

**RELIANCE JIO INFOCOMM LIMITED**

**Financial Statements  
2021-22**

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**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of Reliance Jio Infocomm Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying Standalone financial statements of Reliance Jio Infocomm Limited (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and the notes to the Standalone 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 Standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and its profit, total comprehensive income, 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current year. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit matter	Auditors' response
<p><b>Revenue recognition</b></p> <p>The accounting policies for revenue recognition are set out in Note B.2 (j) to the Standalone financial statements.</p> <p>Revenue is a key audit matter due to high volumes of data processed by the IT systems and the complexity of those IT systems.</p>	<p>Our principal audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated and tested the design, implementation and operating effectiveness of the relevant business process controls, inter-alia controls over the capture, measurement and authorization of revenue transactions, involving internal Information Technology (IT) specialists for the automated controls, interface controls and reports generated through various relevant IT systems involved in the revenue process.</li> <li>• Involved internal IT specialists and tested the IT environment inter-alia for access controls, change management and application specific controls in the IT Systems over the Company's billing and other relevant support systems.</li> <li>• Tested collections and tested the reconciliation between revenue per the billing system and the financial records. We also performed procedures to test the computation of revenue and deferred revenue.</li> </ul>
<p><b>Depreciation / amortisation of spectrum and related tangible assets</b></p> <p>The accounting policies for PPE and Intangible Assets, are set out in Notes B.2 (b) and B.2 (d) to the Standalone financial statements.</p> <p>Spectrum and the related tangible assets are amortised / depreciated to appropriately reflect the expected pattern of consumption of expected future economic benefits from continued use of the said assets.</p>	<p>Our principal audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Tested design, implementation and operating effectiveness of controls over determination of expected economic benefits from the use of relevant assets and monitoring actual consumption thereof to true-up the expected pattern of consumption during an accounting period.</li> <li>• Involved internal Telecom and IT specialists to assess the reasonableness of the expected pattern of consumption of the economic benefits emanating from the use of the relevant assets and the IT environment over the relevant application systems used in monitoring the actual consumption thereof.</li> </ul>

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Key Audit matter	Auditors' response
Rate of amortization / depreciation involve significant judgement and estimates and use of technology.	<ul style="list-style-type: none"> <li>Substantive testing procedures included, verifying the mathematical accuracy of computation of amortization / depreciation charge for the year.</li> </ul>

### Information Other than the Financial Statements and Auditor's Report Thereon

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 for the year ended 31<sup>st</sup> March, 2022 but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our 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 Standalone 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 Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India including the Indian 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 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 Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

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### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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 Standalone 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 financial 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 the 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 Standalone financial statements, including the disclosures, and whether the Standalone 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.

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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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "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 relevant books of account.
  - d. In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 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 with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - 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, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - 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 has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 33 to the Standalone financial statements.

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- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year, accordingly reporting under this clause is not applicable to the Company.

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For **Deloitte Haskins & Sells LLP**  
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**Parimal Kumar Jha**  
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Mumbai, 6<sup>th</sup> May, 2022

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#### **ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ 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 Infocomm Limited on the Standalone financial statements for the year ended 31<sup>st</sup> March, 2022)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

i.

- a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and capital work-in-progress.  
B. The Company has maintained proper records showing full particulars of intangible assets and intangible assets under development.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii.

- a) The Company does not have any inventory and hence reporting under clause (ii) (a) of the Order is not applicable
- b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii) (b) of the Order is not applicable.

iii.

During the year the Company has not provided any guarantee or security and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. In view thereof, reporting under clause 3(iii) (a), (c), (d), (e) and (f) of

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the Order is not applicable. During the year the Company has made investments which, in our opinion, prima facie, are not prejudicial to the Company's interest.

- iv. According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- a) Undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess, and other material statutory dues applicable to the Company, have been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- b) Details of Statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. In crore)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Custom Duty	2094.00 <sup>^</sup>	FY 2013-14, FY 2014-15, FY 2015-16, FY 2016-17, FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21	Deputy Commissioner/ Commissioner of Customs
Customs Act, 1962	Custom Duty	325.30	FY 2015-16, FY 2016-17, FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21	ADG-DRI Adjudication, Mumbai
Customs Act, 1962	Custom Duty	17.40	FY 2014-15, FY 2015-16, FY 2016-17, FY 2017-18	CESTAT, Mumbai

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Service Tax	Service Tax	282.78#	FY 2014-15 to FY 2017-18	CESTAT, Mumbai
Income tax Act, 1961	Income Tax	6.92	FY 2017-18	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income Tax	2.11	FY 2012-13 and FY 2015-16	High Court

^ Net of Rs. 453.00 crore paid under protest

# Net of Rs. 26.18 crore paid under protest

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix.
- a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
  - b) The company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.
  - c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
  - d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - e) The Company has not made any investment in or given any new loan or advances to any of its subsidiaries during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
  - f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x.
- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
  - b) During the year the Company has not made any of the preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi.
- a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv.
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports issued to the Company during the year.
- xv. In our opinion during the year, the Company has not entered any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- d) The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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Mumbai, 6<sup>th</sup> May, 2022

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## **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 Infocomm Limited on the Standalone financial statements for the year ended 31<sup>st</sup> March, 2022)

### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to Standalone financial statements of Reliance Jio Infocomm Limited (“the Company”) as of 31<sup>st</sup> March 2022 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone financial statements 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to this Standalone financial statement 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 with reference to these Standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Standalone financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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

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Free Press Journal Marg,  
212, Nariman Point  
Mumbai - 400021

Deloitte Haskins & Sells LLP  
Chartered Accountants  
One International Centre  
Tower 3, 27<sup>th</sup> – 32<sup>nd</sup> Floor  
Senapati Bapat Marg, Elphinstone (west)  
Mumbai – 400013

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 with reference to these Standalone financial statements.

### **Meaning of Internal Financial Controls with reference to these Standalone Financial Statements**

A company's internal financial control with reference to these Standalone financial statements 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 with reference to these Standalone financial statements 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 these Standalone 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 with reference to these Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to these Standalone financial statements, 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 with reference to these Standalone financial statements to future periods are subject to the risk that the internal financial control with reference to these Standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Tower 3, 27<sup>th</sup> – 32<sup>nd</sup> Floor  
Senapati Bapat Marg, Elphinstone (west)  
Mumbai – 400013

## 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 with reference to these Standalone financial statements and such internal financial controls with reference to these Standalone financial statements were operating effectively as at 31<sup>st</sup> March, 2022, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Statements issued by the Institute of Chartered Accountants of India.

For **D T S & Associates LLP**  
Chartered Accountants  
(Firm's Registration No. 142412W/W100595)

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W100018)

**Parimal Kumar Jha**  
Partner  
Membership No. 124262  
(UDIN: 22124262AIMUXE5725)

**Ketan Vora**  
Partner  
Membership No. 100459  
(UDIN: 22100459AIMUSE5667)

Mumbai, 6<sup>th</sup> May, 2022

**RELIANCE JIO INFOCOMM LIMITED****Balance Sheet as at 31st March, 2022**

Particulars	Notes	(Rs. in crore)	
		As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	1	1,32,360	1,15,146
Capital Work-in-Progress	1	19,223	16,888
Intangible Assets	1	84,185	56,008
Intangible Assets Under Development	1	28,630	93
Financial Assets			
Investments	2	1,108	1,108
Other Financial Assets	3	32	10
Other Non-Current Assets	4	23,964	38,401
<b>Total Non-Current Assets</b>		<b>2,89,502</b>	<b>2,27,654</b>
<b>Current Assets</b>			
Financial Assets			
Investments	5	555	420
Trade Receivables	6	4,317	833
Cash and Cash Equivalents	7	226	178
Other Bank Balances	8	386	411
Other Financial Assets	9	3,611	1,191
Other Current Assets	10	19,892	19,402
<b>Total Current Assets</b>		<b>28,987</b>	<b>22,435</b>
<b>Total Assets</b>		<b>3,18,489</b>	<b>2,50,089</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	11	45,000	45,000
Other Equity	12	1,52,790	1,37,973
<b>Total Equity</b>		<b>1,97,790</b>	<b>1,82,973</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	13	16,162	364
Lease Liabilities		7,952	4,833
Deferred Payment Liabilities	14	37,184	18,837
Other Financial Liabilities	15	6,225	10,312
Provisions	16	99	-
Deferred Tax Liabilities (Net)	17	7,574	2,526
<b>Total Non-Current Liabilities</b>		<b>75,196</b>	<b>36,872</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	18	26,324	10,832
Trade Payable Dues of	19		
Micro and Small Enterprises		27	6
Other than Micro and Small Enterprises		1,993	2,233
Lease Liabilities		2,040	885
Other Financial Liabilities	20	6,067	7,144
Other Current Liabilities	21	8,974	9,072
Provisions	22	78	72
<b>Total Current Liabilities</b>		<b>45,503</b>	<b>30,244</b>
<b>Total Liabilities</b>		<b>1,20,699</b>	<b>67,116</b>
<b>Total Equity and Liabilities</b>		<b>3,18,489</b>	<b>2,50,089</b>

Significant Accounting Policies  
See accompanying Notes to the Financial Statements

As per our Report of even date

For and on behalf of the Board

**For DTS & Associates LLP**  
Chartered Accountants  
**Firm Regn No: 142412W /**  
**W-100595**

**For Deloitte Haskins & Sells LLP**  
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**Parimal Kumar Jha**  
Partner  
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Director

**Mohanbir S. Sawhney**  
Director

**Ranjit V. Pandit**  
Director

Date: May 6, 2022

**Rajneesh Jain**  
Chief Financial Officer

**Jyoti Jain**  
Company Secretary

**Shumeet Banerji**  
Director

**RELIANCE JIO INFOCOMM LIMITED****Statement of Profit and Loss for the year ended 31st March, 2022**

<b>Particulars</b>	<b>Notes</b>	<b>(Rs. in crore)</b>	
		<b>2021-22</b>	<b>2020-21</b>
<b>INCOME</b>			
Revenue from Operations	23	<b>76,977</b>	69,888
Other Income	24	<b>227</b>	548
<b>Total Income</b>		<b>77,204</b>	70,436
<b>EXPENSES</b>			
Network Operating Expenses	25	<b>25,013</b>	22,058
Access Charges		<b>806</b>	4,631
License Fees/Spectrum Charges		<b>9,074</b>	7,755
Employee Benefits Expense	26	<b>1,422</b>	1,337
Finance Costs	27	<b>4,377</b>	3,840
Depreciation and Amortisation Expense	1	<b>13,615</b>	11,534
Selling and Distribution Expenses	28	<b>1,100</b>	1,172
Other Expenses	29	<b>1,932</b>	2,022
<b>Total Expenses</b>		<b>57,339</b>	54,349
<b>Profit Before Tax</b>		<b>19,865</b>	16,087
<b>Tax Expenses</b>			
Current Tax		-	-
Deferred Tax		<b>5,048</b>	4,072
<b>Profit for the year</b>		<b>14,817</b>	12,015
<b>OTHER COMPREHENSIVE INCOME</b>			
(i) Items that will not be reclassified to Profit or Loss		<b>0</b>	3
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		<b>(0)</b>	(1)
<b>Total Other Comprehensive Income for the year (Net of tax)</b>		<b>0</b>	2
<b>Total Comprehensive Income for the year</b>		<b>14,817</b>	12,017
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF RS. 10 EACH</b>			
Basic (in Rupees)	30	<b>3.29</b>	2.67
Diluted (in Rupees)	30	<b>0.87</b>	0.71

**Significant Accounting Policies**

See accompanying Notes to the Financial Statements 1 to 44

"0" represents the amount below the denomination threshold.

As per our Report of even date

For and on behalf of the Board

**For DTS & Associates LLP**  
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**Firm Regn No: 142412W /**  
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Director

Date: May 6, 2022

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Company Secretary

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Director

## RELIANCE JIO INFOCOMM LIMITED

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

## A. Equity Share Capital

(Rs. in crore)

Balance as at 1st April, 2020	Change during the year 2020-21	Balance as at 31st March, 2021	Change during the year 2021-22	Balance as at 31st March, 2022
45,000	-	45,000	-	45,000

## B. Other Equity

(Rs. in crore)

Particulars	Instruments classified as Equity			Reserves and Surplus			Total
	0.1% Non Cumulative Optionally Convertible Preference Share Capital, fully paid up	9% Non Cumulative Optionally Convertible Preference Share Capital, fully paid up	0.01% Non Cumulative Optionally Convertible Preference Share Capital, fully paid up	Securities Premium	Retained Earnings	Debenture Redemption Reserve	
<b>AS AT 31ST MARCH, 2021</b>							
Balance at the beginning of the reporting period i.e. 1st April, 2020	125	4,000	1,05,000	16,000	831	-	1,25,956
Profit for the year	-	-	-	-	12,015	-	12,015
Other Comprehensive Income for the year	-	-	-	-	2	-	2
<b>Balance at the end of the reporting period i.e. 31st March, 2021</b>	<b>125</b>	<b>4,000</b>	<b>1,05,000</b>	<b>16,000</b>	<b>12,848</b>	<b>-</b>	<b>1,37,973</b>
<b>AS AT 31ST MARCH, 2022</b>							
Balance at the beginning of the reporting period i.e. 1st April, 2021	125	4,000	1,05,000	16,000	12,848	-	1,37,973
Profit for the year	-	-	-	-	14,817	-	14,817
Other Comprehensive Income for the year	-	-	-	-	0	-	0
Transfer (to)/from Retained Earnings					(500)	500	-
<b>Balance at the end of the reporting period i.e. 31st March, 2022</b>	<b>125</b>	<b>4,000</b>	<b>1,05,000</b>	<b>16,000</b>	<b>27,165</b>	<b>500</b>	<b>1,52,790</b>

As per our Report of even date

For and on behalf of the Board

**For DTS & Associates LLP**  
Chartered Accountants  
**Firm Regn No: 142412W /**  
**W-100595**

**For Deloitte Haskins & Sells LLP**  
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Director

**Ranjit V. Pandit**  
Director

Date: May 6, 2022

**Rajneesh Jain**  
Chief Financial Officer

**Jyoti Jain**  
Company Secretary

**Shumeet Banerji**  
Director

**RELIANCE JIO INFOCOMM LIMITED****Cash Flow Statement for the year ended 31st March, 2022**

	(Rs. in crore)	
	2021-22	2020-21
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit Before Tax as per Statement of Profit and Loss</b>	<b>19,865</b>	16,087
<b>Adjusted for :</b>		
Depreciation and Amortisation Expense	13,615	11,534
Effect of Exchange Rate Change	54	(160)
Interest Income	(5)	(9)
Gain on Investments (Net)	(55)	(473)
Profit on Sale/Discard of Property, Plant and Equipment (Net)	(13)	-
Finance Costs	4,377	3,840
<b>Operating Profit before Working Capital Changes</b>	<b>37,838</b>	30,819
<b>Adjusted for :</b>		
Trade and Other Receivables	(6,295)	813
Trade and Other Payables	(147)	1,110
<b>Cash Generated from Operations</b>	<b>31,396</b>	32,742
Taxes Paid (Net)	(109)	(138)
<b>Net Cash flow from Operating Activities</b>	<b>31,287</b>	32,604
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(28,807)	(26,116)
Proceeds from disposal of Property, Plant and Equipment	31	369
Repayment of Deferred Payment Liabilities	(19,306)	(2)
Purchase of Investments	(71,362)	(93,806)
Proceeds from Sale of Investments	71,282	95,240
Interest Income	6	7
Fixed Deposits with Banks	2	(4)
<b>Net Cash flow used in Investing Activities</b>	<b>(48,154)</b>	(24,312)
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Borrowings - Non-current (incl. current maturities)	24,447	421
Repayment of Borrowings - Non-current (incl. current maturities)	(159)	(0)
Borrowings - Current (Net)	7,062	(12,467)
Repayment of lease Liabilities	(1,458)	(789)
Finance Cost Paid	(12,977)	(2,345)
<b>Net Cash flow from/ (used in) Financing Activities</b>	<b>16,915</b>	(15,180)
<b>Net Increased/(Decrease) in Cash and Cash Equivalents</b>	<b>48</b>	(6,888)
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>178</b>	7,066
<b>Closing Balance of Cash and Cash Equivalents (Refer Note 7)</b>	<b>226</b>	178

"0" represents the amount below the denomination threshold.

**RELIANCE JIO INFOCOMM LIMITED****Cash Flow Statement for the year ended 31st March, 2022****Changes in Liabilities arising from financing activities**

(Rs. in crore)

	1st April, 2021	Cash flow	Non cash		31st March, 2022
			Fair Valuation (Gain)/Loss	Finance costs including amortisation	
Borrowings - Non-current (incl. current maturities) (Refer Note 13)	421	24,288	(48)	(12)	24,649
Borrowings - Current (Refer Note 18)	10,775	7,062	-	-	17,837
	<b>11,196</b>	<b>31,350</b>	<b>(48)</b>	<b>(12)</b>	<b>42,486</b>

(Rs. in crore)

	1st April, 2020	Cash flow	Non cash		31st March, 2021
			Fair Valuation (Gain)/Loss	Finance costs including amortisation	
Borrowings - Non-current (incl. current maturities) (Refer Note 13)	-	421	-	-	421
Borrowings - Current (Refer Note 18)	23,242	(12,467)	-	-	10,775
	<b>23,242</b>	<b>(12,046)</b>	<b>-</b>	<b>-</b>	<b>11,196</b>

As per our Report of even date

For and on behalf of the Board

**For DTS & Associates LLP**  
Chartered Accountants  
**Firm Regn No: 142412W /**  
**W-100595**

**For Deloitte Haskins & Sells LLP**  
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Director

Date: May 6, 2022

**Rajneesh Jain**  
Chief Financial Officer

**Jyoti Jain**  
Company Secretary

**Shumeet Banerji**  
Director

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****A. CORPORATE INFORMATION:**

Reliance Jio Infocomm Limited (“the Company”) is a public limited company incorporated in India. The registered office of the Company is located at Office-101, Saffron, Nr. Centre Point, Panchawati 5 Rasta, Ambawadi, Ahmedabad-380006, Gujarat, India. The Company’s Holding Company is Jio Platforms Limited and Ultimate Holding Company is Reliance Industries Limited. The Company is engaged in the business of providing Digital Services largely in India.

**B. SIGNIFICANT ACCOUNTING POLICIES:****B.1 BASIS OF PREPARATION AND PRESENTATION**

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value:

- i. Certain Financial Assets and Liabilities (including derivative instruments);
- ii. Defined Benefit Plans - Plan Assets

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,(as amended from time to time) and Presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

The Company’s Financial Statements are presented in Indian Rupees (Rs.), which is also its functional currency and all values are rounded to the nearest crore (Rs. 00,00,000), 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 it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ii. Expected to be realised within twelve months after the reporting period; or
- iii. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability at least twelve months after the reporting period;
- iv. All other assets are classified as Non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is due to be settled within twelve months after the reporting period, or
- iii. 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.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****(b) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, asset retirement obligation, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

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.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

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

The assets are capitalised when they are available for use and are working in the manner as intended by the management. The assets are considered as being available for intended use, when the performance parameters laid down by the management are achieved.

Depreciation on Property, Plant and Equipment is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation is provided using straight-line method except in case of wireless telecommunication equipment and components which are depreciated based on the expected pattern of consumption of the expected future economic benefits over its useful life.

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.

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) Leases**

The Company, at the inception of a contract, assesses the contract as, or containing, a lease and as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

Variable lease payments which are not dependent on an index or rate are not included in the measurement of lease liability and are expensed as incurred and recognised in the Statement of Profit and Loss.

For short-term (defined as leases with a lease term of 12 months or less) and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**(d) Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

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.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as project development expenditure and disclosed under Intangible Assets Under Development.

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.

A summary of amortisation policies applied to the Company's Intangible Assets to the extent of depreciable amount is, as follows: -

- i. Software are amortised on straight line method, over a period of 5 to 10 years.
- ii. License Fee is amortised over the remainder of the License period from the date of commencement of the commercial operation.
- iii. Spectrum cost is amortised from the date of commencement of commercial operation over the balance validity period, based on the expected pattern of consumption of the expected future economic benefits, in accordance with the applicable Accounting Standards.
- iv. Payment for Bandwidth capacities acquired under Indefeasible Right to Use (IRU) is amortised over the period of the agreement.

The amortisation period and the amortisation method for Intangible Assets with a finite useful life are reviewed at each reporting date.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****(e) Cash and Cash Equivalents:**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits 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.

**(f) Financial Instruments****i. Financial Assets****A. Initial Recognition and Measurement**

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at Fair Value Through Profit or Loss, are adjusted 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 measured 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 represents solely payments of principal and interest on the principal amount outstanding.

**c) Financial Assets measured 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 Subsidiaries**

The Company has accounted for its investments in subsidiaries at cost less impairment loss (if any).

**D. 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'.

**E. Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

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, the Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables.

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 Expected Credit Loss is used.

**ii. Financial Liabilities****A. Initial Recognition and Measurement**

All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**B. Subsequent Measurement**

Financial Liabilities are carried at amortised 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. Derivative Financial Instruments and Hedge Accounting.**

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options to mitigate the risk of changes in interest rates and exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****Fair Value Hedge**

The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and foreign exchange rates.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

**iv. Derecognition of Financial Instruments**

The Company derecognises 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 derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(g) 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.

**(h) Contingent Liabilities**

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

**(i) Government Grant**

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the installation and service of property, plant and equipment are included in liabilities as deferred income and are credited to profit or loss on a Straight line basis over the obligation period as stated in agreement of grants.

**(j) Revenue Recognition**

Revenue is recognised to the extent 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 recognised upon transfer of control of promised services to the customers. Revenues from fixed-price and fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, are recognised to the extent the Company has rendered the services, as per the

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

contractual arrangements. Revenue is measured at the fair value of the consideration received or receivable in exchange for transferring the promised services, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from membership fees are recognised rateably over the membership period. Revenue from other services including advertisement is recognized on rendering services.

Revenue from services includes revenue towards interconnection charges for usage of the Company's network by other telecom operators.

Non-refundable upfront charges for one-time connectivity infrastructure setup are recognized as revenue if they relate to transfer of promised goods or services, which represent a separate performance obligation. In such cases, the revenue is recognized when such performance obligation is satisfied upon completion of service.

Prepaid expense includes unamortised subscriber acquisition cost viz. distribution cost and commission. The Company has estimated the average subscriber life derived from subscriber churn rate and such costs are recognised over the average expected subscriber life.

In case of revenue from multiple deliverables, the consideration received from customers is allocated to each separate unit of identifiable deliverable based on its relative fair value. In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated on a residual value method.

**Contract Balances****Trade Receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional.

**Contract Liabilities**

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration or is due from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Company performs under the contract.

**Interest Income**

Interest income from a Financial Asset is recognised using effective interest rate method.

**Dividend Income**

Dividend Income is recognised when the Company's right to receive the amount has been established.

**(k) Employee Benefits Expense****Short-Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****Post-Employment Benefits****Defined Contribution Plans**

The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

**Defined Benefit Plans**

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognized in the period in which they occur in Other Comprehensive Income.

**Other Long Term Employee Benefits**

Compensated Absences are accrued and provided for on the basis of actuarial valuation done as at the year end by an independent actuary as per the Projected Unit Credit Method.

**(l) Finance Costs**

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 of Profit and Loss for the period for which they are incurred.

**(m) Foreign Currencies Transactions and Translations**

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 closing 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.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

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 Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, dates of transactions are determined for each payment or receipt of advance consideration.

**(n) Tax Expenses**

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

**i. Current Tax**

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

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset, or to realise the asset and settle the liability simultaneously.

**ii. 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 income tax assets on carry forward losses is recognised based on convincing evidence including robust business projections where it is reasonably certain that sufficient taxable profits will be available to utilise those losses.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized. 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.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****(o) Impairment of Non-Financial Assets - Property, Plant and Equipment, Intangible Assets and Intangible Assets under development**

The Company assesses at each reporting date as to 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 indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When 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. Intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(p) 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 during the year. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into 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 next financial years.

**(a) Property, Plant and Equipment / Intangible Assets**

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value.

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation/amortisation method is selected so as to reflect the pattern in which future economic benefits of different assets are expected to be consumed by the Company. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological and future risks. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****(b) Asset Retirement Obligation**

Asset Retirement Obligation created for telecom infrastructure at leased premises involves judgement around the cost to dismantle such telecom infrastructure and restore sites upon vacation and the timing of the event. The Provision represents the Company's best estimate of the amount that may be required to settle the obligation. Costs are expected to be incurred over a period of up to 18 years and the estimates are discounted using a rate that reflects the passage of time.

**(c) Recoverability of Trade Receivables**

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.

**(d) Provisions**

The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**(e) 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, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (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 transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**(f) 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.

**(g) Revenue**

The application of Accounting Standard on Revenue Recognition is complex and use of key judgments with respect to multiple elements deliverables, timing of revenue recognition, accounting of discounts, incentives, contract combinations and contract modifications etc. The Management has reviewed such accounting treatment and is satisfied about its appropriateness in terms of the relevant Ind AS.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****(h) Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses judgement in assessing whether a contract (or part of contract) includes a lease/non lease, the lease term (including anticipated renewals), the applicable discount rate, variable lease component whether in-substance fixed. During the year, the Company re-evaluated and revised its basis of separation of lease and non-lease component in respect of arrangements related to certain telecom towers resulting into re-measurement of the lease component. The resultant impact is largely represented as additions to the right of use assets in note 1 and does not have a material impact on profit for the year.

**(i) Recognition of Deferred Tax Assets and Liabilities**

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

**D. STANDARDS ISSUED BUT NOT EFFECTIVE**

On 23rd March, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from 1st April, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instruments
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Application of above standards are not expected to have any significant impact on the company's financial statements.

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

## 1. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS, INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT (Rs. in crore)

Description	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	As at	Additions /Adjustments	Deductions /Adjustments	As at	As at	For the Year	Deductions /Adjustments	As at	As at	
	01-04-2021			31-03-2022	01-04-2021			31-03-2022	31-03-2022	31-03-2021
<b>Property, Plant and Equipment :</b>										
<b>Own Assets (A)</b>										
Land	1,868	-	-	1,868	-	-	-	-	1,868	1,868
Buildings	1,160	75	-	1,235	98	38	-	136	1,099	1,062
Buildings-Temporary Structures	3	-	-	3	2	0	-	2	1	1
Leasehold Improvements	378	11	-	389	41	15	-	56	333	337
Plant and Equipments	1,18,803	20,494	42	1,39,255	12,369	7,237	19	19,587	1,19,668	1,06,434
Office Equipments	88	6	-	94	39	1	-	40	54	49
Furniture and Fixtures	42	1	-	43	17	4	-	21	22	25
Vehicles	22	-	-	22	16	2	-	18	4	6
<b>Total (A)</b>	<b>1,22,364</b>	<b>20,587</b>	<b>42</b>	<b>1,42,909</b>	<b>12,582</b>	<b>7,297</b>	<b>19</b>	<b>19,860</b>	<b>1,23,049</b>	<b>1,09,782</b>
<b>Right-of-Use Assets (B)</b>										
Land	283	-	-	283	53	9	-	62	221	230
Plant and Equipments	7,179	5,731	-	12,910	2,045	1,775	-	3,820	9,090	5,134
<b>Total (B)</b>	<b>7,462</b>	<b>5,731</b>	<b>-</b>	<b>13,193</b>	<b>2,098</b>	<b>1,784</b>	<b>-</b>	<b>3,882</b>	<b>9,311</b>	<b>5,364</b>
<b>Total (C=A+B)</b>	<b>1,29,826</b>	<b>26,318</b>	<b>42</b>	<b>1,56,102</b>	<b>14,680</b>	<b>9,081</b>	<b>19</b>	<b>23,742</b>	<b>1,32,360</b>	<b>1,15,146</b>
<b>Intangible assets*</b>										
Spectrum/License Fee~	60,903	32,274	-	93,177	9,619	3,854	-	13,473	79,704	51,284
Software	5,595	298	-	5,893	1,562	623	-	2,185	3,708	4,033
Indefeasible right to use (IRU)	781	139	-	920	90	57	-	147	773	691
Others	0	-	-	0	0	-	-	0	-	-
<b>Total (D)</b>	<b>67,279</b>	<b>32,711</b>	<b>-</b>	<b>99,990</b>	<b>11,271</b>	<b>4,534</b>	<b>-</b>	<b>15,805</b>	<b>84,185</b>	<b>56,008</b>
<b>Total (C+D)</b>	<b>1,97,105</b>	<b>59,029</b>	<b>42</b>	<b>2,56,092</b>	<b>25,951</b>	<b>13,615</b>	<b>19</b>	<b>39,547</b>	<b>2,16,545</b>	<b>1,71,154</b>
<b>Previous Year</b>	<b>1,77,870</b>	<b>19,630</b>	<b>395</b>	<b>1,97,105</b>	<b>14,443</b>	<b>11,534</b>	<b>26</b>	<b>25,951</b>	<b>1,71,154</b>	
<b>CAPITAL WORK-IN-PROGRESS</b>									<b>19,223</b>	16,888
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT**</b>									<b>28,630</b>	93

\* Other than internally generated.

\*\* Includes Spectrum for future project

"0" represents the amount below the denomination threshold.

~ The remaining amortisation period of Spectrum/ License fee as at 31st March, 2022 ranges between 8 to 19 years.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

1.1 The Company continues to invest in augmentation of the wireless and wireline network capacity.

1.2 Capital Work-in-Progress and Intangible Assets Under Development includes :

(a) Rs.8,127 crore (Previous Year Rs.7,792 crore) on account of capital goods inventory.

(b) Rs.832 crore (Previous Year Rs.342 crore) on account of Project Development Expenditure.

1.3 Additions in Property, Plant and Equipment, Capital Work-in-Progress, Intangible Assets and Intangible Assets Under Development includes Rs.2,273 crore [Previous Year Rs. 792 crore] on account of finance cost during the year.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****1.4 Capital Work-in-Progress (CWIP)****(a) Ageing Schedule as at 31st March, 2022**

(Rs. in crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	16,495	1,540	356	832	19,223
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>16,495</b>	<b>1,540</b>	<b>356</b>	<b>832</b>	<b>19,223</b>

**(b) Ageing Schedule as at 31st March, 2021**

(Rs. in crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	8,729	5,883	2,199	77	16,888
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>8,729</b>	<b>5,883</b>	<b>2,199</b>	<b>77</b>	<b>16,888</b>

**1.5 Intangible Assets Under Development (IAUD)****(a) Ageing Schedule as at 31st March, 2022**

(Rs. in crore)

Intangible Assets Under Development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	28,630	-	-	-	28,630
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>28,630</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,630</b>

**(b) Ageing Schedule as at 31st March, 2021**

(Rs. in crore)

Intangible Assets Under Development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	93	-	-	-	93
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93</b>

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

(Rs. in crore)

## 2 Investments - Non-Current

	As at 31st March, 2022		As at 31st March, 2021	
	Shares	Amount	Shares	Amount
<b>Investments measured at Cost</b>				
<b>In Equity Shares of Subsidiary Companies</b>				
<b>Unquoted, fully paid up</b>				
Reliance Jio Infocomm Pte Limited of USD 1 each	12,94,00,000	814	12,94,00,000	814
Reliance Jio Infocomm USA Inc. of USD 0.01 each	3,85,47,66,449	242	3,85,47,66,449	242
Reliance Jio Infocomm UK Limited of GBP 1 each	60,00,000	52	60,00,000	52
<b>Total Investments measured at cost</b>		<b>1,108</b>		<b>1,108</b>
<b>Aggregate amount of Unquoted Investments</b>		<b>1,108</b>		<b>1,108</b>

	As at 31st March, 2022		(Rs. in crore) As at 31st March, 2021	
	2.1 <b>Category wise Investments - Non-Current</b>			
Financial assets measured at Cost		1,108		1,108
<b>Total Investments - Non-Current</b>		<b>1,108</b>		<b>1,108</b>

## 2.2 Details of each of the subsidiary companies are given below:

Name of the Subsidiaries	Principal place of business	Country of Incorporation	Proportion of ownership interest
Reliance Jio Infocomm Pte Limited	Singapore	Singapore	100%
Reliance Jio Infocomm USA Inc.	U.S.A.	U.S.A.	100%
Reliance Jio Infocomm UK Limited	U.K.	U.K.	100%

## 3 Other Financial Assets - Non-Current

	As at 31st March, 2022		(Rs. in crore) As at 31st March, 2021	
	Fixed Deposits with Banks*		32	
<b>Total</b>		<b>32</b>		<b>10</b>

\* Fixed Deposits with Banks given as collateral security to Government Authorities.

## RELIANCE JIO INFOCOMM LIMITED

### Notes to the Financial Statements for the year ended 31st March, 2022

4 Other Non-Current Assets (Unsecured and Considered Good)	As at		(Rs. in crore)	
	31st March, 2022		As at 31st March, 2021	
Capital Advances		853		15,222
Security Deposits		2,234		2,238
Advance Income Tax		1,432		1,323
Balance with GST Authorities		-		2,154
Upfront Fibre payment		14,980		15,500
Others *		4,465		1,964
<b>Total</b>		<b>23,964</b>		<b>38,401</b>

\* Others include prepaid expenses and amount paid under protest to Government Authorities.

Advance Income Tax	As at		(Rs. in crore)	
	31st March, 2022		As at 31st March, 2021	
At start of year		1,323		1,185
Tax paid (Net) during the year		109		138
<b>At end of year</b>		<b>1,432</b>		<b>1,323</b>

5 Investments - Current	As at		(Rs. in crore)	
	31st March, 2022		As at 31st March, 2021	
	Units	Amount	Units	Amount
<b>Investments measured at Fair Value through Profit &amp; Loss</b>				
IDFC Cash Fund Growth Direct Plan	-	-	4,02,284	100
L&T Liquid Fund Direct Plan Growth	4,97,525	145	3,54,769	100
Axis Liquid Fund Direct Plan Growth	-	-	4,37,700	100
UTI Liquid Fund - Growth Option - Direct Plan	4,30,139	150	-	-
Tata Liquid Fund Direct Plan Growth	1,78,584	60	3,69,519	120
HDFC Liquid Fund - Direct Plan - Growth Option	4,78,025	200	-	-
<b>Total</b>	<b>15,84,273</b>	<b>555</b>	<b>15,64,272</b>	<b>420</b>
Aggregate amount of unquoted investments		<b>555</b>		420

6 Trade Receivables (Unsecured)	As at		(Rs. in crore)	
	31st March, 2022		As at 31st March, 2021	
Considered good		4,317		833
Credit impaired		66		43
Less: Provision		(66)		(43)
<b>Total</b>		<b>4,317</b>		<b>833</b>

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

## 6.1 Trade Receivables ageing schedule

## a. As at 31st March, 2022

(Rs. in crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	321	57	74	52	32	536
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>321</b>	<b>57</b>	<b>74</b>	<b>52</b>	<b>32</b>	<b>536</b>

## b. As at 31st March, 2021

(Rs. in crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	405	56	72	37	2	572
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>405</b>	<b>56</b>	<b>72</b>	<b>37</b>	<b>2</b>	<b>572</b>

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

<b>7 Cash and Cash Equivalents</b>	(Rs. in crore)	
	As at <b>31st March, 2022</b>	As at 31st March, 2021
Balances with Banks	226	178
Cash and Cash Equivalents as per Balance Sheet	226	178
Cash and Cash Equivalents as per Cash Flow Statement	226	178

<b>8 Other Bank Balances</b>	(Rs. in crore)	
	As at <b>31st March, 2022</b>	As at 31st March, 2021
Fixed Deposits with Banks*	86	111
Other Earmarked Bank Balances^	300	300
<b>Total</b>	<b>386</b>	<b>411</b>

\* Includes Rs.10 crore (Previous year of Rs.35 crore) given as collateral security to government authorities and Rs.76 crore (Previous year Rs.76 crore) given as collateral security against bank guarantee issued to Department of Telecommunication (DOT).

^ Other Earmarked Bank Balance comprise of balance lying in escrow account towards assets

<b>9 Other Financial Assets - Current</b>	(Rs. in crore)	
	As at <b>31st March, 2022</b>	As at 31st March, 2021
Interest accrued on Fixed Deposits	17	17
Unbilled Receivables	445	316
Others *	3,149	858
<b>Total</b>	<b>3,611</b>	<b>1,191</b>

\* Others include claim receivables.

<b>10 Other Current Assets (Unsecured and considered good)</b>	(Rs. in crore)	
	As at <b>31st March, 2022</b>	As at 31st March, 2021
Balance with GST Authorities	17,427	15,300
Upfront Fibre payment	545	544
Advance to Vendors	233	1,983
Others #	1,687	1,575
<b>Total</b>	<b>19,892</b>	<b>19,402</b>

# Others include prepaid expenses.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

(Rs. in crore)

**11 Share Capital****Authorised Share Capital :**

	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
45,00,00,00,000 Equity Shares of Rs.10 each (45,00,00,00,000)	<b>45,000</b>	45,000
	<b>45,000</b>	45,000
1,15,00,00,00,000 Preference Shares of Rs.10 each (1,15,00,00,00,000)	<b>1,15,000</b>	1,15,000
	<b>1,15,000</b>	1,15,000
<b>Total</b>	<b>1,60,000</b>	1,60,000
<b>Issued, Subscribed and Paid up:</b>		
45,00,00,00,000 Equity Shares of Rs.10 each fully paid up (45,00,00,00,000)	<b>45,000</b>	45,000
	<b>45,000</b>	45,000

Figures in bracket represents Previous Year's figure.

**11.1 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.

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

<b>Particulars</b>	<b>As at 31st March, 2022</b>		<b>As at 31st March, 2021</b>	
	<b>No. of Shares</b>	<b>Rs. in crore</b>	<b>No. of Shares</b>	<b>Rs. in crore</b>
Equity shares at the beginning of the year	<b>45,00,00,00,000</b>	<b>45,000</b>	45,00,00,00,000	45,000
Add: Issue of Shares	-	-	-	-
Equity shares at the end of the year	<b>45,00,00,00,000</b>	<b>45,000</b>	45,00,00,00,000	45,000

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****11.3 The details of shareholders holding more than 5% shares in the Company including those held by Holding Company and Subsidiaries of Holding Company:**

Name of Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No of Shares	% held	No of Shares	% held
Jio Platforms Limited (Holding Company) *	<b>45,00,00,00,000</b>	<b>100%</b>	45,00,00,00,000	100%

\* Includes 6 shares held by the nominees of Holding Company jointly with it, the beneficial interest of which is with the Holding Company

**11.4 Shareholding of the Promoter****As at 31st March, 2022****Shares held by promoters at the end of the year**

Promoter Name	No. of shares	% of total shares	% Change during the year
Jio Platforms Limited	45,00,00,00,000	100	-
<b>Total</b>	<b>45,00,00,00,000</b>	<b>100</b>	<b>-</b>

**As at 31st March, 2021****Shares held by promoters at the end of the year**

Promoter Name	No. of shares	% of total shares	% Change during the year
Jio Platforms Limited	45,00,00,00,000	100	-
<b>Total</b>	<b>45,00,00,00,000</b>	<b>100</b>	<b>-</b>

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

(Rs. in crore)

## 12 Other Equity

	As at 31st March, 2022		As at 31st March, 2021	
<b>Instrument classified as Equity</b>				
<b>Optionally Convertible Preference Shares (OCPS)</b>				
0.1% Non Cumulative OCPS Series-I	125		125	
9% Non Cumulative OCPS Series-V	4,000		4,000	
0.01% Non Cumulative OCPS Series-VI	1,05,000		1,05,000	
		1,09,125		1,09,125
<b>Reserves and Surplus</b>				
<b>Securities Premium</b>				
As per last Balance Sheet	16,000		16,000	
Add: On issue of shares	-		-	
<b>Balance at the end of the year</b>		<b>16,000</b>		<b>16,000</b>
<b>Retained Earnings</b>				
As per last Balance Sheet	12,848		831	
Add: Profit for the year	14,817		12,015	
Less: Transferred to Debenture Redemption Reserve	(500)		-	
Add: Other Comprehensive Income arising from Remeasurement of Defined Benefit Plan, net of Income tax	0		2	
<b>Balance at the end of the year</b>		<b>27,165</b>		<b>12,848</b>
<b>Debenture Redemption Reserve</b>				
As per last Balance Sheet	-		-	
Add: Transferred from Retained Earnings	500		-	
<b>Balance at the end of the year</b>		<b>500</b>		<b>-</b>
<b>TOTAL</b>		<b>1,52,790</b>		<b>1,37,973</b>

## 12.1 0.1% 12,50,00,000 Non Cumulative Optionally Convertible Preference Shares ("OCPS-Series-I") of Rs. 10 each, fully paid up

**Terms/ rights attached to Preference Shares :**

The amount subscribed/paid on each OCPS are convertible into 2 (Two) Equity Shares of Rs.10 each at any time at the option of the Company but in any case not later than June 29, 2030 and in the event the shares are not converted, these will be redeemed at any time at the option of the Company at Rs. 20 each but not in any case later than June 29, 2030.

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

(Rs. in crore)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Preference shares at the beginning of the year	12,50,00,000	125	12,50,00,000	125
Add: Issue of Shares	-	-	-	-
<b>Preference shares at the end of the year</b>	<b>12,50,00,000</b>	<b>125</b>	<b>12,50,00,000</b>	<b>125</b>

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

(Rs. in crore)

**12.2 9% Non Cumulative Optionally Convertible Preference Shares ("OCPS-Series-V") of Rs.10 each, fully paid up****Terms/ rights attached to Preference Shares :**

The amount subscribed/paid on each OCPS are either redeemable at Rs. 50 or convertible into 5 (Five) Equity Shares of Rs. 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the OCPS (i.e. 7th June, 2019).

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

(Rs. in crore)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Preference shares at the beginning of the year	4,00,00,00,000	4,000	4,00,00,00,000	4,000
Add: Issue of Shares	-	-	-	-
<b>Preference shares at the end of the year</b>	<b>4,00,00,00,000</b>	<b>4,000</b>	<b>4,00,00,00,000</b>	<b>4,000</b>

**12.3 0.01% Non Cumulative Optionally Convertible Preference Shares (OCPS-Series-VI) of Rs.10 each, fully paid up****Terms/ rights attached to Preference Shares :**

Each OCPS shall be converted into 1 Equity Share of Rs. 10 (Rupees Ten) each at any time at the option of the Company but not later than 10 (Ten) years from the date of allotment of OCPS (i.e. 18th December, 2019). If not converted, each OCPS shall be redeemed at Rs. 20 (Rupees Twenty) at the end of the Term. Provided however, each OCPS can be redeemed at any time along with proportionate premium.

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

(Rs. in crore)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Preference shares at the beginning of the year	1,05,00,00,00,000	1,05,000	1,05,00,00,00,000	1,05,000
Add: Issue of Shares	-	-	-	-
<b>Preference shares at the end of the year</b>	<b>1,05,00,00,00,000</b>	<b>1,05,000</b>	<b>1,05,00,00,00,000</b>	<b>1,05,000</b>

**12.4 The details of Preference shareholders holding more than 5% shares in the Company including those held by Holding company:**

OCPS Series-I/V/VI : 100% shares are held by Jio Platforms Limited (Holding Company)

Note: The voting rights on the OCPS Series-I/V/VI are as prescribed under the provisions of the Companies Act, 2013.

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

13 Borrowings	(Rs. in crore)			
	As at		As at	
	31st March, 2022		31st March, 2021	
	Non Current	Current	Non Current	Current
<b>Unsecured - At Amortised cost</b>				
Non Convertible Debentures	4,961	-	-	-
Term loans - From Banks	10,331	7,949	-	-
Term loans - From Others	870	538	364	57
<b>TOTAL</b>	<b>16,162</b>	<b>8,487</b>	<b>364</b>	<b>57</b>

## Maturity Profile and Rate of Interest of Non-Convertible Debentures are as set out below:

Rate of Interest	Non-Current				(Rs. in crore)	
	2023-24	2024-25	2025-26	2026-27*	Total	Current 1 year
6.20% p.a.	-	-	-	5,000	5,000	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>5,000</b>	<b>-</b>

\* Including Rs.5 crore as unamortised finance charges and Fair valuation impact of Rs.34 crores in FY 2021-22

## Maturity Profile and Rate of Interest of Unsecured Term Loans are as set out below:

Particulars	Non-Current			(Rs. in crore)	
	1-5 Years	Above 5 Years	Total	Current 1 year	
Term loans - From banks*	8,550	1,800	10,350	7,950	
Term loans - From Others <sup>#</sup>	870	-	870	538	
<b>TOTAL</b>	<b>9,420</b>	<b>1,800</b>	<b>11,220</b>	<b>8,488</b>	

\* Including Rs.7 crore as unamortised finance charges (Non Current of Rs.6 crore and Current of Rs.1 crore) and Fair valuation impact of Rs.14 crores in FY 2021-22. Interest rates are in range of 4.55% p.a. to 6.00% p.a.

<sup>#</sup> Loan from CISCO Systems Capital (India) Private Limited at an average Interest Rate of 1.94% p.a. repayable in next 5 years.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

<b>14</b>	<b>Deferred Payment Liabilities</b>	(Rs. in crore)	
		<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
	<b>Unsecured</b>		
	Payable to Department of Telecommunication (DoT)	<b>37,184</b>	18,837
	<b>Total</b>	<b>37,184</b>	18,837

- 14.1 a) The company has prepaid deferred payment liability of Rs.18,837 crore during the year against spectrum acquired up to 31st March, 2020.
- b) The deferred payment liability of Rs. 37,184 crore is payable in 16 equated annual instalments, after a moratorium of two years, commencing from March 2024. (Refer Note 33)

<b>15</b>	<b>Other Financial Liabilities - Non-Current</b>	(Rs. in crore)	
		<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
	Interest accrued but not due on Deferred Payment Liabilities (Refer Note No 14.1)	2,826	9,554
	Creditors for Capital Expenditure	3,399	758
	<b>Total</b>	<b>6,225</b>	10,312

<b>16</b>	<b>Provisions - Non-Current</b>	(Rs. in crore)	
		<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
	Assets Retirement Obligation	99	-
	<b>Total</b>	<b>99</b>	-

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

(Rs. in crore)

## 17 Deferred Tax Liabilities (Net)

## a. The movement on the deferred tax account is as follows:

	As at 31st March, 2022	As at 31st March, 2021
At the start of the year	2,526	(1,546)
Charge to Statement of Profit and Loss	5,048	4,072
Charge to Other Comprehensive Income	0	1
<b>At the end of year</b>	<b>7,574</b>	<b>2,526</b>

## Component Of Deferred Tax Liabilities/(Asset)

(Rs. in crore)

	As at 31st March, 2021	Charge / (Credit) to Statement of Profit and Loss and Other Comprehensive Income	As at 31st March, 2022
<b>Deferred tax liabilities/(asset) in relation to:</b>			
Property, Plant and Equipment and Intangible Assets	14,946	6,326	21,272
Carried Forward Losses	(10,952)	(173)	(11,125)
Financial Liabilities	(1,440)	(1,076)	(2,516)
Provisions	(28)	(29)	(57)
<b>Total</b>	<b>2,526</b>	<b>5,048</b>	<b>7,574</b>

## b. Income tax recognised in Statement of Profit and Loss

	As at 31st March, 2022	As at 31st March, 2021
Current Tax	-	-
Deferred Tax	5,048	4,072
<b>Total Income Tax expenses recognised in the current year</b>	<b>5,048</b>	<b>4,072</b>

The income tax expenses for the year can be reconciled to the accounting profit as follows:

(Rs. in crore)

	As at 31st March, 2022	As at 31st March, 2021
Profit before Tax	19,865	16,087
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	5,000	4,049
<b>Tax effect of :</b>		
Expenses Disallowed	48	23
<b>Tax Expenses recognised in Statement of Profit and Loss</b>	<b>5,048</b>	<b>4,072</b>
<b>Effective Tax Rate</b>	<b>25.41%</b>	<b>25.31%</b>

(Rs. in crore)

c. Income tax recognised in Other Comprehensive Income  
Total income tax expenses recognised in the current year

	As at 31st March, 2022	As at 31st March, 2021
	0	1
	0	1

"0" represents the amount below the denomination threshold.

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

18 Borrowings - Current	As at 31st March, 2022	(Rs. in crore) As at 31st March, 2021
<b>Unsecured - At amortised cost</b>		
Current maturities of long term borrowings (Refer Note 13)	8,487	57
Commercial Paper*	<u>17,837</u>	<u>10,775</u>
<b>TOTAL</b>	<b><u>26,324</u></b>	<b><u>10,832</u></b>

\*Maximum amount outstanding at any time during the year was Rs.25,733 crore (Previous Year Rs.28,674 crore).

19 Trade Payables dues of	As at 31st March, 2022	(Rs. in crore) As at 31st March, 2021
Micro and Small Enterprises*	27	6
Other than Micro and Small Enterprises	<u>1,993</u>	<u>2,233</u>
<b>Total</b>	<b><u>2,020</u></b>	<b><u>2,239</u></b>

\* There are no overdue to Micro, Small and Medium Enterprises as at 31st March, 2022.

## 19.1 Trade Payables ageing schedule

## a. As at 31st March, 2022

(Rs. in crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	44	12	7	14	77
Disputed-MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-
<b>Total</b>	<b>44</b>	<b>12</b>	<b>7</b>	<b>14</b>	<b>77</b>

## b. As at 31st March, 2021

(Rs. in crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	63	21	11	6	101
Disputed-MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-
<b>Total</b>	<b>63</b>	<b>21</b>	<b>11</b>	<b>6</b>	<b>101</b>

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

<b>20 Other Financial Liabilities - Current</b>	(Rs. in crore)	
	<b>As at</b>	As at
	<b>31st March, 2022</b>	31st March, 2021
Interest accrued but not due on Borrowings	<b>313</b>	27
Creditors for Capital Expenditure	<b>5,113</b>	6,783
Other Payables *	<b>641</b>	334
<b>Total</b>	<b>6,067</b>	7,144

\* Other Payables includes employee dues and security deposit received from customers.

<b>21 Other Current Liabilities</b>	(Rs. in crore)	
	<b>As at</b>	As at
	<b>31st March, 2022</b>	31st March, 2021
Revenue received in advance	<b>8,262</b>	5,779
Other Payables #	<b>712</b>	3,293
<b>Total</b>	<b>8,974</b>	9,072

# Other Payables include statutory dues.

<b>22 Provisions - Current</b>	(Rs. in crore)	
	<b>As at</b>	As at
	<b>31st March, 2022</b>	31st March, 2021
Provisions for Employee Benefits ^	<b>78</b>	72
<b>Total</b>	<b>78</b>	72

^ The provision for employee benefit includes annual leave entitlement accrued.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

(Rs. in crore)

<b>23</b>	<b>Revenue from Operations</b>	<b>2021-22</b>	<b>2020-21</b>
	Value of Services	<b>90,608</b>	82,409
	Less:GST recovered	<b>(13,631)</b>	(12,521)
	<b>Total</b>	<b>76,977</b>	69,888

23.1 The entire balance in the revenue received in advance account at the beginning of the current year and the previous year has been recognised as revenue during the current year and the previous year respectively.

All contracts of the Company with its customers have an original duration of one year or less. Accordingly, the Company has applied the practical expedient as given in IND AS 115, considering which, it is not required to disclose the information about its remaining performance obligations in terms of the said Standard.

(Rs. in crore)

<b>24</b>	<b>Other Income</b>	<b>2021-22</b>	<b>2020-21</b>
	Interest Income from fixed deposits	<b>5</b>	9
	Gain on Investments (Net)	<b>55</b>	473
	Interest on Income tax refund	<b>123</b>	22
	Other Non-Operating Income	<b>44</b>	44
	<b>Total</b>	<b>227</b>	548

(Rs. in crore)

<b>25</b>	<b>Network Operating Expenses</b>	<b>2021-22</b>	<b>2020-21</b>
	Rent / Service Charges	<b>9,479</b>	8,762
	Power and Fuel	<b>9,031</b>	7,726
	Repairs and Maintenance	<b>1,946</b>	1,740
	Other network cost*	<b>4,557</b>	3,830
	<b>Total</b>	<b>25,013</b>	22,058

\*Includes Fiber usage charges

(Rs. in crore)

<b>26</b>	<b>Employee Benefits Expense</b>	<b>2021-22</b>	<b>2020-21</b>
	Salaries and Wages	<b>1,246</b>	1,189
	Contribution to Provident and Other Funds (Refer Note 31)	<b>84</b>	76
	Staff Welfare Expenses	<b>92</b>	72
	<b>Total</b>	<b>1,422</b>	1,337

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

		(Rs. in crore)	
<b>27</b>	<b>Finance Costs</b>	<b>2021-22</b>	2020-21
	Interest Expenses	<b>3,558</b>	3,223
	Interest on Lease Liabilities	<b>819</b>	617
	<b>Total</b>	<b>4,377</b>	3,840
		(Rs. in crore)	
<b>28</b>	<b>Selling and Distribution Expenses</b>	<b>2021-22</b>	2020-21
	Advertisement and Marketing Expenses	<b>275</b>	217
	Selling and Distribution Expenses	<b>825</b>	955
	<b>Total</b>	<b>1,100</b>	1,172
		(Rs. in crore)	
<b>29</b>	<b>Other Expenses</b>	<b>2021-22</b>	2020-21
	Professional Fees	<b>794</b>	1,003
	Payment to Auditors (Refer Note 37)	<b>7</b>	6
	Insurance	<b>117</b>	77
	Net Loss/(Gain) on foreign currency transactions	<b>71</b>	(76)
	Corporate Social Responsibility (Refer Note 38)	<b>190</b>	88
	Provision for Doubtful Debts/Written off (Net)	<b>34</b>	34
	Customer Service Expenses	<b>151</b>	136
	Bank Charges	<b>49</b>	60
	Rates and Taxes	<b>64</b>	54
	Travelling Expenses	<b>74</b>	45
	General Expenses	<b>381</b>	595
	<b>Total</b>	<b>1,932</b>	2,022

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

	2021-22	2020-21
<b>30 Earnings Per Share (EPS)</b>		
Face Value per Equity Share (Rs.)	10	10
Basic Earnings per Share (Rs.)	3.29	2.67
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.in crore)	14,817	12,015
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	45,00,00,00,000	45,00,00,00,000
Diluted Earnings per Share (Rs.)	0.87	0.71
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.in crore)	14,817	12,015
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	1,70,25,00,00,000	1,70,25,00,00,000
<b>Reconciliation of weighted average number of shares outstanding</b>		
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	45,00,00,00,000	45,00,00,00,000
Weighted Average number of Potential Equity Shares on account of OCPS	1,25,25,00,00,000	1,25,25,00,00,000
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	1,70,25,00,00,000	1,70,25,00,00,000

## 31 As per Indian Accounting Standard (Ind As) 19 "Employee Benefits" the disclosures as defined are given below (Refer Note 26):

**Defined Contribution Plans**

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

Particulars	2021-22	2020-21
Employer's Contribution to Provident Fund	39	35
Employer's Contribution to Superannuation Fund (Current year Rs.28,81,796 and Previous year Rs. 22,47,642 )	0	0
Employer's Contribution to Pension Fund	23	22

**Defined Benefit Plan****I) Reconciliation of opening and closing balances of Defined Benefit Obligation**

Particulars	Gratuity (Funded)	
	2021-22	2020-21
Defined Benefit Obligation at beginning of the year	88	71
Current Service Cost	20	19
Interest Cost	6	5
Actuarial (Gain) / Loss	(0)	(3)
Benefits Paid*	(7)	(4)
Defined Benefit Obligation at end of the year	106	88

\* Includes benefits of Rs 7 crore (Previous Year Rs 3 crore) paid by the Company.

**II) Reconciliation of opening and closing balances of fair value of Plan Assets**

Particulars	Gratuity (Funded)	
	2021-22	2020-21
Fair value of Plan Assets at beginning of the year	88	71
Return on Plan Assets	6	5
Employer Contribution	12	13
Benefits Paid (Current Year Rs. 29,74,444)	(0)	(1)
Fair value of Plan Assets at end of the year	106	88

**III) Reconciliation of fair value of Assets and Obligations**

Particulars	Gratuity (Funded)	
	As at 31st March, 2022	As at 31st March, 2021
Fair value of Plan Assets	106	88
Present value of Obligation	106	88
Amount recognised in Balance Sheet	-	-

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

## IV) Expenses recognised during the year

Particulars	(Rs. in crore)	
	Gratuity (Funded)	
	2021-22	2020-21
<b>In Income Statement</b>		
Current Service Cost	20	19
Interest Cost	6	5
Return on Plan Assets	(6)	(5)
<b>Net Cost</b>	<b>20</b>	<b>19</b>
<b>In Other Comprehensive Income (OCI)</b>		
Actuarial (Gain) / Loss (Current year Rs.53,48,575)	(0)	(3)
Return on Plan Assets (Current Year Rs.18,24,425 (Previous Year Rs.2,35,433))	0	0
<b>Net (Income) / Expense for the year recognised in OCI</b>	<b>(0)</b>	<b>(3)</b>

"0" represents the amount below the denomination threshold.

## V) Investment Details:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Rs. in crore	% invested	Rs. in crore	% invested
Insurance Policies	106	100	88	100

## VI) Actuarial Assumptions

Particulars	Gratuity (Funded)	
	2021-22	2020-21
Mortality Table (IALM)	2012-14	2012-14
	(Ultimate)	(Ultimate)
Discount rate (per annum)	7.09%	6.95%
Expected rate of return on Plan Assets (per annum)	7.09%	6.95%
Rate of escalation in salary (per annum)	6.00%	6.00%
Rate of employee turnover (per annum)	2.00%	2.00%

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

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

VII) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2021-22.

## VIII) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Decrease	Increase	Decrease	Increase
Change in rate of discounting (delta effect of +/- 0.5%)	6	(6)	6	(5)
Change in rate of salary increase (delta effect of +/- 0.5%)	(6)	6	(5)	6
Change in rate of employee turnover (delta effect of +/- 0.5%) (Current Year Decrease Rs.28,58,757 and Increase Rs. 26,97,937; Previous Year Decrease Rs 18,20,722 and Increase Rs 16,98,817)	(0)	0	(0)	0

These plans typically expose the Company to Actuarial Risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

**Investment Risk** - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

**Interest Risk** - A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

**Longevity Risk** - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary Risk** - The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****32 Related Parties Disclosures**

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

**List of related parties with whom transactions have taken place and relationships:**

<b>Sr. No.</b>	<b>Name of the Related Party</b>	<b>Relationship</b>
1	Reliance Industries Limited	Ultimate Holding Company
2	Jio Platforms Limited	Holding Company
3	Reliance Jio Infocomm Pte. Limited	Subsidiary Company
4	Reliance Jio Infocomm USA Inc.	
5	Reliance Jio Infocomm UK Limited	
6	Reliance Jio Global Resources LLC	
7	Reliance Industrial Investments and Holdings Limited	
8	Reliance Retail Limited	
9	Reliance Corporate IT Park Limited	Fellow Subsidiary
10	Reliance Projects & Property Management Services Limited	
11	Reliance SMSL Limited	
12	Reliance Payment Solutions Limited	
13	Reliance Petro Marketing Limited	
14	Reliance Commercial Dealers Limited	
15	Reliance Brands Limited	
16	Reliance Clothing India Private Limited	
17	C-Square Info-Solutions Private Limited	
18	Reliance Retail Insurance Broking Limited	
19	Reliance Sibur Elastomers Private Limited	
20	Model Economic Township Limited	
21	Indiawin Sports Private Limited	
22	TV18 Broadcast Limited <sup>#</sup>	
23	Viacom 18 Media Private Limited <sup>#</sup>	
24	Network18 Media & Investments Limited <sup>#</sup>	
25	AETN18 Media Private Limited <sup>#</sup>	
26	E-Eighteen.com Limited <sup>#</sup>	
27	Radisys Corporation	
28	Jio Estonia OU	
29	Radisys India Limited (formerly known as Radisys India Private Limited)	
30	Den Broadband Limited (Formerly Den Broadband Private Limited)*	
31	Den Networks Limited*	
32	Hathway Cable And Datacom Limited*	
33	Hathway Digital Limited (Formerly Hathway Digital Private Limited)*	
34	Genesis Colors Limited	
35	Reliance Brands Luxury Fashion Private Limited (Formerly Genesis Luxury Fashion Private Limited)	
36	GLF Lifestyle Brands Private Limited	
37	Greycells18 Media Limited <sup>#</sup>	
38	Reliance Digital Health Limited (Formerly known as Kanhatech Solutions Limited)	
39	SankhyaSutra Labs Limited	
40	Saavn Media Limited (Formerly Saavn Media Private Limited)	
41	Reliance Eminent Trading & Commercial Private Limited	
42	Reliance Progressive Traders Private Limited	
43	Reliance Prolific Traders Private Limited	
44	Reliance Vantage Retail Limited	
45	IndiaCast Media Distribution Private Limited <sup>#</sup>	
46	Shri Kannan Departmental Store Limited (Formerly known as Shri Kannan Departmental Store Private Limited)	
47	Asteria Aerospace Limited (Formerly known as Asteria Aerospace Private Limited)	
48	Tesseract Imaging Limited	
49	Indiavidual Learning Limited	
50	New Emerging World of Journalism Limited	
51	Reliance BP Mobility Limited	
52	Grab A Grub Services Private Limited	
53	Jio Haptik Technologies Limited	
54	Genesis La Mode Private Limited	
55	Jio Things Limited	

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

<b>Sr. No.</b>	<b>Name of the Related Party</b>	<b>Relationship</b>
56	Just Dial Limited^	Fellow Subsidiary
57	Reliance Ethane Pipeline Limited	
58	7-India Convenience Retail Limited^	
59	Actoserba Active Wholesale Limited (Formerly known as Actoserba Active Wholesale Private Limited)	
60	GML India Fashion Private Limited	
61	Kalanikethan Silks Private Limited^	
62	Amante India Private Limited (Formerly known as Mas Brands India Private Limited)^	
63	Netmeds Marketplace Limited	
64	Reliance Retail Ventures Limited	
65	Reliance Ritu Kumar Private Limited (Formerly known as Ritika Private Limited)	
66	Rise Worldwide Limited	
67	Surajya Services Limited (Formerly known as Surajya Services Private Limited)	
68	Tresara Health Limited (Formerly known as Tresara Health Private Limited)	
69	VasyERP Solutions Private Limited^	
70	Shopsense Retail Technologies Limited (Formerly known as Shopsense Retail Technologies Private Limited)	
71	Addverb Technologies Private Limited^	
72	The Indian Film Combine Private Limited	
73	Abraham and Thakore Exports Private Limited^	
74	Dadha Pharma Distribution Private Limited	
75	Reliance Gas Pipelines Limited	
76	Jamnagar Utilities & Power Private Limited	
77	GTPL Broadband Private Limited	
78	GTPL Hathway Limited	
79	Big Tree Entertainment Private Limited	
80	Eenadu Television Private Limited	
81	Sikka Ports & Terminals Limited	
82	East West Pipeline Limited	
83	DL GTPL Broadband Private Limited	
84	GTPL Kolkata Cable & Broad Band Pariseva Limited	
85	Gujarat Chemical Port Limited	
86	Vadodara Enviro Channel Limited	
87	MM Styles Private Limited	
88	GTPL Bansidhar Telelink Private Limited	
89	Reliance Industrial Infrastructure Limited	Joint Venture of Ultimate Holding Company
90	Canali India Private Limited	
91	IBN Lokmat News Private Limited	
92	Diesel Fashion India Reliance Private Limited	
93	Football Sports Development Limited	
94	Ryohin-Keikaku Reliance India Private Limited	
95	Zegna South Asia Private Limited	
96	Jio Payments Bank Limited	
97	Pipeline Management Services Private Limited	
98	Reliance-Vision Express Private Limited	
99	Marks and Spencer Reliance India Private Limited	
100	Alok Industries Limited	
101	Ubona Technologies Private Limited	
102	Clarks Reliance Footwear Private Limited (Formerly known as Clarks Future Footwear Private Limited)	

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

<b>Sr. No.</b>	<b>Name of the Related Party</b>	<b>Relationship</b>
103	Shri Sanjay Mashruwala	Key Managerial Personnel
104	Shri Rajneesh Jain	
105	Shri Jyoti Jain	
106	Reliance Foundation	Enterprise over which Key Managerial Personnel of the Ultimate Holding Company are able to exercise significant influence
107	Jamnaben Hirachand Ambani Foundation	
108	Reliance Foundation Institution of Education And Research	
109	Sir HN Hospital Trust	
110	Reliance Foundations Youth Sports	
111	Reliance Jio Infocomm Limited Employees Gratuity Fund	Post Employment Benefit

# Control by Independent Media Trust of which Reliance Industries Limited (Ultimate Holding Company) is the sole beneficiary

\* Control by Digital Media Distribution Trust of which Reliance Content Distribution Limited is the sole beneficiary, which is a wholly-owned subsidiary of Reliance Industries Limited (Ultimate Holding Company).

^ Relationship established during the year.

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

## (II) Transactions during the year with related parties:

(Rs. in crore)

Sr No	Nature of Transactions (Excluding Reimbursements)	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow Subsidiaries	Associate/JV of the Ultimate Holding Company	Key Managerial Personnel	Others	Total
1	Purchase of Property, Plant and Equipment and Intangible Assets	- (86)	-	23	1,168 (166)	-	-	-	1,191 (252)
2	Sale of Property, Plant and Equipment and Intangible Assets	-	- (127)	-	14 (239)	-	-	-	14 (366)
3	Transfer of Liabilities under scheme arrangement and consideration paid	- (851)	-	-	-	-	-	-	- (851)
4	Revenue received in advance	-	-	-	73,781 (62,804)	-	-	-	73,781 (62,804)
5	Revenue from Operations	36 (35)	10 (3)	399 (511)	569 (424)	28 (15)	-	1	1,043 (988)
6	Network Operating Expenses	3 (5)	307 (215)	135 (126)	38 (41)	0 (1)	-	-	483 (388)
7	Access Charges	-	-	96 (88)	-	-	-	-	96 (88)
8	Employee Benefits Expense	-	-	-	2 (1)	-	-	12 (13)	14 (14)
9	Payment to Key Managerial Personnel	-	-	-	-	-	11 (9)	-	11 (9)
10	Business Support Services / Professional Fees	1	372 (282)	22 (21)	353 (301)	-	-	-	748 (604)
11	Customer Service Expenses	-	-	-	149 (136)	-	-	-	149 (136)
12	Commission on Customer Acquisition and Recharges	-	-	-	2,579 (1,376)	-	-	-	2,579 (1,376)
13	Guarantee Charges	10 (6)	-	-	-	-	-	-	10 (6)
14	Selling and Distribution Expenses	-	204	-	7 (6)	-	-	-	211 (6)
15	General Expenses	-	-	-	613 (550)	-	-	-	613 (550)
16	Donation	-	-	-	-	-	-	190 (88)	190 (88)

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

Sr No	Balances as at 31st March, 2022	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow Subsidiaries	Associate/J V of the Ultimate Holding Company	Key Managerial Personnel	Others	(Rs. in crore)
									Total
1	Investments	-	-	<b>1,108</b>	-	-	-	-	<b>1,108</b>
		-	-	(1,108)	-	-	-	-	(1,108)
2	Equity Share Capital	-	<b>45,000</b>	-	-	-	-	-	<b>45,000</b>
		-	(45,000)	-	-	-	-	-	(45,000)
3	Preference Share Capital#	-	<b>1,25,125</b>	-	-	-	-	-	<b>1,25,125</b>
		-	(1,25,125)	-	-	-	-	-	(1,25,125)
4	Trade and Other Payables	<b>1</b>	-	<b>92</b>	<b>242</b>	-	-	-	<b>335</b>
		(1)	(113)	(93)	(186)	-	-	-	(393)
5	Trade and Other Receivables	<b>8</b>	<b>8</b>	<b>29</b>	<b>3,716</b>	<b>19</b>	-	<b>0</b>	<b>3,780</b>
		(13)	(3)	(61)	(222)	(0)	-	-	(299)

# Including Securities Premium

**Note:** "0" represents the amounts below the denomination threshold.**Note:** Figures in bracket represents Previous Year's amount.

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

(Rs. in crore)

## (III) Disclosure in respect of major related party transactions during the year:

Sr No	Particulars	Relationship	2021-22	2020-21
1	<b>Purchase of Property, Plant and Equipment and Intangible Assets</b>			
	Reliance Industries Limited	Ultimate Holding Company	-	86
	Reliance Jio Infocomm Pte. Limited	Subsidiary	23	-
	Reliance Retail Limited	Fellow Subsidiary	953	57
	Radisys Corporation	Fellow Subsidiary	68	46
	Addverb Technologies Private Limited	Fellow Subsidiary	2	-
	Reliance Projects & Property Management Services Limited	Fellow Subsidiary	145	63
2	<b>Sale of Property, Plant and Equipment and Intangible Assets</b>			
	Jio Platforms Limited	Holding Company	-	127
	Reliance Retail Limited	Fellow Subsidiary	14	239
3	<b>Transfer of Liabilities under scheme arrangement and consideration paid</b>			
	Reliance Industries Limited	Ultimate Holding Company	-	851
4	<b>Revenue received in advance</b>			
	Reliance Retail Limited	Fellow Subsidiary	73,781	62,804
5	<b>Revenue from Operations</b>			
	Reliance Industries Limited	Ultimate Holding Company	36	35
	Jio Platforms Limited	Holding Company	10	3
	Reliance Jio Infocomm USA Inc.	Subsidiary	49	126
	Reliance Jio Infocomm UK Limited	Subsidiary	92	103
	Reliance Jio Infocomm Pte. Limited	Subsidiary	258	282
	Reliance Projects & Property Management Services Limited	Fellow Subsidiary	332	242
	Reliance Corporate IT Park Limited	Fellow Subsidiary	0	8
	Den Broadband Limited (Formerly Den Broadband Private Limited)	Fellow Subsidiary	9	10
	Den Networks Limited	Fellow Subsidiary	27	22
	Hathway Cable And Datacom Limited	Fellow Subsidiary	36	41
	Hathway Digital Limited (Formerly Hathway Digital Private Limited)	Fellow Subsidiary	19	16
	Reliance Retail Limited	Fellow Subsidiary	62	33
	Reliance SMSL Limited	Fellow Subsidiary	60	44
	Reliance Payment Solutions Limited	Fellow Subsidiary	0	0
	Reliance Gas Pipelines Limited	Fellow Subsidiary	0	0
	Reliance Petro Marketing Limited	Fellow Subsidiary	0	0
	Reliance Commercial Dealers Limited	Fellow Subsidiary	0	0
	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	0	0
	Model Economic Township Limited	Fellow Subsidiary	0	0
	Indiawin Sports Private Limited	Fellow Subsidiary	0	0
	AETN18 Media Private Limited	Fellow Subsidiary	0	0
	E-Eighteen.com Limited	Fellow Subsidiary	0	0
	Network18 Media & Investments Limited	Fellow Subsidiary	0	1
	Genesis Colors Limited	Fellow Subsidiary	0	0
	Reliance Brands Luxury Fashion Private Limited (Formerly Genesis Luxury Fashion Private Limited)	Fellow Subsidiary	0	0
	Gif Lifestyle Brands Private Limited	Fellow Subsidiary	0	0
	Greycells18 Media Limited	Fellow Subsidiary	0	0
	Reliance Digital Health Limited (Formerly known as Kanhatech Solutions Limited)	Fellow Subsidiary	0	-
	Reliance Brands Limited	Fellow Subsidiary	1	0
	Reliance Clothing India Private Limited	Fellow Subsidiary	0	0
	C-Square Info-Solutions Private Limited	Fellow Subsidiary	0	0
	Reliance Retail Insurance Broking Limited	Fellow Subsidiary	0	-
	Shri Kannan Departmental Store Limited (Formerly known as Shri Kannan Departmental Store Private Limited)	Fellow Subsidiary	0	0
	Indiacast Media Distribution Private Limited	Fellow Subsidiary	0	0
	SankhyaSutra Labs Limited	Fellow Subsidiary	0	0
	Indiividual Learning Limited	Fellow Subsidiary	1	0
	New Emerging World of Journalism Limited	Fellow Subsidiary	0	0
	Reliance BP Mobility Limited	Fellow Subsidiary	10	0
	Asteria Aerospace Limited (Formerly known as Asteria Aerospace Private Limited)	Fellow Subsidiary	0	0
	Tesseract Imaging Limited	Fellow Subsidiary	0	0

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

Sr No	Particulars	Relationship	2021-22	2020-21
	Radisys India Limited (formerly known as Radisys India Private Limited)	Fellow Subsidiary	0	0
	Jio Haptik Technologies Limited	Fellow Subsidiary	0	0
	Reliance Sibur Elastomers Private Limited	Fellow Subsidiary	0	0
	Saavn Media Limited (Formerly Saavn Media Private Limited)	Fellow Subsidiary	0	0
	Viacom 18 Media Private Limited	Fellow Subsidiary	1	1
	TV18 Broadcast Limited	Fellow Subsidiary	4	6
	Genesis La Mode Private Limited	Fellow Subsidiary	0	-
	Reliance Ethane Pipeline Limited	Fellow Subsidiary	0	-
	Jio Things Limited	Fellow Subsidiary	5	-
	Shopsense Retail Technologies Limited (Formerly known as Shopsense Retail Technologies Private Limited)	Fellow Subsidiary	0	-
	The Indian Film Combine Private Limited	Fellow Subsidiary	0	-
	Just Dial Limited	Fellow Subsidiary	0	-
	Grab A Grub Services Private Limited	Fellow Subsidiary	0	-
	Rise Worldwide Limited	Fellow Subsidiary	0	0
	Amante India Private Limited (Formerly known as Mas Brands India Private Limited)	Fellow Subsidiary	0	-
	Netmeds Marketplace Limited	Fellow Subsidiary	1	-
	Reliance Ritu Kumar Private Limited (Formerly known as Ritika Private Limited)	Fellow Subsidiary	0	-
	Tresara Health Limited (Formerly known as Tresara Health Private Limited)	Fellow Subsidiary	0	-
	Kalanikethan Silks Private Limited	Fellow Subsidiary	0	-
	7-India Convenience Retail Limited	Fellow Subsidiary	0	-
	GML India Fashion Private Limited	Fellow Subsidiary	0	-
	Actoserba Active Wholesale Limited (Formerly known as Actoserba Active Wholesale Private Limited)	Fellow Subsidiary	0	-
	VasyERP Solutions Private Limited	Fellow Subsidiary	0	-
	Surajya Services Limited (Formerly known as Surajya Services Private Limited)	Fellow Subsidiary	0	-
	Abraham and Thakore Exports Private Limited	Fellow Subsidiary	0	-
	Reliance Retail Ventures Limited	Fellow Subsidiary	0	-
	Dadha Pharma Distribution Private Limited	Fellow Subsidiary	1	-
	Jamnagar Utilities & Power Private Limited	Associate/JV of the Ultimate Holding Company	1	-
	Reliance Industrial Infrastructure Limited	Associate/JV of the Ultimate Holding Company	0	0
	IBN Lokmat News Private Limited	Associate/JV of the Ultimate Holding Company	0	0
	Diesel Fashion India Reliance Private Limited	Associate/JV of the Ultimate Holding Company	0	-
	Football Sports Development Limited	Associate/JV of the Ultimate Holding Company	0	0
	Jio Payments Bank Limited	Associate/JV of the Ultimate Holding Company	0	0
	Reliance-Vision Express Private Limited	Associate/JV of the Ultimate Holding Company	0	0
	Ryohin-Keikaku Reliance India Private Limited	Associate/JV of the Ultimate Holding Company	0	0
	Zegna South Asia Private Limited	Associate/JV of the Ultimate Holding Company	0	0
	GTPL Broadband Private Limited	Associate/JV of the Ultimate Holding Company	15	11
	GTPL Hathway Limited	Associate/JV of the Ultimate Holding Company	10	3
	Ubona Technologies Private Limited	Associate/JV of the Ultimate Holding Company	2	1
	Alok Industries Limited	Associate/JV of the Ultimate Holding Company	0	0
	Sikka Ports & Terminals Limited	Associate/JV of the Ultimate Holding Company	0	0
	Eenadu Television Private Limited	Associate/JV of the Ultimate Holding Company	0	0
	Canali India Private Limited	Associate/JV of the Ultimate Holding Company	0	0
	Marks and Spencer Reliance India Private Limited	Associate/JV of the Ultimate Holding Company	0	0
	Big Tree Entertainment Private Limited	Associate/JV of the Ultimate Holding Company	0	0
	East West Pipeline Limited	Associate/JV of the Ultimate Holding Company	0	-
	DL GTPL Broadband Private Limited	Associate/JV of the Ultimate Holding Company	0	-
	GTPL Kolkata Cable & Broad Band Pariseva Limited	Associate/JV of the Ultimate Holding Company	0	-
	Gujarat Chemical Port Limited	Associate/JV of the Ultimate Holding Company	0	-
	Vadodara Enviro Channel Limited	Associate/JV of the Ultimate Holding Company	0	-
	GTPL Bansidhar Telelink Private Limited	Associate/JV of the Ultimate Holding Company	0	-
	Clarks Reliance Footwear Private Limited (Formerly known as Clarks Future Footwear Private Limited)	Associate/JV of the Ultimate Holding Company	0	-
	Pipeline Management Services Private Limited	Associate/JV of the Ultimate Holding Company	0	-
	Jamnaben Hirachand Ambani Foundation	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0	-

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

Sr No	Particulars	Relationship	2021-22	2020-21
	Reliance Foundation Institution of Education And Research	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0	-
	Sir HN Hospital Trust	Enterprises over which Key Managerial Personnel are able to exercise significant influence	1	-
	Reliance Foundations Youth Sports	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0	-
6	<b>Network Operating Expenses</b>			
	Jio Platforms Limited	Holding Company	307	215
	Reliance BP Mobility Limited	Fellow Subsidiary	28	25
	Reliance Jio Infocomm Pte. Limited	Subsidiary	135	126
	Sikka Ports & Terminals Limited	Associate/JV of the Ultimate Holding Company	0	1
	Reliance Projects & Property Management Services Limited	Fellow Subsidiary	10	15
	Reliance Industries Limited	Ultimate Holding Company	3	5
	Reliance Eminent Trading & Commercial Private Limited	Fellow Subsidiary	0	0
	Reliance Progressive Traders Private Limited	Fellow Subsidiary	0	1
	Reliance Prolific Traders Private Limited	Fellow Subsidiary	-	0
	Reliance Vantage Retail Limited	Fellow Subsidiary	-	0
7	<b>Access Charges</b>			
	Reliance Jio Infocomm USA Inc.	Subsidiary	20	24
	Reliance Jio Infocomm UK Limited	Subsidiary	13	13
	Reliance Jio Infocomm Pte. Limited	Subsidiary	63	52
8	<b>Employee Benefits Expense</b>			
	Reliance Jio Infocomm Limited Employees Gratuity Fund	Post Employment Benefit	12	13
	Tresara Health Limited (Formerly known as Tresara Health Private Limited)	Fellow Subsidiary	2	1
9	<b>Payment to Key Managerial Personnel</b>			
	Shri Sanjay Mashruwala	Key Managerial Personnel	7	6
	Shri Rajneesh Jain	Key Managerial Personnel	3	2
	Shri Jyoti Jain	Key Managerial Personnel	1	1
10	<b>Business Support Services/Professional Fees</b>			
	Reliance Industries Limited	Ultimate Holding Company	1	-
	Jio Platforms Limited	Holding Company	372	282
	Reliance Jio Infocomm USA Inc.	Subsidiary	22	21
	Reliance Projects & Property Management Services Limited	Fellow Subsidiary	280	300
	Reliance Retail Limited	Fellow Subsidiary	73	-
	Jio Estonia OU	Fellow Subsidiary	-	1
11	<b>Customer Service Expenses</b>			
	Reliance Projects & Property Management Services Limited	Fellow Subsidiary	149	136
12	<b>Commission on Customer Acquisition and Recharges</b>			
	Reliance Retail Limited	Fellow Subsidiary	2,579	1,376
13	<b>Guarantee Charges</b>			
	Reliance Industries Limited	Ultimate Holding Company	10	6
14	<b>Selling and Distribution Expenses</b>			
	Jio Platforms Limited	Holding Company	204	-
	Indiawin Sports Private Limited	Fellow Subsidiary	7	6
	Reliance Payment Solutions Limited	Fellow Subsidiary	0	-
15	<b>General Expenses</b>			
	Reliance Corporate IT Park Limited	Fellow Subsidiary	550	493
	Reliance Commercial Dealers Limited	Fellow Subsidiary	63	57
16	<b>Donation</b>			
	Reliance Foundation	Enterprise over which Key Managerial Personnel of the Ultimate Holding Company are able to exercise significant influence	190	88

Note: "0" represents the amounts below the denomination threshold.

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

## Balances as at 31st March, 2022

Sr No	Particulars	Relationship	(Rs. in crore)	
			As at 31st March, 2022	As at 31st March, 2021
1	<b>Investments</b>			
	Reliance Jio Infocomm USA Inc.	Subsidiary	242	242
	Reliance Jio Infocomm UK Limited	Subsidiary	52	52
	Reliance Jio Infocomm Pte. Limited	Subsidiary	814	814
2	<b>Equity Share Capital</b>			
	Jio Platforms Limited	Holding Company	45,000	45,000
3	<b>Preference Share Capital#</b>			
	Jio Platforms Limited	Holding Company	1,25,125	1,25,125
	# Including Securities Premium			

(Rs. in crore)

## 32.1 Compensation of Key Managerial Personnel

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

	2021-22	2020-21
Short-term benefits	11	9
Post employment benefits	0	0
<b>Total</b>	<b>11</b>	<b>9</b>

Note: "0" represents the amounts below the denomination threshold.

## 33 Contingent Liabilities and Commitments

## (I) Contingent Liabilities

	2021-22	2020-21
(i) Claims/disputed liabilities against the Company not acknowledged as debts*	3,635	2,825
(ii) Corporate Guarantees	19	19
(iii) Guarantee issued by Banks on behalf of the Company	2,575	5,621

The disputed liabilities are not likely to have any material effect on financial position of the Company.

\* The Company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

## (II) Commitments

Estimated amount of contracts remaining to be executed on Capital account not provided for	6,162	48,823
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In the spectrum auction conducted by Department of Telecommunications, Government of India, during the previous year, the Company had acquired the right to use spectrum in the 800/1800/2300 MHz bands for all the access service areas at a total cost of Rs. 57,123 crore. The Company opted for the deferred payment option and accordingly, paid an advance of Rs.15,020 crore in March 2021. Pending the allocation of the spectrum by the Government of India, the remaining amount of Rs. 42,103 crore as at March 31, 2021, had been disclosed under capital commitments for the previous year. During the year, the company has received entire spectrum allotment, made further payment of Rs. 4,919 crore and recorded corresponding deferred payment liability of Rs. 37,184 crore. (Refer note 14)

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

## 34 Capital Management

The Company adheres to a Disciplined Capital Management framework, the pillars of which are as follows:

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.
- Maintain AAA/A1+ rating by ensuring that the financial strength of the Balance Sheet is preserved.
- Manage financial market risks arising from foreign exchange and interest rates and minimise the impact of market volatility on earnings.
- Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of Balance Sheet.

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

The Net Gearing Ratio at end of the reporting period was as follows.

(Rs. in crore)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Gross Debt	42,486	11,196
Cash and Marketable Securities*	(781)	(598)
<b>Net Debt (A)</b>	<b>41,705</b>	<b>10,598</b>
<b>Total Equity (As per Balance Sheet) (B)</b>	<b>1,97,790</b>	<b>1,82,973</b>
<b>Net Gearing Ratio (A/B)</b>	<b>0.21</b>	<b>0.06</b>

\* Cash and Marketable Securities includes Cash and Cash Equivalents of Rs.226 crore (Previous year Rs.178 crore) and Current Investment of Rs.555 crore (Previous Year Rs.420 crore).

## 35 Financial Instruments

## A Fair Value Measurement Hierarchy

(Rs. in crore)

Particulars	As at 31st March, 2022				As at 31st March, 2021			
	Carrying Amount	Level of Input used in Fair Value Measurement			Carrying Amount	Level of Input used in Fair Value Measurement		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets*</b>								
<b>At Amortised Cost</b>								
Trade Receivables	4,317	-	-	-	833	-	-	-
Cash and Bank Balances	644	-	-	-	599	-	-	-
Other Financial Assets	3,611	-	-	-	1,191	-	-	-
<b>At FVTPL</b>								
Current Investment	555	555	-	-	420	420	-	-
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Borrowings	42,486	-	-	-	11,196	-	-	-
Deferred Payment Liabilities	37,184	-	-	-	18,837	-	-	-
Lease liabilities	9,992	-	-	-	5,718	-	-	-
Other Financial Liabilities	12,245	-	-	-	17,456	-	-	-
Trade Payables	2,020	-	-	-	2,239	-	-	-
<b>At FVTPL</b>								
Other Financial Liabilities (Previous year Rs 5,40,000)	47	-	47	-	0	-	0	-

\*Above does not include Investments in Subsidiaries [Rs.1,108 crore (Previous Year Rs.1,108 crore)] measured at cost (Refer note 2.1)

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

The financial instruments are categorized into three 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.

**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.

**Valuation methodology:**

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

- The fair value of investment in unquoted Mutual Funds is measured at NAV.
- The fair value of Forward Foreign Exchange contracts and Interest Rate Swaps are determined using observable forward exchange rates and yield curves at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

**B Financial Risk Management**

The different types of risks the Company is exposed to are market risk, credit risk and liquidity risk. The Company uses derivative financial instruments such as forwards and swap contracts to minimise any adverse effect on its financial performance. All such activities are undertaken within an approved Risk Management Policy framework.

**i) Market Risk****a) Foreign Currency Risk**

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

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

(Rs. in crore)

Foreign Currency Exposure				
Particulars	As at 31st March, 2022		As at 31st March, 2021	
	USD	EUR	USD	EUR
Trade and Other Payables	2,050	4	2,330	4
Trade and Other Receivables	(104)	(0)	(88)	-
<b>Derivatives</b>				
- Forwards	(172)	-	(110)	-
<b>Exposure</b>	<b>1,774</b>	<b>4</b>	<b>2,132</b>	<b>4</b>

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

(Rs. in crore)

Foreign Currency Sensitivity				
Particulars	As at 31st March, 2022		As at 31st March, 2021	
	USD	EUR	USD	EUR
<b>1% Depreciation in INR</b>	<b>(18)</b>	<b>(0)</b>	<b>(21)</b>	<b>(0)</b>
Impact on Equity	-	-	-	-
Impact on Profit or Loss	(18)	(0)	(21)	(0)
<b>1% Appreciation in INR</b>	<b>18</b>	<b>0</b>	<b>21</b>	<b>0</b>
Impact on Equity	-	-	-	-
Impact on Profit or Loss	18	0	21	0

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

## b) Interest Rate Risk

The exposure of the Company's borrowings and derivatives to interest rate changes at the end of the reporting period are as follows:

(Rs. in crore)

Interest Rate Exposure		
Particulars	As at	
	31st March, 2022	31st March, 2021
<b>Borrowings</b>		
Non-Current - Fixed (Includes Current Maturities)*	19,708	421
Non-Current - Floating (Includes Current Maturities)	5,000	-
Current <sup>#</sup>	18,150	10,850
<b>Total</b>	<b>42,858</b>	<b>11,271</b>
<b>Derivatives</b>		
Interest rate swaps		
- Receive Fix	7,825	-

\* Includes Rs.12 crore as Unamortised Finance Charges and Fair valuation impact of Rs.48 crore in FY 2021-22.

# Includes Rs.313 crore (Previous Year Rs.75 crore) as Commercial Paper Discount.

Capitalization rate used to determine the amount of eligible borrowing cost is 3.8% p.a. (Previous Year Nil)

Sensitivity Analysis of 1% change in interest rate

(Rs. in crore)

Interest Rate Sensitivity				
Particulars	As at		As at	
	31st March, 2022		31st March, 2021	
	Up	Down	Up	Down
Impact on Equity	-	-	-	-
Impact on P&L	(50)	50	-	-
<b>Total</b>	<b>(50)</b>	<b>50</b>	<b>-</b>	<b>-</b>

## ii) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from Company's activities in investments, dealing in derivatives 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. Credit risk is actively managed through timely assessment of its customer's creditworthiness, optimal credit limits and use of collateral management in the form of selective advance payments & security deposits.

## iii) Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company maintains sufficient stock of cash and committed credit facilities. The Company accesses global and local financial markets to meet its liquidity requirements. It uses a range of products and a mix of currencies to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the Company's cash flow position and ensures that the Company is able to meet its financial obligation at all times including contingencies.

(Rs. in crore)

Maturity Profile as at 31st March, 2022							
Particulars <sup>^</sup>	Below 3 Months	3 -6 Months	6 -12 Months	1 -3 Years	3 - 5 Years	Above 5 Years	Total
	<b>Borrowings</b>						
Non-Current*	95	296	8,097	4,629	9,791	1,800	24,708
Current <sup>#</sup>	15,650	2,500	-	-	-	-	18,150
<b>Total</b>	<b>15,745</b>	<b>2,796</b>	<b>8,097</b>	<b>4,629</b>	<b>9,791</b>	<b>1,800</b>	<b>42,858</b>
<b>Derivatives Liabilities</b>							
Forwards contracts	1	-	-	-	-	-	1
Interest rate swaps	-	-	-	6	40	-	46
<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>40</b>	<b>-</b>	<b>47</b>

\* Includes Rs.12 crore as Unamortised Finance Charges and Fair valuation impact of Rs.48 crore in FY 2021-22.

<sup>^</sup> Does not include Trade Payables (current) amounting to Rs.2,020 crore.

<sup>#</sup> Includes Rs.313 crore as Commercial Paper Discount.

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

(Rs. in crore)

Maturity Profile as at 31st March, 2021							
Particulars <sup>^</sup>	Below 3 Months	3 -6 Months	6 -12 Months	1- 3 Years	3 - 5 Years	Above 5 Years	Total
Borrowings							
Non-Current	13	2	42	203	161	-	421
Current <sup>#</sup>	10,850	-	-	-	-	-	10,850
Total	10,863	2	42	203	161	-	11,271
Derivatives Liabilities							
Forwards (Rs 5,40,000)	0	-	-	-	-	-	0
Total	0	-	-	-	-	-	0

<sup>^</sup> Does not include Trade Payables (current) amounting to Rs.2,239 crore<sup>#</sup> Includes Rs.75 crore as Commercial Paper Discount.**C HEDGE ACCOUNTING**

The Company's business objective includes safe-guarding its earnings against adverse impact of movements in interest rates. The Company has adopted a structured risk management policy to hedge risks within an acceptable risk limit and an approved hedge accounting framework which allows for Fair Value hedges. The Company enters into derivative financial instruments including interest rate swaps to manage its exposure to interest rate to achieve this objective.

There is an economic relationship between the hedged items and the hedging instruments. The Company has established a hedge ratio of 1:1 for the hedging relationships. To test the hedge effectiveness, the Company uses the hypothetical derivative method.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows.
- Different indexes (and accordingly different curves).
- The counterparties' credit risk differently impacting the fair value movements.

The table below shows the position of hedging instruments and hedged items as on the balance sheet date:

**Disclosure of effect of Hedge Accounting:****Hedging Instruments**

(Rs. in crore)

Particulars	Nominal Value	Carrying Amount		Changes in Fair Value	Hedge Maturity	Line Item in Balance Sheet
		Assets	Liabilities			
<b>As at 31st March, 2022</b>						
<b>Interest Rate Risk</b>						
Interest rate swaps	7,825	-	46	(46)	April 2025 to January 2027	Other Financial Liabilities - Current
<b>As at 31st March, 2021</b>						
<b>Interest Rate Risk</b>						
Interest rate swaps	-	-	-	-	-	-

**Hedged Items**

(Rs. in crore)

Particulars	Carrying Amount		Changes in Fair Value	Line Item in Balance Sheet
	Assets	Liabilities		
<b>As at 31st March, 2022</b>				
<b>Interest Rate Risk</b>				
Fixed rate borrowings	-	7,777	48	Non-Current Borrowings
<b>As at 31st March, 2021</b>				
<b>Interest Rate Risk</b>				
Fixed rate borrowings	-	-	-	-

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****36 Segment Reporting**

The Company is mainly engaged in the business of providing Digital Services. Accordingly, the Company presently has one Digital Services segment as per the requirements of Ind AS 108 - Operating Segments.

**37 Payment to Auditors as:**

	(Rs. in crore)	
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
(a) Fees as Auditors	<b>6</b>	5
(b) Fees for Other Services (Current year Rs.20,00,000 )	<b>0</b>	1
(c) Expenses Reimbursement (Previous year Rs.13,61,280)	-	0
<b>Total</b>	<b>7</b>	<b>6</b>

**38 Corporate Social Responsibility (CSR)**

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is Rs. 187 Crore (Previous Year Rs. 88 Crore).

(b) Expenditure related to CSR is Rs. 190 Crore (Previous Year Rs. 88 Crore).

Details of Amount spent towards CSR given below:

	(Rs. in crore)	
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
Rural Development	<b>5</b>	3
Health	<b>162</b>	36
Education	<b>6</b>	35
Sports For Development	<b>2</b>	-
Disaster Response (including COVID -19)	<b>10</b>	14
Other Initiatives including Programme Partnerships	<b>5</b>	-
<b>Total</b>	<b>190</b>	<b>88</b>

(c) Rs. 190 Crore (Previous Year Rs. 88 Crore) contributed to Reliance Foundation which is related party.

## RELIANCE JIO INFOCOMM LIMITED

## Notes to the Financial Statements for the year ended 31st March, 2022

## 39 Ratio Analysis

Sr. No.	Particulars	2021-22	2020-21
1	Current Ratio	0.64	0.74
2	Debt-Equity Ratio	0.21	0.06
3	Debt Service Coverage Ratio	5.34	5.19
4	Return on Equity Ratio	7.8%	6.8%
5	Inventory turnover Ratio	NA	NA
6	Trade Receivables Turnover Ratio	35.19	88.42
7	Trade Payables Turnover Ratio	13.55	8.61
8	Net Capital Turnover Ratio ^	-	-
9	Net Profit Ratio	16.4%	14.6%
10	Return on Capital Employed	10.7%	10.0%
11	Return on Investment	9.4%	10.6%

^ Not measurable due to negative working capital

**a) Debt-Equity Ratio** - During the year, the Company has raised loans at lower interest rates for pre-payment of deferred payment liabilities on spectrum resulting in savings of interest cost.

**b) Trade Receivable Turnover Ratio** - Change in the ratio is on account of increase in closing balance of trade receivable. Number of days of receivable is only 10 days.

**c) Trade Payables Turnover Ratio** - Decrease in average payables in current year due to abolition of voice termination charges w.e.f 1st January 2021.

## 39.1 Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the year for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
5	Inventory turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Value of Services}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{(\text{Network Operating Expenses} + \text{Access Charges} + \text{Selling and Distribution Expenses} + \text{Other Expenses})}{\text{Average Trade Payables}}$
8	Net Capital Turnover Ratio	$\frac{\text{Value of Services}}{\text{Working Capital (current assets - Current Liabilities)}}$
9	Net Profit Ratio	$\frac{\text{Profit After Tax}}{\text{Value of Services}}$
10	Return on Capital Employed	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income}}{\text{Average Capital Employed*}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)**}}{\text{Average Cash, Cash Equivalents & Other Marketable Securities}}$

\* Capital employed includes Equity, Borrowings, Deferred Tax Liabilities, Creditor for Capital Expenditure and reduced by Investments, Cash and Cash Equivalents, Capital Work-in-Progress and Intangible Assets under Development.

\*\* Excluding Interest on Income tax refund

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022****40. Lease Disclosures**

- a. The Company has arrangements with Infrastructure Providers for telecom towers which includes a lease. The average lease term ranges between 3-10 years.
- b. The discount rate used by the Company is 9.5% (incremental borrowing rate) which is applied to all lease liabilities recognised in the balance sheet.
- c. The total cash outflow for leases for the year amount to Rs.2,277 crore (Previous Year Rs.1,406 crore).
- d. Lease Liabilities - Maturity Analysis (undiscounted).

<b>Particulars</b>	<b>(Rs. in crore)</b>	
	<b>2021-22</b>	<b>2020-21</b>
Below 3 months	<b>735</b>	357
3 to 6 months	<b>731</b>	357
6 to 12 months	<b>1,458</b>	714
1 to 3 years	<b>5,232</b>	2,782
3 to 5 years	<b>3,883</b>	2,216
Above 5 years	<b>785</b>	1,247
<b>Total</b>	<b>12,824</b>	7,673

**41. Other Statutory Information**

- (i) There are no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (ii) The Company do not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- (iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**RELIANCE JIO INFOCOMM LIMITED****Notes to the Financial Statements for the year ended 31st March, 2022**

- (v) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

**42.** The Company has taken into consideration the impact of COVID-19 on various elements of the financial statements basis the available external and internal information and is of the view that the events do not have any material implication for the Company.

**43.** The figures for the corresponding previous year have been regrouped / rearranged wherever necessary, to make them comparable.

**44. Approval of Financial Statements**

The financial statements were approved for issue by Board of Directors on May 6, 2022.

**For DTS & Associates LLP**  
Chartered Accountants  
**Firm Regn No: 142412W /**  
**W-100595**

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

**Parimal Kumar Jha**  
Partner  
**Membership No: 124262**

**Ketan Vora**  
Partner  
**Membership No: 100459**

**Mukesh D. Ambani**  
Chairman

**Akash M. Ambani**  
Director

**Isha M. Ambani**  
Director

**Sanjay Mashruwala**  
Managing Director

**Mathew Oommen**  
Director

**Pankaj M. Pawar**  
Director

**Mahendra Nahata**  
Director

**Kiran M. Thomas**  
Director

**Adil Zainulbhai**  
Director

**Dipak C. Jain**  
Director

**Mohanbir S. Sawhney**  
Director

**Ranjit V. Pandit**  
Director