

Reliance Jio Media Limited
Financial Statements
2019-20

Independent Auditor's Report

To the Members of Reliance Jio Media Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Jio Media Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive income, the statement of changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report in the annual report for the year ended March 31, 2020, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rules 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 B".

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- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, during the year no managerial remuneration has been paid or provided by the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which would impact its financial position in its financial statements.
 - ii. The Company does not have any foreseeable losses on long-term contracts including derivative contracts, if any, in respect of which any provision is required to be made under the applicable law and Accounting Standards.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Pathak H. D. & Associates LLP
Chartered Accountants
(Registration No. 107783W/W100593)

Gopal Chaturvedi
Partner
Membership No.: 090903

UDIN – 20090903AAAABN2909
Place: Mumbai
Date: April 20, 2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Reliance Jio Media Limited on the financial statements for the year ended 31st March, 2020)

- 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 during the year, 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. The Company does not have any immovable property and accordingly, the provisions of Clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.
- ii. The Company does not have any inventories and accordingly, the provisions of Clause (ii) of paragraph 3 of the Order are not applicable to the Company.
- iii. There are no loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan and it has not made any investments or given any guarantee or security on which the provisions of Section 185 and 186 of the Act applies. Accordingly, the provisions of Clause (iv) of paragraph 3 of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act in respect of activities carried on by the Company and accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are 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, Goods and Services Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, as applicable, 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 31st March, 2020 for a period of more than six months from the date of becoming payable.
 - b. There were no dues of Income Tax, Sales Tax, Goods and Services Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, as applicable, which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to banks. During the year, the Company has no dues to financial institution and government. The Company has not issued any debentures.
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, during the year the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) or term loan.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, during the year no managerial remuneration has been paid or provided by the Company. Therefore, the provisions of Clause (xi) of paragraph 3 of the Order are not applicable to the Company.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the Order are not applicable to the Company.

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- xiii. According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of Clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
- xv. 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. Therefore, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
(Registration No. 107783W/W100593)

Gopal Chaturvedi
Partner
Membership No.: 090903

UDIN – 20090903AAAABN2909
Place: Mumbai
Date: April 20, 2020

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Reliance Jio Media Limited on the financial statements for the year ended 31st March, 2020)

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 Media Limited (“the Company”) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 31st March, 2020 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.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
(Registration No. 107783W/W100593)

Gopal Chaturvedi
Partner
Membership No.: 090903

UDIN – 20090903AAAABN2909
Place: Mumbai
Date: April 20, 2020

Balance Sheet as at 31st March, 2020

Particulars	Notes	(Rs. in lakh)	
		As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	1	1,07	86
Capital work-in-progress	1	55,22	52,86
Intangible Assets under Development	1	31,18	14,74
Other Non-Current Assets	2	4	4
Total Non-Current Assets		87,51	68,50
Current Assets			
Financial Assets			
Investments	3	-	5,96
Cash and Cash Equivalents	4	4	11
Other Financial Assets	5	14	-
Other Current Assets	6	14,43	10,98
Total Current Assets		14,61	17,05
Total Assets		102,12	85,55
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7	86,01	86,01
Other Equity	8	(3,15)	(2,58)
Total Equity		82,86	83,43
Liabilities			
Non - Current Liabilities			
Current Liabilities			
Financial Liabilities			
Borrowings	9	17,20	-
Other Financial Liabilities	10	1,97	1,54
Other Current Liabilities	11	9	58
Total Current Liabilities		19,26	2,12
Total Liabilities		19,26	2,12
Total Equity and Liabilities		102,12	85,55
Significant Accounting Policies			
See accompanying Notes to the Financial Statements		1-23	

As per our Report of even date

For and on behalf of the Board

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

Pankaj M. Pawar
Director
(DIN: 00085077)

Jyotindra H. Thacker
Director
(DIN: 00006678)

Ramesh K. Damani
Director
(DIN: 00049764)

Gopal Chaturvedi
Partner
Membership No: 090903
UDIN: 20090903AAAABN2909

Shobhan M. Thakore
Independent Director
(DIN:00031788)

Jagmohanlal Bhamri
Independent Director
(DIN:07169306)

Place: Mumbai
Date: 20th April, 2020

Rakesh Khurmi
Chief Executive Officer
(PAN: AFFPK3422G)

Amit Shah
Chief Financial Officer
(PAN: AELPS5386N)

Suresh Kumar
Company Secretary
(Membership No: A54815)

Statement of Profit and Loss for the year ended 31st March, 2020

	Notes	2019-20	2018-19
(Rs. in lakh)			
INCOME			
Other Income	12	13	1,50
Total Income		<u>13</u>	<u>1,50</u>
EXPENSES			
Finance Costs	13	2	0
Other Expenses	14	68	2,72
Total Expenses		<u>70</u>	<u>2,72</u>
Profit / (Loss) for the Year		(57)	(1,22)
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year		(57)	(1,22)
Earnings per equity share of face value of Rs. 10 each	15		
Basic (in Rupees)		(0.07)	(0.14)
Diluted (in Rupees)		(0.07)	(0.14)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1-23		

As per our Report of even date

For Pathak H D & Associates LLP
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Firm Regn No: 107783W/ W100593

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Place: Mumbai
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For and on behalf of the Board

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(DIN: 00049764)

Suresh Kumar
Company Secretary
(Membership No: A54815)

Cash Flow Statement for the year ended 31st March, 2020

	(Rs. in lakh)	
	2019-20	2018-19
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss before tax as per Statement of Profit and Loss	(57)	(1,22)
Adjusted for:		
Finance Cost (Previous Year Rs. 48,612)	2	0
Profit on Sale of Current Investments (Net)	(13)	(1,50)
	<u>(11)</u>	<u>(1,50)</u>
Operating Loss before Working Capital Changes	(68)	(2,72)
Adjusted for :		
Trade and Other Receivables	(3,59)	(3,07)
Other Payables	(49)	(3)
	<u>(4,08)</u>	<u>(3,10)</u>
Cash Used in Operations	(4,76)	(5,82)
Less: Taxes paid	-	-
Net Cash flow from / (used in) Operating Activities (A)	<u>(4,76)</u>	<u>(5,82)</u>
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Tangible and Intangible Assets (Including movement in Capital Work in Progress and Intangible Assets under Development)	(18,58)	(15,56)
Purchase of Investments	-	(10,50)
Sale of Investments	6,09	33,72
Net Cash flow from / (used in) Investing Activities (B)	<u>(12,49)</u>	<u>7,65</u>
C CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Short Term Borrowings	-	(1,72)
Proceeds from Short Term Borrowings	17,20	-
Interest and Finance Charges Paid (Previous Year Rs.48,612)	(2)	(0)
Net Cash flow (used in) Financing Activities (C)	<u>17,18</u>	<u>(1,72)</u>
Net Decrease in Cash and Cash Equivalents (A+B+C)	(7)	11
Opening Balance of Cash and Cash Equivalents	11	-
Closing Balance of Cash and Cash Equivalents (Refer Note 4)	4	11

Cash Flow Statement for the year ended 31st March, 2020

Changes in Liabilities arising from financing activities

	(Rs. in lakh)		
	1st April, 2019	Cash flow	31st March, 2020
Borrowings - Current (Refer Note 9)	-	17,20	17,20
	<u>-</u>	<u>17,20</u>	<u>17,20</u>

	(Rs. in lakh)		
	1st April, 2018	Cash flow	31st March, 2019
Borrowings - Current (Refer Note 9)	1,72	(1,72)	-
	<u>1,72</u>	<u>(1,72)</u>	<u>-</u>

As per our Report of even date

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

Gopal Chaturvedi
Partner
Membership No: 090903
UDIN: 20090903AAAAABN2909

Place: Mumbai
Date: 20th April, 2020

For and on behalf of the Board

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Suresh Kumar
Company Secretary
(Membership No: A54815)

Statement of Changes in Equity for the year ended 31st March, 2020

(A) Equity Share Capital		(Rs. in lakh)	
Balance at the beginning of the reporting period i.e. 1st April, 2018		86,01	
Changes in equity share capital during the year		-	
Balance at the end of the reporting period i.e. 31st March, 2019		86,01	
Changes in equity share capital during the year		-	
Balance at the end of the reporting period i.e. 31st March, 2020		86,01	

(B) Other Equity		(Rs. in lakh)	
Particulars	Reserves and Surplus	Retained Earnings	Total
As on 31st March, 2019			
Balance at the beginning of the reporting period i.e. 1st April, 2018	(1,36)		(1,36)
Total Comprehensive Income for the year	(1,22)		(1,22)
Balance at the end of the reporting period i.e. 31st March, 2019	(2,58)		(2,58)
As on 31st March, 2020			
Balance at the beginning of the reporting period i.e. 1st April, 2019	(2,58)		(2,58)
Total Comprehensive Income for the year	(57)		(57)
Balance at the end of the reporting period i.e. 31st March, 2020	(3,15)		(3,15)

As per our Report of even date

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

Gopal Chaturvedi
Partner
Membership No: 090903
UDIN: 20090903AAAABN2909

Place: Mumbai
Date: 20th April, 2020

For and on behalf of the Board

Pankaj M. Pawar
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Director
(DIN: 00049764)

Suresh Kumar
Company Secretary
(Membership No: A54815)

Notes on Financial Statements for the year ended 31st March, 2020

A CORPORATE INFORMATION

Reliance Jio Media Limited (“the Company”) is a limited company incorporated in India. The principal activities of the company are to operate as a Multi System Operator to provide Digital Cable TV services to its own consumers and through the Local Cable Operators. The registered office address is 3rd floor, Maker Chamber IV, 222, Nariman Point, Mumbai - 400021, Maharashtra, India. The Company’s immediate holding company is Reliance Content Distribution Limited and ultimate holding company is Reliance Industries Limited.

B ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company’s financial statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification:

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when:

Expected to be realised or intended to be sold or consumed in normal operating cycle;

Expected to be realised within twelve months after the reporting period, or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle;

It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Property, plant and equipment:

Property Plant and Equipments is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets 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 costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

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

Notes on Financial Statements for the year ended 31st March, 2020

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(c) Intangible assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(d) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised 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.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement Profit and Loss in the period in which they are incurred.

(e) Impairment of Non Financial Assets - property, plant and equipment and intangible assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such impairment exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(g) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

Notes on Financial Statements for the year ended 31st March, 2020

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(h) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Foreign Currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings and that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(j) Revenue recognition

Effective from 1st April, 2018 the Company has adopted Ind AS-115 "Revenue from contracts with customers" using the using the modified retrospective approach. The effect of adoption of Ind AS 115 is not material.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following conditions are satisfied:

- Revenue can be measured reliably,
- It is probable that the economic benefit associated with the transaction will flow to the Company,
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Notes on Financial Statements for the year ended 31st March, 2020

Dividends

Revenue is recognised when the Company's right to receive the payment is established.

(k) Financial Instruments

i) Financial Assets

A. Initial recognition and measurement:

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

ii) Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables including creditors for capital expenditure maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(l) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into

Notes on Financial Statements for the year ended 31st March, 2020

account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

D New and revised Ind AS issued and effective for current financial year

The Ministry of Corporate Affairs (MCA) has notified Ind AS 116 to be effective from accounting periods starting from 1st April, 2019. Ind AS 116 will supersede the current standard on leases i.e. Ind AS 17 – Leases. The application of this standard is not expected to have any impact on the financials of the Company.

Notes on Financial Statements for the year ended 31st March, 2020

1. Property, Plant and Equipment

(Rs. in lakh)

Description	Gross Block				Depreciation				Net Block	
	As at 01-Apr-19	Additions / Adjustment	Deduction / Adjustment	As at 31-Mar-20	As at 01-Apr-19	For the year*	Deduction / Adjustment	As at 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
Tangible Assets	-	-	-	-	-	-	-	-	-	-
Own Assets :	-	-	-	-	-	-	-	-	-	-
Plant and Equipments	1,30	54	-	1,84	44	33	-	77	1,07	86
Total	1,30	54	-	1,84	44	33	-	77	1,07	86
Previous Year Figures	1,30	-	-	1,30	20	24	-	44	86	1,10
Capital Work-in-Progress									55,22	52,86
Intangible Assets under Development									31,18	14,74

*Depreciation of Rs. 33 Lakh (Previous year Rs. 24 Lakh) has been capitalised during the year.

1. Capital Work-in-Progress & Intangible Assets Under Development

Company has obtained license to operate as a Multi System Operator to provide Digital Cable TV services to its own consumers and through the Local Cable Operators and the expenditure towards the same comprises of Capital Work in Progress amounting to Rs. 55,22 Lakh (Previous Year Rs. 52,86 Lakh) and Intangible Assets Under Development amounting to Rs. 31,18 Lakh (Previous Year 14,74 Lakh) as per details given below:

1.1 Capital Work-in-Progress includes :

- Rs 2,31 Lakh (Previous Year Rs. 2,96 Lakh) on account of capital goods inventory.
- Rs 21,93 Lakh (Previous Year Rs. 19,03 Lakh) on account of Project Development Expenditure.

1.2 Intangible Assets Under Development comprise of:

- Software License Fees of Rs. 31,18 Lakh (Previous Year Rs. 14,74 Lakh)

1.3 Additions in Property, Plant and Equipment, Capital Work-in-Progress, Intangible Assets and Intangible Assets Under Development includes Rs. 7 Lakh (net loss) [Previous Year Rs. 24 Lakh (net gain)] on account of exchange difference during the year.

2 Other Non-Current Assets (Unsecured and Considered Good)

(Rs. in lakh)

	As at 31st March, 2020	As at 31st March, 2019
Security Deposit	4	4
Total	4	4

Notes on Financial Statements for the year ended 31st March, 2020

3 Current Investments	(Rs. in lakh)			
	As at 31st March, 2020		As at 31st March, 2019	
	Units	Amount	Units	Amount
Investments measured at Fair Value Through Profit & Loss (FVTPL)				
In Mutual Funds - Unquoted				
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan (Face Value of Rs. 100 each)	-	-	198,519	5,96
Total	-	-	198,519	5,96
Aggregate amount of Unquoted Investments		<u>-</u>		<u>5,96</u>
3.1 Category-wise Current Investment				
(Rs. in lakh)				
	As at 31st March, 2020		As at 31st March, 2019	
Financial assets measured at Fair value through Profit & Loss (FVTPL)		-		5,96
Total Current Investment		<u>-</u>		<u>5,96</u>
4 Cash and cash equivalents				
(Rs. in lakh)				
	As at 31st March, 2020		As at 31st March, 2019	
Balances with Bank				
In current account		4		11
Cash and Cash Equivalents as per Balance Sheet		<u>4</u>		<u>11</u>
Cash and Cash Equivalents as per Cash Flow Statement		<u>4</u>		<u>11</u>
5 Other Financial Assets				
(Rs. in lakh)				
	As at 31st March, 2020		As at 31st March, 2019	
Other Receivables		14		-
		<u>14</u>		<u>-</u>
6 Other Current Assets (Unsecured and considered good)				
(Rs. in lakh)				
	As at 31st March, 2020		As at 31st March, 2019	
Balance with GST authorities		14,37		10,91
Others*		6		7
Total		<u>14,43</u>		<u>10,98</u>

*Includes claims areceivable.

Notes on Financial Statements for the year ended 31st March, 2020

7 Share Capital	(Rs. in lakh)			
	As at 31st March, 2020		As at 31st March, 2019	
Authorised Share Capital :				
Equity Shares of Rs.10 each	10,00,00,000	100,00	10,00,00,000	100,00
		<u>100,00</u>		<u>100,00</u>
Issued, Subscribed and Paid up:				
Equity Shares of Rs.10 each fully paid up	8,60,10,000	86,01	8,60,10,000	86,01
Total		<u>86,01</u>		<u>86,01</u>

7.1 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.

7.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March, 2020	As at 31st March, 2019
	No. of Shares	No. of Shares
No. of shares at the beginning of the year	8,60,10,000	8,60,10,000
Add: Issue of Shares	-	-
No. of shares at the end of the year	<u>8,60,10,000</u>	<u>8,60,10,000</u>

7.3 The details of shareholders holding more than 5% shares:

Name of Shareholders	As at 31st March, 2020		As at 31st March, 2019	
	No of Shares	% held	No of Shares	% held
Reliance Industrial Investments and Holdings Limited (Holding Company till 8th Aug'19)			8,60,10,000	100%
Reliance Content Distribution Limited (Holding Company w.e.f. 9th Aug'19)	8,60,10,000	100%		

8 Other Equity

	As at 31st March, 2020	As at 31st March, 2019
Retained Earnings	(3,15)	(2,58)
Total	<u>(3,15)</u>	<u>(2,58)</u>

8.1 Retained Earnings

	As at 31st March, 2020	As at 31st March, 2019
Balance at beginning of year	(2,58)	(1,36)
Loss for the year	(57)	(1,22)
Balance at end of year	<u>(3,15)</u>	<u>(2,58)</u>

Notes on Financial Statements for the year ended 31st March, 2020

9	Borrowings - Current	(Rs. in lakh)	
		As at	As at
		31st March, 2020	31st March, 2019
	Loans from related party	17,20	-
	Total	<u>17,20</u>	<u>-</u>

*Represents loan taken from Reliance Industrial Investments and Holdings Limited (Fellow Subsidiary) carrying rate of interest @ 8.75% p.a. and repayable on or before 1st Dec'20.

10	Other Financial Liabilities	(Rs. in lakh)	
		As at	As at
		31st March, 2020	31st March, 2019
	Interest accrued but not due on borrowings	39	-
	Creditors for Capital Expenditure	1,58	1,54
	Total	<u>1,97</u>	<u>1,54</u>

10.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2020 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

11	Other Current Liabilities	(Rs. in lakh)	
		As at	As at
		31st March, 2020	31st March, 2019
	Other Payables*	9	58
	Total	<u>9</u>	<u>58</u>

*Include sundry payables, statutory dues, etc.

12	Other Income	(Rs. in lakh)	
		2019-20	2018-19
	Net Gain arising on Sale of Current Investments		
	Realised Gain / (Loss)	17	2,25
	Unrealised Gain / (Loss)	(4)	(75)
	Total	<u>13</u>	<u>1,50</u>

13	Finance Costs	(Rs. in lakh)	
		2019-20	2018-19
	Interest Expenses (Previous Year Rs. 48,612)	2	0
	Total	<u>2</u>	<u>0</u>

13.1 Finance Costs are net of borrowing cost capitalised of Rs. 39 Lakh (Previous Year Nil)

Notes on Financial Statements for the year ended 31st March, 2020

14 Other Expenses	(Rs. in lakh)	
	2019-20	2018-19
Rates and taxes (Rs. 20,000 and previous year Rs. 14,220)	0	0
Professional Fees	56	2,64
Payment to Auditors	1	1
Director Sitting Fees	9	7
General Expenses (Previous Year Rs. 7,181)	1	0
Total	68	2,72

15 EARNINGS PER SHARE (EPS)	2019-20	2018-19
i. Profit / (Loss) for the year as per Statement of Profit and Loss (Rs. in lakh)	(57)	(1,22)
ii. Weighted Average number of equity shares used as denominator for calculating EPS	86,010,000	86,010,000
iii. Basic Earnings per share (Rs.)	(0.07)	(0.14)
iv. Diluted Earnings per share (Rs.)	(0.07)	(0.14)
v. Face Value per equity share (Rs.)	10	10

16 Deferred Tax Asset (net) of Rs. 61 Lakh (Previous Year Rs. 63 Lakh) on account of carried forward losses is not recognised on consideration of prudence.

17 RELATED PARTY DISCLOSURES

(i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships :

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited (Till 8th Aug'19)	Holding Company
3	Reliance Content Distribution Limited (w.e.f 9th Aug'19)	
4	Reliance Industrial Investments and Holdings Limited (w.e.f. 9th Aug'19)	
5	Reliance Retail Limited	Fellow Subsidiary
6	Reliance Jio Infocomm Limited	
7	TV18 Broadcast Limited	
8	Jayraman Kal (upto 15th Mar'20)	Key Managerial Personnel
9	Rakesh Khurmi (w.e.f. 11th Oct'18)	
10	Amit Shah (w.e.f. 16th Mar'20)	
11	Nishant Swami (w.e.f. 18th Apr'17 and upto 20th Jul'18)	
12	Harish Madnani (w.e.f. 12th Oct'17 and upto 18th Jul'18)	
13	Suresh Kumar (w.e.f. 10th Jan'19)	

Notes on Financial Statements for the year ended 31st March, 2020

(ii) Transactions during the year with related parties

(Rs. in lakh)

Sr. No	Nature of Transactions	Holding Company	Fellow Subsidiary	Key Managerial Personnel / Relative	Total
	(excluding reimbursements)				
1	Professional Fees	-	49	-	49
		-	(1,14)	-	(1,14)
2	Fixed Assets/Project Development Expenditure	-	79	-	79
		-	(2,02)	-	(2,02)
3	Loan Taken	-	17,20	-	17,20
		-	-	-	-
4	Incentive Income	-	6	-	6
		-	-	-	-
5	Interest Expense	-	39	-	39
		-	-	-	-
6	Payment to Key Managerial Personnel	-	-	25	25
		-	-	(3,89)	(3,89)

Balances as at 31st Mar'20		(Rs. in lakh)			
7	Share Capital	86,01	-	-	86,01
		(86,01)	-	-	(86,01)
8	Loan taken	-	17,20	-	17,20
		-	-	-	-
9	Creditors for Capital Expenditure	-	61	-	61
		-	(41)	-	(41)
10	Other Payables	-	-	-	-
		-	(8)	-	(8)
11	Other Financial Assets	-	7	-	7
		-	-	-	-
12	Interest accrued but not due	-	39	-	39
		-	-	-	-

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

Notes on Financial Statements for the year ended 31st March, 2020

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

(Rs. in lakh)

	Particulars	Relationship	2019-20	2018-19
1	Professional Fees			
	Reliance Retail Limited	Fellow Subsidiary	49	1,14
2	Fixed Assets/Project Development Expenditure			
	Reliance Retail Limited	Fellow Subsidiary	49	1,39
	TV18 Broadcast Limited	Fellow Subsidiary	31	63
3	Loan Taken			
	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	17,20	-
4	Incentive Income			
	TV18 Broadcast Limited	Fellow Subsidiary	6	-
5	Interest Expense			
	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	39	-
6	Payment to Key Managerial Personnel			
	Jayraman Kal	Key Managerial Personnel	25	3,21
	Rakesh Khurmi	Key Managerial Personnel	-	54
	Nishant Swami	Key Managerial Personnel	-	6
	Suresh Kumar	Key Managerial Personnel	-	7
	Amit Shah	Key Managerial Personnel	-	-

Balances as at 31st Mar'20

(Rs. in lakh)

	Particulars	Relationship	As at 31st March, 2020	As at 31st March, 2019
7	Share Capital			
	Reliance Industrial Investments and Holdings Limited	Holding	-	86,01
	Reliance Content Distribution Limited (w.e.f 9th Aug'19)	Holding	86,01	-
8	Loan taken			
	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	17,20	-
9	Creditors for Capital Expenditure			
	Reliance Retail Limited	Fellow Subsidiary	26	34
	TV18 Broadcast Limited	Fellow Subsidiary	35	7
10	Other Payables			
	Reliance Retail Limited	Fellow Subsidiary	-	8
11	Other Financial Assets			
	TV18 Broadcast Limited	Fellow Subsidiary	7	-
12	Interest accrued but not due			
	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	39	-

Notes on Financial Statements for the year ended 31st March, 2020

17.1 Compensation of Key Managerial Personnel

The remuneration of director and other member of key managerial personnel during the year was as follows:

	(Rs. in lakh)	
	2019-20	2018-19
i) Short-term benefits	24	3,76
ii) Post employment benefits	1	13
iii) Other long term benefits	-	-
iv) Share based payments	-	-
v) Termination benefits	-	-
	<u>25</u>	<u>3,89</u>

18 COMMITMENTS

(Rs. in lakh)

	As at 31st March, 2020	As at 31st March, 2019
Commitments		
(i) Estimated amount of contracts remaining to be executed on Capital account not provided for	<u>1,88</u>	<u>95</u>

19 CAPITAL MANAGEMENT

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

- Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.
- Proactively manage group exposure in forex, interest and commodities to mitigate risk to earnings.
- Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

Capital structure is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

Gearing Ratio

The gearing ratio at end of the reporting period was as follows.

(Rs. in lakh)

	As at 31st March, 2020	As at 31st March, 2019
Gross Debt	17,20	-
Cash and cash equivalent	4	-
Net Debt (A)	17,16	-
Total Equity (As per Balance Sheet) (B)	82,86	-
Net Gearing (A/B) %	<u>20.71</u>	<u>-</u>

Notes on Financial Statements for the year ended 31st March, 2020

20 FINANCIAL INSTRUMENTS

Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- The fair value of investment in Mutual Funds is measured at NAV.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair Value Measurement Hierarchy:

(Rs. in lakh)

	As at 31st March, 2020			As at 31st March, 2019		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amotised Cost						
Trade Receivables	-	-	-	-	-	-
Cash and Cash Equivalents	4	-	-	11	-	-
Other Financial Assets	14	-	-	-	-	-
At FVTPL						
Investments	-	-	-	5,96	5,96	-
Financial Liabilities						
At Amortised Cost						
Borrowings	17,20	-	-	-	-	-
Creditors for Capital Expenditure	1,58	-	-	1,54	-	-
Other Financial Liabilities	39	-	-	-	-	-
At FVTPL						
Financial Derivatives	-	-	-	-	-	-

The financial instruments are categorized into two levels based on inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Foreign Currency Risk

The following table shows foreign currency exposures in USD and EUR on financial instruments at the end of the reporting period. The exposure to foreign currency for all other currencies are not material.

(Rs. in lakh)

Particulars	For eign Currency Exposure			
	As at 31st March, 2020		As at 31st March, 2019	
	USD	EUR	USD	EUR
Foreign Currency Loan	-	-	-	-
Foreign Currency Creditors	37	-	34	-
Net Exposure	<u>37</u>	<u>-</u>	<u>34</u>	<u>-</u>

Sensitivity analysis of 1% change in exchange rate at end of reporting period

Notes on Financial Statements for the year ended 31st March, 2020

(Rs. in lakh)

Particulars	Foreign Currency Sensitivity			
	As at 31st March, 2020		As at 31st March, 2019	
	USD	EUR	USD	EUR
1% Depreciation in INR	(0)	-	(0)	-
Impact on P&L	-	-	-	-
1% Appreciation in INR	0	-	0	-
Impact on P&L	-	-	-	-

The aforesaid would not have an impact in Statement of Profit and Loss and Equity in lieu of the project being executed.

Interest Rate Risk

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows

(Rs. in lakh)

Particulars	Interest rate exposure	
	As at 31st March, 2020	As at 31st March, 2019
Loans		
Long Term Fixed Rate Loan	-	-
Short Term Loan	17,20	-
Total	17,20	-

There is no impact on Interest expenses for the year on 1% change in Interest rate since the borrowings are at fixed rate.

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. Credit risk arises from company's activities in investments and outstanding receivables from customers.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Sales made to customers on credit and advances to vendors are secured through Letters of Credit, Bank Guarantees, Parent Company Guarantees and advance payments.

Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The Company will ensure that sufficient liquidity is available to meet all of its commitments by raising loans or arranging other facilities as and when required from group companies.

(Rs. in lakh)

Maturity Profile of Loans as on 31 March, 2020							
Particulars	Less than equal to 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Non Derivative Liabilities							
Long term Borrowings	-	-	-	-	-	-	-
Short term Borrowings	-	-	17,20	-	-	-	17,20
Total Borrowings	-	-	17,20	-	-	-	17,20

Notes on Financial Statements for the year ended 31st March, 2020

(Rs. in lakh)

Maturity Profile of Loans as on 31 March, 2019

Particulars	Less than equal to 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Non Derivative Liabilities							
Long term Borrowings	-	-	-	-	-	-	-
Short term Borrowings	-	-	-	-	-	-	-
Total Borrowings	-	-	-	-	-	-	-

21 SEGMENT REPORTING

The Company has obtained license to operate as a Multi System Operator to provide Digital Cable TV services to its own consumers and through the Local Cable Operators. The Company has single segment as per the requirements of Ind AS 108 for "Operating Segment". The assets and liabilities of the Company as on 31st March, 2020 predominantly relate to this segment.

22 PAYMENT TO AUDITORS

(Rs. in lakh)

	2019-20	2018-19
i Statutory Audit Fees	1	1
ii Certification and Consultation Fees (Previous Year Rs. 30,000)	1	0
Total	2	1

23 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by board of directors on 20th April, 2020

As per our Report of even date

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

Gopal Chaturvedi
Partner
Membership No: 090903
UDIN: 20090903AAAAABN2909

Place: Mumbai
Date: 20th April, 2020

For and on behalf of the Board

Pankaj M. Pawar
Director
(DIN: 00085077)

Shobhan M. Thakore
Independent Director
(DIN:00031788)

Rakesh Khurmi
Chief Executive Officer
(PAN: AFFPK3422G)

Jyotindra H. Thacker
Director
(DIN: 00006678)

Jagmohanlal Bhamri
Independent Director
(DIN:07169306)

Amit Shah
Chief Financial Officer
(PAN: AELPS5386N)

Ramesh K. Damani
Director
(DIN: 00049764)

Suresh Kumar
Company Secretary
(Membership No: A54815)