	
Printing and Stationery	68	54	
Subscription Fees	69	4	
Loss on Sale of Fixed Assets	25	41	
General Expenses	9,04	6,40	
	15,66	15,58	
TOTAL	17,30	16,33	

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

		(Rs. in lakh)	
26 Contingent Liabilities and Commitments	As at	As at	
(To the extent not provided for)	31st March, 2016	31st March, 2015	
(a) Contingent Liabilities			
(i) Corporate Guarantees	19,30	19,30	
(ii) Bank Guarantees	5029,84	7270,76	
(iii) Claims/disputed liabilities against the Company not acknowledged as debts *	95,86	56,30	
* The disputed liabilities are not likely to have any material effect on financial position of the Company.			
(b) Commitments			
(i) Estimated amount of contracts remaining to be executed on Capital account not provided for	12332,03	16445,37	

Notes on Financial Statements for the year ended 31st March, 2016

27 As per Accounting Standard 15 "Employee benefits" the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	(Rs. in lakh)	
	2015-16	2014-15
Employer's Contribution to Provident Fund	43,08	20,99
Employer's Contribution to Superannuation Fund	56	48
Employer's Contribution to Pension Fund	15,10	5,35

Defined Benefit Plan

I) Reconciliation of opening and closing balances of Defined Benefit Obligation	(Rs. in lakh)			
	Gratuity (Funded)		Compensated Absences (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
Defined Benefit obligation at beginning of the year	25,25	6,92	18,17	7,13
Add: Transfers	2,27	22	-	4
Current Service Cost	9,21	4,30	2,82	1,33
Interest Cost	2,02	55	1,45	57
Actuarial (gain) / loss	5,98	13,51	19,39	10,03
Benefits paid	(1,89)	(25)	(1,98)	(93)
Defined Benefit obligation at year end	42,84	25,25	39,85	18,17

II) Reconciliation of opening and closing balances of fair value of Plan Assets	(Rs. in lakh)			
	Gratuity (Funded)		Compensated Absences (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
Fair value of Plan assets at beginning of the year	25,25	6,92	-	-
Add: Transfers	2,27	22	-	-
Expected return on plan assets	2,02	55	-	-
Actuarial gain / (loss)	58	16	-	-
Employer contribution	14,61	17,65	-	-
Benefits paid	(1,89)	(25)	-	-
Fair value of Plan assets at year end	42,84	25,25	-	-
Actual Return on plan assets	2,59	71	-	-

III) Reconciliation of fair value of assets and obligations	(Rs. in lakh)			
	Gratuity (Funded)		Compensated Absences (Unfunded)	
	As at 31st March 2016	2015	As at 31st March 2016	2015
Fair value of Plan assets	42,84	25,25	-	-
Present value of obligation	42,84	25,25	39,85	18,17
Amount recognised in Balance Sheet	-	-	39,85	18,17

Notes on Financial Statements for the year ended 31st March, 2016

IV) Expenses recognised during the year	(Rs. in lakh)			
	Gratuity (Funded)		Compensated Absences (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
Current Service Cost	9,21	4,30	2,82	1,33
Interest Cost	2,02	55	1,45	57
Expected return on Plan assets	(2,02)	(55)	-	-
Actuarial (gain) / loss	5,40	13,35	19,39	10,03
Net Cost	14,61	17,65	23,66	11,93

V) Investment Details:	As at 31st March, 2016		As at 31st March, 2015	
	(Rs. in lakh)	% invested	(Rs. in lakh)	% invested
Insurance Policies	42,84	100	25,25	100

VI) Actuarial assumptions

	Gratuity (Funded)		Compensated Absences (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
Mortality Table	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets (per annum)	8.00%	8.00%	N.A.	N.A.
Rate of escalation in salary (per annum)	6.00%	6.00%	6.00%	6.00%

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

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

VII) Amounts recognised in current year and previous four years						(Rs. in lakh)
Particulars	As at 31st March					
	2016	2015	2014	2013	2012	
Gratuity						
Defined benefit obligation	42,84	25,25	6,92	1,63	44	
Fair value of plan assets	42,84	25,25	6,92	1,63	44	
Actuarial (gain) / loss on plan obligation	5,98	13,51	56	11	1	
Actuarial (gain) / loss on plan assets	(58)	16	3	-	-	

VIII) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2015-16

Notes on Financial Statements for the year ended 31st March, 2016

28 During the current year, the Company is required to provide for cumulative amount of Rs. 35,98 lakh (Previous Year Rs. 29,73 lakh) on prorata basis towards premium payable on redemption of Preference Shares. In view of loss for the year, the Company has not provided for the said premium on preference shares. The Company shall provide the Premium on Preference Shares out of profits, if any, in the future years.

29 Deferred Tax Asset (net) is not recognised on consideration of prudence.

30 Earnings Per Share (EPS)	2015-16	2014-15
<u>Basic Earnings Per Share</u>		
i. Loss for the year as per Profit and Loss Statement (Rs. in lakh)	(23,88)	(23,12)
ii. Weighted Average number of equity shares used as denominator for calculating EPS	3036,88,52,459	2296,63,23,288
iii. Basic Earnings per share (Rs.)	(0.01)	(0.01)
iv. Face Value per equity share (Rs.)	10	10
<u>Diluted Earnings Per Share (Refer Note below)</u>		
i. Loss for the year as per Profit and Loss Statement (Rs. in lakh)	(23,88)	(23,12)
ii. Weighted Average number of equity shares used as denominator for calculating EPS	3036,88,52,459	2296,63,23,288
iii. Number of Equity Shares to be issued on conversion of Non Cumulative Optionally Convertible Preference Shares	25,00,00,000	-
iv. Weighted Average number of equity shares used as denominator for calculating diluted EPS	<u>3061,88,52,459</u>	<u>229,663,23,288</u>
v. Diluted Earnings per share (Rs.)	(0.01)	(0.01)
vi. Face Value per equity share (Rs.)	10	10

Note: The effect of potential Equity shares to be issued at the time of conversion of optionally convertible preference shares is anti-dilutive in nature and hence not considered in calculation of diluted earnings per share.

Notes on Financial Statements for the year ended 31st March, 2016

31 Related Party Disclosures

(i) List of related parties with whom transactions have taken place and relationship:-

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Holding Company
2	Reliance Jio Infocomm Pte Ltd.	Subsidiary Company
3	Reliance Jio Infocomm USA Inc.	
4	Reliance Jio Infocomm UK Ltd	
5	Reliance Jio Global Resources LLC (w.e.f. 15th January, 2015)	
6	Reliance Industrial Investments and Holdings Limited	
7	Reliance Retail Limited	Fellow Subsidiary
8	Reliance Universal Traders Private Limited	
9	Reliance Corporate IT Park Limited	
10	Strategic Manpower Solutions Limited	
11	Reliance Payment Solutions Limited	
12	Reliance Security Solutions Limited	
13	Reliance Strategic Investments Limited	
14	Reliance Jio Media Private Limited	
15	Reliance Jio Messaging Services Private Limited	
16	Reliance Jio Digital Services Private Limited	
17	Reliance Progressive Traders Private Limited	
18	Reliance Eminent Trading & Commercial Private Limited	
19	Reliance Prolific Traders Private Limited	
20	Reliance Petro Marketing Limited	
21	Reliance Jio Infratel Private Limited	
22	Sh. Sanjay Mashruwala	Key Managerial Personnel
23	Sh. Sandip Das (upto 15th January 2015)	
24	Sh. Mathew Oommen (from 1st August, 2015 to 18th January 2016)	
25	Sh. Rajneesh Jain (w.e.f. 15th January, 2015)	
26	Sh. V. Subramaniam (from 9th June, 2014 to 15th January, 2015)	
27	Sh. Jagdish Patra (upto 18th July, 2014)	
28	Sh. Jyoti Jain (w.e.f. 19th July, 2014)	

Notes on Financial Statements for the year ended 31st March, 2016

(ii) Transactions during the year with related parties - 2015-16

(Rs. in lakh)

Sr. No.	Nature of Transactions (excluding reimbursements)	Holding Company	Subsidiary	Fellow Subsidiary	Key Managerial Personnel	Total
1	Purchase / Subscription of Investment	-	290,48	-	-	290,48
		-	(273,03)	-	-	(273,03)
2	Shares issued and allotted	15000,00	-	-	-	15000,00
		(7053,00)	-	-	-	(7053,00)
3	Guarantee Charges	14,21	-	-	-	14,21
		(12,52)	-	-	-	(12,52)
4	Income from Guarantee Commission	-	-	-	-	-
		-	(6)	-	-	(6)
5	Purchase of Fixed Assets/Project Development Expenditure	469,43	118,22	171,05	-	758,70
		(372,35)	(11,32)	(2500,46)	-	(2884,13)
6	General Expenses	-	-	1,48	-	1,48
		-	-	(42)	-	(42)
7	Repairs and Maintenance	-	-	109,34	-	109,34
		-	-	-	-	-
8	Business Support Service/Professional Fees	-	-	400,99	-	400,99
		-	-	(691,35)	-	(691,35)
9	Interest paid	20,47	-	-	-	20,47
		(28,01)	-	-	-	(28,01)
10	Loan taken	4080,00	-	-	-	4080,00
		(4710,66)	-	-	-	(4710,66)
11	Loan repaid	4080,00	-	-	-	4080,00
		(4710,66)	-	-	-	(4710,66)
12	Sale of Fixed Assets	-	-	-	-	-
		-	-	(1,75)	-	(1,75)
13	Payment to Key Managerial Personnel	-	-	-	6,10	6,10
		-	-	-	(6,78)	(6,78)
Balances as at 31st March, 2016						(Rs. in lakh)
14	Other Payables	31,47	43,73	8338,10	-	8413,30
		(31,35)	(2,90)	(3415,99)	-	(3450,24)
15	Other current assets	-	-	2,68	-	2,68
		-	(6)	(66)	-	(72)
16	Corporate Guarantees taken	15419,16	-	-	-	15419,16
		(12769,73)	-	-	-	(12769,73)
17	Investments	-	814,84	-	-	814,84
		-	(524,36)	-	-	(524,36)
18	Share Capital	44747,49	-	125,00	-	44872,49
		(29747,49)	-	(125,00)	-	(29872,49)
19	Bank Guarantees taken	12,23	-	-	-	12,23
		(15,71)	-	-	-	(15,71)

Note: Figures in brackets represent previous year's amounts.

Notes on Financial Statements for the year ended 31st March, 2016

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

Particulars	Relationship	2015-16	2014-15
1 Purchase / Subscription of Investment			
Reliance Jio Infocomm USA Inc	Subsidiary	80,87	90,08
Reliance Jio Infocomm UK Ltd	Subsidiary	4,63	3,11
Reliance Jio Infocomm Pte Ltd.	Subsidiary	204,98	179,84
Sub total		290,48	273,03
2 Shares issued and allotted			
Reliance Industries Limited	Holding	15000,00	7053,00
Sub total		15000,00	7053,00
3 Guarantee Charges			
Reliance Industries Limited	Holding	14,21	12,52
Sub total		14,21	12,52
4 Income from Guarantee Commission			
Reliance Jio Infocomm Pte Ltd	Subsidiary	-	6
Sub total		-	6
5 Purchase of Fixed Assets/Project Development Expenditure			
Reliance Retail Limited	Fellow Subsidiary	73,10	30,66
Reliance Industries Limited	Holding	469,43	372,35
Reliance Corporate IT Park Limited	Fellow Subsidiary	97,48	2469,80
Reliance Jio Infocomm Pte Limited	Subsidiary	118,22	11,32
Reliance Petro Marketing Limited	Fellow Subsidiary	47	-
Reliance Security Solutions Limited (Rs. 45,126)	Fellow Subsidiary	-	0
Sub total		758,70	2884,13
6 General Expenses			
Reliance Retail Limited	Fellow Subsidiary	1,48	42
Sub total		1,48	42
7 Repairs and Maintenance			
Reliance Jio Infratel Private Limited	Fellow Subsidiary	109,34	-
Sub total		109,34	-
8 Business Support Service/Professional Fees			
Reliance Security Solutions Limited	Fellow Subsidiary	-	5
Strategic Manpower Solutions Limited	Fellow Subsidiary	118,59	31,23
Reliance Corporate IT Park Limited	Fellow Subsidiary	212,36	660,07
Reliance Jio Media Private Limited	Fellow Subsidiary	6	-
Reliance Jio Infratel Private Limited	Fellow Subsidiary	69,98	-
Sub total		400,99	691,35

Notes on Financial Statements for the year ended 31st March, 2016

(iii) Disclosure in Respect of Material Related Party Transactions during the year: (Contd.) (Rs. in lakh)

Particulars	Relationship	2015-16	2014-15
9 Interest paid			
Reliance Industries Limited	Holding	20,47	28,01
Sub total		20,47	28,01
10 Loan Taken			
Reliance Industries Limited	Holding	4080,00	4710,66
Sub total		4080,00	4710,66
11 Loan repaid			
Reliance Industries Limited	Holding	4080,00	4710,66
Sub total		4080,00	4710,66
12 Sale of Fixed Assets			
Reliance Retail Limited	Fellow Subsidiary	-	1,75
Sub total		-	1,75
13 Payment to Key Managerial Personnel			
Sh. Sanjay Mashruwala	Key Managerial Personnel	4,09	1,62
Sh. Sandip Das	Key Managerial Personnel	-	3,89
Sh. Rajneesh Jain	Key Managerial Personnel	1,64	27
Sh. V. Subramaniam	Key Managerial Personnel	-	59
Sh. Jyoti Jain	Key Managerial Personnel	37	18
Sh. Jagdish Patra	Key Managerial Personnel	-	23
Sub total		6,10	6,78
Balances as at 31st March, 2016			(Rs. in lakh)
14 Other Payables			
Reliance Industries Limited	Holding	31,47	31,35
Reliance Corporate IT Park Limited*	Fellow Subsidiary	8337,74	3409,90
Reliance Retail Limited	Fellow Subsidiary	23	6,02
Reliance Jio Media Private Limited	Fellow Subsidiary	6	-
Reliance Progressive Traders Private Limited	Fellow Subsidiary	2	2
Reliance Eminent Trading & Commercial Private Limited	Fellow Subsidiary	2	2
Reliance Jio Infratel Private Limited*	Fellow Subsidiary	42,92	-
Reliance Prolific Traders Private Limited	Fellow Subsidiary	3	3
Reliance Jio Infocomm Pte Ltd	Subsidiary	43,73	2,90
Sub total		8456,22	3450,24

Notes on Financial Statements for the year ended 31st March, 2016

(iii) Disclosure in Respect of Material Related Party Transactions during the year: (Contd.) (Rs. in lakh)

Particulars	Relationship	2015-16	2014-15
15 Other Current Assets			
Reliance Retail Limited (Rs. 4,405)	Fellow Subsidiary	-	-
Reliance Payment Solutions Limited	Fellow Subsidiary	-	62
Reliance Jio Media Private Limited	Fellow Subsidiary	10	-
Reliance Jio Messaging Services Private Limited	Fellow Subsidiary	2,36	-
Reliance Jio Infocomm Pte Limited	Subsidiary	-	6
Reliance Universal Traders Limited	Fellow Subsidiary	-	4
Reliance Jio Digital Services Private Limited	Fellow Subsidiary	22	-
Sub total		2,68	72
16 Corporate Guarantees taken			
Reliance Industries Limited	Holding	15419,16	12769,73
Sub total		15419,16	12769,73
17 Investments			
Reliance Jio Infocomm USA Inc.	Subsidiary	202,25	121,38
Reliance Jio Infocomm UK Ltd	Subsidiary	7,93	3,31
Reliance Jio Infocomm Pte Ltd.	Subsidiary	604,66	399,68
Sub total		814,84	524,36
18 Share Capital			
Reliance Industries Limited	Holding	44747,49	29747,49
Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	125,00	125,00
Sub total		44872,49	29872,49
19 Bank Guarantee			
Reliance Industries Limited	Holding	12,23	15,71
Sub total		12,23	15,71

* Includes reimbursed costs

Notes on Financial Statements for the year ended 31st March, 2016

32 Financial and Derivative Instruments

a) Derivative contracts entered into by the Company and outstanding as on 31st March, 2016

For hedging Currency and Interest Rate Related Risks:

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March, 2016 amount to Rs. 17565,58 lakh (Previous Year Rs. 12795,42 lakh). Category wise break up is given below:

Particulars	(Rs. in lakh)	
	As at 31st March, 2016	As at 31st March, 2015
Forward Contract	16540,58	10995,42
Currency and Interest Rate Swaps	1025,00	1025,00
Interest Rate Swaps	-	775,00

b) Foreign currency exposures (excluding Currency and Interest Rate Swap) that are not hedged by derivative instruments as on 31st March, 2016 amount to Rs. 2790,59 lakh (Previous Year Rs. 2901,54 lakh).

33 The remaining Unamortised Forward Contract Premium of Rs. 626,68 lakh (Previous Year Rs. 674,12 lakh) will be amortised over the life of the Forward Contract.

34 Segment Reporting

The Company provides Internet related services. 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 March, 2016 predominantly relate to this segment.

35 Payment to Auditors	(Rs. in lakh)	
	2015-16	2014-15
i Statutory Audit Fees	54	51
ii Tax Audit Fees	3	3
iii Certification and Consultation Fees	18	17
iv Expenses Reimbursed	2	1
TOTAL	77	72

36 Value of imports calculated on CIF basis during the financial year in respect of:	(Rs. in lakh)	
	2015-16	2014-15
Capital goods	5156,01	4318,21

37 Expenditure in foreign currency	(Rs. in lakh)	
	2015-16	2014-15
i Interest and Finance Charges	460,67	568,82
ii Professional Fees	4,85	10,57
iii Annual Maintenance Charges	8,93	-
iv Travelling Expenses	1	8
v Other Establishment Expenses	59	11,91
vi Intangible Assets under Development	427,37	218,83
vii Other Project expenses	87,70	22,84
viii Subscription Fees	3,18	-
TOTAL	993,30	833,05

Notes on Financial Statements for the year ended 31st March, 2016

(Rs. in lakh)

38 Earnings in foreign currency	2015-16	2014-15
Income from Guarantee Commission	-	6

39 Details of Loans given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

- The Company has not given any loans.
- Investments made by the Company as at 31st March, 2016 (Refer note no. 13 & 16)
- Corporate Guarantees given by the Company as at 31st March, 2016

(Rs. in lakh)

Sr. No.	Name	Purpose	As at 31st March, 2016	As at 31st March, 2015
1	Smart Digivision Private Limited	Guarantee given for general business purpose	19,30	19,30

- 40 (i)** The Department of Telecommunication (DoT), Government of India conducted an auction for spectrum in the month of February, 2014. Under the said auction, the Company has acquired the spectrum for 20 years in the 1800 MHz band in 14 Key Service Areas at the total cost of Rs. 11026,93 lakh (spectrum fees). The Company has received the Letter of Intent (LOI) from the DoT, for allotment of the said spectrum on 8th September, 2014. The spectrum is valid for a period of 20 years from this date. The Company has opted for deferred payment option and paid an amount of Rs. 3638,89 lakh and deferred the balance amount of Rs. 7388,04 lakh.
- (ii)** The Department of Telecommunication (DoT), Government of India conducted an auction for spectrum in the month of March 2015. Under the said auction, the Company has received provisional allocation of spectrum for 20 years in the 800 MHz band and 1800 MHz band in 13 Key Service Areas for Rs. 10077,53 lakh (spectrum fees). Out of these, spectrum is not available in some parts of the Service Area in the 1800 MHz band in Rajasthan and Uttar Pradesh (East) [referred to as partial spectrum] for which an adjustment is made to the amount payable to the Government of India. After adjustment for partial spectrum in 2 service areas, the total cost of spectrum acquisition is Rs. 9763,28 lakh. The Company has opted for deferred payment option and paid an amount of Rs. 2591,77 lakh and deferred the balance amount of Rs. 7171,51 lakh.
- 41** The Company has made an advance payment of Rs. 2860,00 lakh to Reliance Communications Limited ("RCOM") towards change in allotment of agreed spectrum in the 850 MHz band in 9 Service Areas which is included in Capital Advances. The advance payment has been made as per provisions of the Agreement for Change in Spectrum Allotment between the companies dated 18th January 2016. The completion of the transaction is subject to obtaining final approval from the Department of Telecommunications, Government of India, which is pending as at 31st March'2016.

As per our Report of even date

For and on behalf of the Board

For Chaturvedi & Shah
Chartered Accountants
Firm Regn No: 101720W

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/
W-100018

For Atul Kulshrestha & Co
Chartered Accountants
Firm Regn No: 013768N

Mukesh D. Ambani
Chairman
DIN : 00001695

Manoj H. Modi
Director
DIN : 00056207

Akash M. Ambani
Director
DIN : 06984194

R.Koria
Partner
Membership No: 35629

Abhijit A. Damle
Partner
Membership No: 102912

R.Varadharajan
Partner
Membership No: 207728

Isha M. Ambani
Director
DIN : 06984175

Sanjay Mashruwala
Managing Director
DIN : 01259774

Adil Zainulbhai
Director
DIN : 06646490

Place: Mumbai
Date: 21st April, 2016

Prof. Dipak C. Jain
Director
DIN : 00228513

Ranjit V. Pandit
Director
DIN : 00782296

Shumeet Banerji
Director
DIN : 02787784

Rajneesh Jain
Chief Financial Officer
PAN: ABFPJ1815L

Jyoti Jain
Company Secretary
Membership No.: A18825