

Jio Digital CableCo Private Limited
Financial Statements
2020-21

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JIO DIGITAL CABLECO PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Jio Digital Cableco Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. 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's report, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of 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:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - iii. 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.
 - iv. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- v. On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- vi. 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” to this report.
- vii. According to the information and explanations provided to us, the Company has not paid any managerial remuneration during the year.
- viii. With respect to the other matters to be included in the Auditor’s report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company does not have any pending litigations as at March 31, 2021;
 - b) The Company is not required to make any provision for material foreseeable losses on long-term contracts including derivate contracts;
 - c) The Company is not required to transfer any amount to the Investor Education and Protection Fund.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration No. 101720W/W100355

Sandesh Ladha

Partner

Membership No.: 047841

UDIN: 21047841AAADSA4786

Place: Mumbai

Date: 29th April, 2021

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF JIO DIGITAL CABLECO PRIVATE LIMITED

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

On the basis of such checks as we considered appropriate and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

i. Fixed assets:

The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable to the Company.

ii. Inventories:

The Company does not have any inventory at any time during the year. Accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.

iii. Granting of loans to certain parties:

According to the information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnership or other parties covered in register maintained under section 189 of the Companies Act, 2013; (the “Act”) and therefore clause 3(iii) of the Order is not applicable.

iv. Loans and Investments:

According to the information and explanation given to us, the Company has not granted any loans, made investments or guarantees or provided securities and therefore the provisions of sections 185 and 186 of the Act are not applicable to the Company. Accordingly, the clause 3(iv) of the Order is not applicable.

v. Acceptance of Deposits:

In our opinion and according to the information and explanation given to us, the Company has not accepted deposits within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of clause 3(v) of the Order are not applicable.

vi. Maintenance of cost records:

According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.

vii. Deposit of Statutory Dues:

- a) According to the records of the Company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Tax deducted at sources, Tax Collected at Source, and other material statutory dues applicable to it, with the appropriate authorities.
- b) No undisputed amounts payable in respect of aforesaid statutory dues were outstanding at year end for a period of more than six months from the date they became payable.

viii. Default in repayment of dues:

The Company has not raised any loans from financial institutions or banks or government or issued debentures. Therefore, the provisions of clause 3(viii) of the Order are not applicable.

ix. Application of term loans/public issue/follow on offer:

The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not avail any term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

x. Fraud reporting:

To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the year.

xi. Managerial remuneration:

To the best of our knowledge and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.

xii. Nidhi Company:

The Company is not a Nidhi Company as per the Act. Accordingly, the provisions of clause 3(xii) of the Order is not applicable.

xiii. Related party transactions:

In our opinion and according to the information and explanations given to us, the Company does not have any transactions with its related party. Therefore, the provisions of Clause (xiii) of paragraph 3 of the Order is not applicable to the Company.

xiv. Preferential allotment/private placement:

According to the information and explanations provided to us, 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 3(xiv) of the Order is not applicable.

xv. Non-cash transactions:

According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of clause 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Chaturvedi and Shah LLP,
Chartered Accountants
Firm Registration No. 101720W / W100355

Sandesh Ladha
Partner
Membership No. 047841

UDIN: 21047841AAADSA4786
Date: 29th April, 2021
Place: Mumbai

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF JIO DIGITAL CABLECO PRIVATE LIMITED

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

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

We have audited the internal financial controls over financial reporting of JIO DIGITAL CABLECO PRIVATE LIMITED (“the Company”) as of March 31, 2021 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

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”) and the Standards on Auditing, both issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 were 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 issued by the Institute of Chartered Accountant of India.

For Chaturvedi and Shah LLP,
Chartered Accountants
Firm Registration No. 101720W / W100355

Sandesh Ladha
Partner
Membership No. 047841

UDIN: 21047841AAADSA4786
Place: Mumbai
Date: 29th April, 2021

Jio Digital CableCo Private Limited
Balance Sheet as at 31st March, 2021

		(₹ in hundred)	
		As at	As at
Notes	31st March, 2021	31st March, 2020	
ASSETS			
Non-current assets			
	-	-	
Current assets			
Financial Assets			
Cash and Cash Equivalents	1	387	710
Other Current Assets		-	-
Total Current Assets		387	710
Total Assets		387	710
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	2	1 000	1 000
Other Equity	3	(833)	(490)
Total Equity		167	510
Liabilities			
Current liabilities			
Financial Liabilities			
Trade Payables Due to:	4		
Micro and Small Enterprise		-	-
Other than Micro and Small Enterprise		220	200
Total Current Liabilities		220	200
Total Equity and Liabilities		387	710

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 13

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
(Firm Registration no.101720W / W100355)

Sandesh Ladha
Partner
Membership no.047841

Date : 29th April, 2021

For and on behalf of the Board

L V Merchant
Director

Geeta Fulwadaya
Director

Jio Digital CableCo Private Limited
Statement of Profit and Loss for the Year ended 31st March, 2021

		(₹ in hundred)	
	<u>Notes</u>	<u>2020-21</u>	<u>2019-20</u>
INCOME			
Revenue from operations		-	
Total Income		-	-
EXPENDITURE			
Other Expenses	5	343	282
Total Expenses		343	282
Profit / (Loss) Before Tax		(343)	(282)
Tax Expenses			
Current Tax		-	-
Profit / (Loss) for the Year		(343)	(282)
Other comprehensive income		-	-
Total comprehensive income for the year		(343)	(282)
Earnings per equity share of face value of ₹ 10 each			
Basic (in ₹)	6	(3.43)	(2.82)
Diluted (in ₹)	6	(3.43)	(2.82)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 13		

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
(Firm Registration no.101720W / W100355)

Sandesh Ladha
Partner
Membership no.047841

Date : 29th April, 2021

For and on behalf of the Board

L V Merchant
 Director

Geeta Fulwadaya
 Director

Jio Digital CableCo Private Limited
Statement of changes in Equity for the Year ended 31st March, 2021

A. EQUITY SHARE CAPITAL

(₹ in hundred)

Balance as at 1st April, 2019	Changes during the year 2019-20	Balance as at 31st March, 2020	Changes during the year 2020-21	Balance as at 31st March, 2021
1,000	-	1 000	-	1 000

B. OTHER EQUITY

(₹ in hundred)

	Instruments classified as Equity	Reserves and Surplus		Total
		Securities Premium	Retained Earnings	
Year ended 31st March, 2020				
Balance at beginning of reporting year	-	-	(208)	(208)
Total Comprehensive Income for the year	-	-	(282)	(282)
Balance at the end of the reporting year	-	-	(490)	(490)
Year ended 31st March, 2021				
Balance at beginning of reporting year	-	-	(490)	(490)
Total Comprehensive Income for the year	-	-	(343)	(343)
Balance at the end of the reporting year	-	-	(833)	(833)

As per our report of even date

For and on behalf of the Board

For Chaturvedi & Shah LLP
Chartered Accountants
(Firm Registration no.101720W / W100355)

L V Merchant
Director

Sandesh Ladha
Partner
Membership no.047841

Geeta Fulwadaya
Director

Date : 29th April, 2021

Jio Digital CableCo Private Limited
Cash Flow Statement for the Year ended 31st March, 2021

(₹ in hundred)

	2020-21	2019-20
A Cash Flow from Operating Activities		
Net Profit/ (Loss) before Tax as per Statement of Profit and Loss	(343)	(282)
Operating Loss before Working Capital Changes	(343)	(282)
Adjusted for :		
Trade and Other Receivables	-	-
Trade and Other Payables	20	-
	<u>20</u>	<u>-</u>
Cash Used in Operations	<u>(323)</u>	<u>(282)</u>
Net Cash flow Used in Operating Activities	<u>(323)</u>	<u>(282)</u>
B Cash Flow from Investing Activities		
	-	-
Net Cash flow from Investing Activities	<u>-</u>	<u>-</u>
C Cash Flow from Financing Activities		
Proceeds from Equity	-	-
Net Cash flow from Financing Activities	<u>-</u>	<u>-</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	<u>(323)</u>	<u>(282)</u>
Opening Balance of Cash and Cash Equivalents	710	992
Closing Balance of Cash and Cash Equivalents (Refer Note 2)	<u>387</u>	<u>710</u>

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
(Firm Registration no.101720W / W100355)

Sandesh Ladha
Partner
Membership no.047841

Date : 29th April, 2021

For and on behalf of the Board

L V Merchant
Director

Geeta Fulwadaya
Director

Jio Digital CableCo Private Limited

Notes to the Financial Statements for the Year ended 31st March, 2021

A. CORPORATE INFORMATION

Jio Digital CableCo Private Limited ['the company'] is a company incorporated in India. The registered office of the Company is located at 9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400021. The Company's main business is setting up acquiring, holding / investing in ventures related to the business of broadcasting, telecasting, next generation digital content distribution..

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for certain assets and liabilities which have been measured at fair value amount.

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

The Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest hundred (₹ '00), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Finance Cost

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

(b) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other costs net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of Inventories are determined on weighted average basis.

(c) 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.

(d) 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.

Jio Digital CableCo Private Limited

Notes to the Financial Statements for the Year ended 31st March, 2021

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 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.

(e) 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. 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 Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

(f) Revenue recognition

Revenue from sale of goods/Investments is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from sale of goods 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.

Interest income

Interest income from a financial asset is recognised using effective interest rate method.

Dividends

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

Jio Digital CableCo Private Limited

Notes to the Financial Statements for the Year ended 31st March, 2021

(g) 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. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets measured at amortised cost (AC)

A financial asset is 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 measured at FVTOCI 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. Investment in Fellow Subsidiaries & Associates

The Company has accounted for its investments in fellow subsidiaries & Associates at cost.

D. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further the company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Jio Digital CableCo Private Limited

Notes to the Financial Statements for the Year ended 31st March, 2021

ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in Statement of Profit or Loss as finance cost.

B. Subsequent measurement

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

iii) Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

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) 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.

(b) 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.

(c) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Jio Digital CableCo Private Limited

Notes to the Financial Statements for the Year ended 31st March, 2021

1. CASH AND CASH EQUIVALENTS	(₹ in hundred)	
	As at 31st March, 2021	As at 31st March, 2020
Balance with bank	387	710
Cash and cash equivalents as per Balance Sheet	387	710
Cash and cash equivalents as per statement of Cash Flows Statements	387	710

Jio Digital CableCo Private Limited

Notes to the Financial Statements for the Year ended 31st March, 2021

2. EQUITY SHARE CAPITAL	As at 31st March, 2021		(₹ in hundred) As at 31st March, 2020	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Class 'A'- Equity Shares of ₹ 10/- each	20,000	2 000	20,000	2 000
Class 'B'- Equity Shares of ₹ 10/- each	20,000	2 000	20,000	2 000
Preference Shares of ₹ 10/- each	10,000	1 000	10,000	1 000
Total		5 000		5 000
Issued, Subscribed and Paid up:				
Class'A' Equity Shares of ₹ 10/- each fully paid up	10,000	1 000	10,000	1 000
Total		1 000		1 000

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

Name of the Shareholders	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	% held	No. of shares	% held
Class'A' Equity Shares				
Reliance Media Transmission Private Limited (Trustee of Digital Media Distribution Trust)*	10,000	100.00	10,000	100.00

*includes 1(one) Class 'A' Equity share held by Shri L.V. Merchant jointly with Reliance Media Transmission Private Limited as nominee for Digital Media Distribution Trust

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

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Class'A'- Equity Shares (Nos.)		Class'A'- Equity Shares (Nos.)	
Shares at beginning of the year	10,000		10,000	
Add : Shares issued during the year	-		-	
Shares at the end of the year	10,000		10,000	

2.3 Rights, Preferences and Restrictions attached to shares

a)The Class 'A' Equity Shareholder is eligible for one vote per Class 'A' Equity Share held. The dividend if declared, will be paid after payment of dividend on the Preference Shares, if any. In the event of dissolution or winding up of the Company, the Class 'A' Equity Shareholders are eligible to receive to the extent of paid-up capital after repayment of paid-up Preference Share Capital, if any. Participation in Surplus Assets of the Company will be in the proportion the total investment in Class 'A' Equity Shares (face value + premium) bears to the aggregate investment in Class 'A' Equity Shares, Class 'B' Equity Shares and Preference Shares (aggregate face value + aggregate premium).

Jio Digital CableCo Private Limited**Notes to the Financial Statements for the Year ended 31st March, 2021**

	As at 31st March, 2021	(₹ in hundred) As at 31st March, 2020
3. OTHER EQUITY		
Retained Earnings		
As per last Balance Sheet	(490)	(208)
Less : Loss for the year	<u>(343)</u>	<u>(282)</u>
	<u>(833)</u>	<u>(490)</u>
Total	<u>(833)</u>	<u>(490)</u>

	As at 31st March, 2021	(₹ in hundred) As at 31st March, 2020
4. TRADE PAYABLES		
Micro and Small Enterprises	-	
Other than Micro and Small Enterprise	220	200
	<u>220</u>	<u>200</u>
Total	<u>220</u>	<u>200</u>

4.1 There are no overdue amounts to Micro and Small Enterprises as at March 31, 2021 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

Jio Digital CableCo Private Limited**Notes to the Financial Statements for the Year ended 31st March, 2021**

(₹ in hundred)

5. OTHER EXPENSES	2020-21	2019-20
Professional Fees	44	-
General Expenses	46	36
Rates & Taxes	33	46
Payment to Auditors	220	200
Total	343	282

5.1 Payment to Auditors as	2020-21	2019-20
Statutory Audit fees	220 *	200
	220	200

* Excluding taxes

6. EARNINGS PER SHARE (EPS)	2020-21	2019-20
Face Value per Equity Share (₹)	10	10
Basic Earnings per share (₹)	(3.43)	(2.82)
Net Profit/ (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Hundred)	(343)	(282)
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	10 000	10 000
Diluted Earnings per share (₹)*	(3.43)	(2.82)
Net Profit/ (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Hundred)	(343)	(282)
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	10 000	10 000
Reconciliation of weighted average number of shares outstanding		
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	10 000	10 000
Total Weighted Average Potential Equity Shares	-	-
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	10 000	10 000

* Diluted earnings per share is same as basic earnings per share as there are no potential equity shares

Jio Digital CableCo Private Limited

Notes to the Financial Statements for the Year ended 31st March, 2021

7 RELATED PARTY DISCLOSURES

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

i) List of related parties where control exists and related parties with whom transactions have taken place and

Sr. No.	Name of the Related Party	
1	Digital Media Distribution Trust *	Entities exercising control
2	Reliance Industries Limited	
3	Reliance Industrial Investments and Holdings Limited (Protector of Digital Media Distribution Trust), wholly-owned subsidiary of Reliance Industries Limited	

*Sole beneficiary of Digital Media Distribution Trust is Reliance Content Distribution Limited, wholly-owned subsidiary of Reliance Industries Limited

ii) Disclosure in Respect of Major Related Party Transactions during the year: (₹ in hundred)

S No	Particulars	Relationship	2020-21	2019-20
		Nil	-	-

Balance as at (₹ in hundred)

Sr No	Particulars	Relationship	31st March, 2021	31st March, 2020
1	Share Capital- Class-"A" Equity Shares	Enterprise	1 000	1 000
	Digital Media Distribution Trust	exercising		

Jio Digital CableCo Private Limited

Notes to the Financial Statements for the Year ended 31st March, 2021

8 Capital Management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The company manages its capital structure and make adjustment in light of changes in business condition.

9. Financial Instruments

Valuation

All financial instruments are measured at amortised cost as described below:

Fair value measurement hierarchy:

(₹ in hundred)

Particulars	Carrying amount	As at 31st March, 2021 Level of Input used in			Carrying amount	As at 31st March, 2020 Level of Input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amortised Cost								
Cash and Cash Equivalents	387	-	-	-	710	-	-	-
Financial Liabilities								
At Amortised Cost								
Trade Payable	220	-	-	-	200	-	-	-

The financial instruments are categorized into two levels based on the 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.

Level 3: Inputs based on unobservable market data.

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. It arises from its investment activities, derivative instruments and other financial assets.

Liquidity Risk

Liquidity risk is the risk that arises from the Company's inability to meet its cash flow commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities.

Management monitors rolling forecasts of the company's cash flow position and ensures that the Company is able to meet its financial obligations at all times including contingencies.

10. Details of Investments made, loans or guarantees given or securities provided u/s 186 (4) of the Companies Act, 2013.

No Investments made, loans or guarantees given or securities provided by the Company during the Financial Year 2020 -21 (Previous year - Nil)

11. The Company is mainly engaged in the business of 'Investments in ventures relating to the business of broadcasting, telecasting, next generation digital content distribution '. Accordingly, the Company has single reportable segment under Ind AS 108-"Operating Segment".

12. The Figures of the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

13. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on April 29, 2021.

As per our report of even date

For and on behalf of the Board

For Chaturvedi & Shah LLP

Chartered Accountants

(Firm Registration no.101720W / W100355)

L V Merchant

Director

Sandesh Ladha

Partner

Membership no.047841

Geeta Fulwadaya

Director

Date : 29th April, 2021