

**Reliance Jio Media Limited**  
**(Formerly known as Reliance Jio Media Private Limited)**  
**Financial Statements and Notes 2017-18**

## Independent Auditor's Report

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### To The Members Of

**Reliance Jio Media Limited (Formerly known as Reliance Jio Media Private Limited)**

### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Reliance Jio Media Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS 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 the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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

### Auditors' Responsibility

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

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

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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2. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
  - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”;
  - g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements.
    - (ii) The Company does not have any foreseeable losses on long-term contracts including derivative contracts, if any, in respect of which any provision is required to be made under the applicable law and Accounting Standards.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

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

**Gopal Chaturvedi**  
Partner  
Membership No.: 090903

Place: Mumbai  
Date: April 23, 2018

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## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Reliance Jio Media Limited on the standalone Ind AS financial statements for the year ended 31<sup>st</sup> March, 2018)

- i. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to us, all the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. The Company does not have any immovable property and accordingly, the provisions of Clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.
- ii. The Company does not have any inventories and accordingly, the provisions of Clause (ii) of paragraph 3 of the Order are not applicable to the Company.
- iii. There are no loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan and it has not made any investments or given any guarantee or security on which the provisions of Section 185 and 186 of the Companies Act, 2013 applies. Accordingly, the provisions of Clause (iv) of paragraph 3 of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of activities carried on by the Company and accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- vii. In respect of statutory dues:
  - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date of becoming payable.
  - b. There were no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, as applicable, which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to banks. During the year, the Company has no dues to financial institution and government. The Company has not issued any debentures.
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, during the year the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) or term loan.
- x. In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, during the year no managerial remuneration has been paid or provided by the Company. Therefore, the provisions of Clause (xi) of paragraph 3 of the Order are not applicable to the Company.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the Order are not applicable to the Company.

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- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Therefore, the provisions of Clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of Clause (xvi) of paragraph 3 of the Order are not applicable to the Company.

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

**Gopal Chaturvedi**  
Partner  
Membership No.: 090903

Place: Mumbai  
Date: April 23, 2018

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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 Media Limited on the standalone Ind AS financial statements for the year ended 31<sup>st</sup> March, 2018)

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

We have audited the internal financial controls over financial reporting of Reliance Jio Media Limited (“the Company”) as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of

internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections

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of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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

**Gopal Chaturvedi**  
Partner  
Membership No.: 090903

Place: Mumbai  
Date: April 23, 2018

## Balance Sheet as at 31st March, 2018

Particulars	Notes	(₹ in lakh)	
		As at 31st March, 2018	As at 31st March, 2017
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, Plant and Equipment	1	1,10	-
Capital work-in-progress	1	43,60	39,09
Intangible Assets under Development	1	8,76	4,18
Other Non-Current Assets	2	4	20
<b>Total Non-Current Assets</b>		<b>53,50</b>	43,47
<b>Current Assets</b>			
Financial Assets			
Investments	3	27,68	51,06
Other Current Assets	4	7,90	5,61
<b>Total Current Assets</b>		<b>35,58</b>	56,67
<b>Total Assets</b>		<b>89,08</b>	100,14
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	5	86,01	86,01
Other Equity	6	(1,36)	(78)
<b>Total Equity</b>		<b>84,65</b>	85,23
<b>Liabilities</b>			
<b>Non - Current Liabilities</b>			
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	7	1,72	38
Other Financial Liabilities	8	2,10	10,49
Other Current Liabilities	9	61	4,04
<b>Total Current Liabilities</b>		<b>4,43</b>	14,91
<b>Total Liabilities</b>		<b>4,43</b>	14,91
<b>Total Equity and Liabilities</b>		<b>89,08</b>	100,14
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1-21		

As per our Report of even date

**For Pathak H.D. & Associates**  
Chartered Accountants  
Firm Regn No: 107783W

**Gopal Chaturvedi**  
Partner  
Membership No: 090903

Place: Mumbai  
Date: 23rd April, 2018

For and on behalf of the Board

**Pankaj M. Pawar**  
Director  
(DIN: 00085077)

**Shobhan M. Thakore**  
Independent Director  
(DIN:00031788)

**Jayaraman Kalyanasundaram**  
Chief Executive Officer  
(PAN: ACVPJ1156D)

**Jyotindra H. Thacker**  
Director  
(DIN: 00006678)

**Jagmohanlal Bhamri**  
Independent Director  
(DIN:07169306)

**Harish Madnani**  
Chief Financial Officer  
(PAN: AAGPM5000Q)

**Ramesh K. Damani**  
Director  
(DIN: 00049764)

**Nishant Kumar Swami**  
Company Secretary  
(Membership No: 47710)

## Statement of Profit and Loss for the year ended 31st March, 2018

	Notes	2017-18	(₹ in lakh) 2016-17
<b>INCOME</b>			
Other Income	10	2,47	3,14
<b>Total Income</b>		<b>2,47</b>	<b>3,14</b>
<b>EXPENSES</b>			
Finance Costs (Interest) (₹ 35,720)		0	15
Other Expenses	11	3,05	3,06
<b>Total Expenses</b>		<b>3,05</b>	<b>3,21</b>
<b>Profit / (Loss) for the year</b>		<b>(58)</b>	<b>(7)</b>
<b>Tax Expenses</b>			
i Current Tax (₹ 8,719)		0	-
<b>Loss after Tax</b>		<b>(58)</b>	<b>(7)</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>(58)</b>	<b>(7)</b>
<b>Earnings per equity share of face value of ₹ 10 each</b>			
Basic (in Rupees)	12	(0.07)	(0.01)
Diluted (in Rupees)		(0.07)	(0.01)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements			

As per our Report of even date

**For Pathak H.D. & Associates**  
Chartered Accountants  
Firm Regn No: 107783W

**Gopal Chaturvedi**  
Partner  
Membership No: 090903

Place: Mumbai  
Date: 23rd April, 2018

For and on behalf of the Board

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**Ramesh K. Damani**  
Director  
(DIN: 00049764)

**Nishant Kumar Swami**  
Company Secretary  
(Membership No: 47710)

## Statement of Changes in Equity for the year ended 31st March, 2018

(₹ in lakh)		
<b>(A) Equity Share Capital</b>		
<b>Balance at the beginning of the reporting period i.e. 1st April, 2016</b>	11,01	
Changes in equity share capital during the year 2016-17	75,00	
<b>Balance at the end of the reporting period i.e. 31st March, 2017</b>	<b>86,01</b>	
Changes in equity share capital during the year 2017-18	-	
<b>Balance at the end of the reporting period i.e. 31st March, 2018</b>	<b>86,01</b>	
<b>(B) Other Equity</b>		
Particulars	Reserves and Surplus	(₹ in lakh)
	<u>Retained Earnings</u>	<b>Total</b>
<b>As on 31st March 2017</b>		
Balance at the beginning of the reporting period i.e. 1st April, 2016	(71)	(71)
Total Comprehensive Income for the year	(7)	(7)
Balance at the end of the reporting period i.e. 31st March, 2017	(78)	(78)
<b>As on 31st March, 2018</b>		
Balance at the beginning of the reporting period i.e. 1st April, 2017	(78)	(78)
Total Comprehensive Income for the year	(58)	(58)
Balance at the end of the reporting period i.e. 31st March, 2018	(1,36)	(1,36)

**As per our Report of even date**

**For Pathak H.D. & Associates**  
Chartered Accountants  
Firm Regn No: 107783W

**Gopal Chaturvedi**  
Partner  
Membership No: 090903

Place: Mumbai  
Date: 23rd April, 2018

**For and on behalf of the Board**

**Pankaj M. Pawar**  
Director  
(DIN: 00085077)

**Shobhan M. Thakore**  
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Director  
(DIN: 00049764)

**Nishant Kumar Swami**  
Company Secretary  
(Membership No: 47710)

## Cash Flow Statement for the year ended 31st March, 2018

	2017-18	2016-17
		(₹ in lakh)
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Loss before tax as per Statement of Profit and Loss	(58)	(7)
<b>Adjusted for:</b>		
Interest (₹ 35,720)	0	15
Profit on Sale of Current Investments (Net)	(2,47)	(3,14)
	<u>(2,47)</u>	<u>(2,99)</u>
<b>Operating Loss before Working Capital Changes</b>	<b>(3,05)</b>	<b>(3,06)</b>
<b>Adjusted for :</b>		
Trade and Other Receivables	(2,16)	(2,43)
Other Payables	(3,43)	3,16
	<u>(5,59)</u>	<u>73</u>
<b>Cash Used in Operations</b>	<b>(8,64)</b>	<b>(2,33)</b>
Less: Taxes paid (₹ 8,719)	0	-
Net Cash flow (used in) Operating Activities (A)	<u>(8,64)</u>	<u>(2,33)</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Tangible and Intangible Assets (Including movement in Capital Work in Progress)	(18,55)	(31,10)
Purchase of Investments	(5,20)	(64,95)
Sale of Investments	31,05	33,15
Net Cash flow from / (used in) Investing Activities (B)	<u>7,30</u>	<u>(62,90)</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Equity Share Capital	-	75,00
Repayment of Short Term Borrowings	(38)	(10,00)
Proceeds from Short Term Borrowings	1,72	38
Interest and Finance Charges Paid (₹ 35,720)	(0)	(18)
Net Cash flow from Financing Activities (C)	<u>1,34</u>	<u>65,20</u>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>-</b>	<b>(3)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>-</b>	<b>3</b>
<b>Closing Balance of Cash and Cash Equivalents (Refer Note 7)</b>	<b>-</b>	<b>-</b>

## Cash Flow Statement for the year ended 31st March, 2018 (Continued)

Changes in Liabilities arising from financing activities	(₹ in lakh)		
	1st April, 2017	Cash flow	31st March, 2018
Borrowings - Current (Refer Note 7)	38	1,34	1,72
	<b>38</b>	<b>1,34</b>	<b>1,72</b>

**As per our Report of even date**

**For Pathak H.D. & Associates**  
Chartered Accountants  
Firm Regn No: 107783W

**Gopal Chaturvedi**  
Partner  
Membership No: 090903

Place: Mumbai  
Date: 23rd April, 2018

**For and on behalf of the Board**

**Pankaj M. Pawar**  
Director  
(DIN: 00085077)

**Shobhan M. Thakore**  
Independent Director  
(DIN:00031788)

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Chief Executive Officer  
(PAN: ACVPJ1156D)

**Jyotindra H. Thacker**  
Director  
(DIN: 00006678)

**Jagmohanlal Bhamri**  
Independent Director  
(DIN:07169306)

**Harish Madnani**  
Chief Financial Officer  
(PAN: AAGPM5000Q)

**Ramesh K. Damani**  
Director  
(DIN: 00049764)

**Nishant Kumar Swami**  
Company Secretary  
(Membership No: 47710)

## Notes on Financial Statements for the year ended 31st March, 2018

### A CORPORATE INFORMATION

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

### B ACCOUNTING POLICIES

#### B.1 BASIS OF PREPARATION AND PRESENTATION

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

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

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

#### B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### (a) Property, plant and equipment:

Property Plant and Equipments is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

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

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

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

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.

##### (b) Intangible assets:

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

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

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

##### (c) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

## Notes on Financial Statements for the year ended 31st March, 2018

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

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

**(d) Impairment of non financial Assets - property, plant and equipment and intangible assets**

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

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

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

**(e) 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.

**(f) Taxation**

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

**Current tax**

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

**Deferred tax**

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

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

**(g) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value.

**(h) Foreign Currencies transactions and translation**

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

## Notes on Financial Statements for the year ended 31st March, 2018

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss except to the extent that exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings are capitalized as cost of assets under construction.

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

### (i) Revenue recognition

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

Revenue is recognised only if following conditions are satisfied:

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

### Interest income

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

### Dividends

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

### (j) Financial Instruments

#### i) Financial Assets

##### A. Initial recognition and measurement:

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

##### B. Subsequent measurement

###### a) Financial assets carried at amortised cost (AC)

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

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

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

## Notes on Financial Statements for the year ended 31st March, 2018

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

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

**C Other Equity Investments**

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

**ii) Financial liabilities**

**A. Initial recognition and measurement:**

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

**B. Subsequent measurement:**

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

**C Critical accounting judgements and key sources of estimation uncertainty:**

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

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

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

**b) Recoverability of trade receivable**

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

**c) Provisions**

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

**d) Impairment of non-financial assets**

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

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

## Notes on Financial Statements for the year ended 31st March, 2018

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### **D Standards issued but not effective**

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

#### **a) Issue of Ind AS 115 - Revenue from Contracts with Customers**

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

#### **b) Amendment to Existing issued Ind AS**

The MCA has also carried out amendments following accounting standards. These are;

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates;
- ii. Ind AS 12 - Income Taxes

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

## Notes on Financial Statements for the year ended 31st March, 2018

### 1. Property, Plant and Equipment

(₹ in lakh)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1-Apr-17	Additions / Adjustment	Deduction / Adjustment	As at 31-Mar-18	As at 1-Apr-17	For the year	Deduction / Adjustment	As at 31-Mar-18	As at 31-Mar-18	As at 31-Mar-17
<b>Tangible Assets :</b>										
<b>Tangible Assets</b>	-	-	-	-	-	-	-	-	-	-
Own Assets :	-	-	-	-	-	-	-	-	-	-
Plant and Equipments	-	<b>1,30</b>	-	<b>1,30</b>	-	<b>20</b>	-	<b>20</b>	<b>1,10</b>	-
<b>Total</b>	-	<b>1,30</b>	-	<b>1,30</b>	-	<b>20</b>	-	<b>20</b>	<b>1,10</b>	-
Previous Year Figures	-	-	-	-	-	-	-	-	-	-
Capital Work-in-Progress									<b>43,60</b>	39,09
Intangible Assets under Development									<b>8,76</b>	4,18

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

Company has obtained license to operate as a Multi System Operator to provide Digital Cable TV services to its own consumers and through the Local Cable Operators and the expenditure towards the same comprises of Capital Work in Progress amounting to ₹ 43,60 Lakh (Previous Year ₹ 39,09 Lakh) and Intangible Assets Under Development amounting to ₹ 8,76 Lakh (Previous Year 4,18 Lakh) as per details given below:

##### 1.1 Capital Work-in-Progress includes :

- Rs 2,63 Lakh ( Previous Year ₹ 7,45 Lakh ) on account of capital goods inventory.
- Rs 10,21 Lakh ( Previous Year ₹ 4,46 Lakh) on account of Project Development Expenditure.

##### 1.2 Intangible Assets Under Development comprise of:

- Software License Fees of ₹ 8,76 Lakh (Previous Year ₹ 4,18 Lakh)

## Notes on Financial Statements for the year ended 31st March, 2018

		(₹ in lakh)	
		As at 31st March,2018	As at 31st March,2017
<b>2</b>	<b>Other Non-current Assets (Unsecured and Considered Good)</b>		
	Capital Advances	-	2
	Security Deposits	4	18
	<b>Total</b>	<b>4</b>	<b>20</b>

		(₹ in lakh)			
		As at 31st March,2018		As at 31st March,2017	
		Units	Amount	Units	Amount
<b>3</b>	<b>Current Investments</b>				
	<b>Investments measured at Fair Value Through Profit &amp; Loss (FVTPL)</b>				
	<b>In Mutual Funds - Unquoted</b>				
	SBI-Premier Liquid Fund - Regular Plan - Growth (Face value of ₹ 1,000 each)	-	-	200,566	51,06
	SBI-Premier Liquid Fund - Direct Plan - Growth (Face value of ₹ 1,000 each)	<b>101,596</b>	<b>27,68</b>	-	-
	<b>Total</b>	<b>101,596</b>	<b>27,68</b>	200,566	51,06
	<b>Aggregate amount of Unquoted investments</b>		<b>27,68</b>		51,06

		(₹ in lakh)	
		As at 31st March,2018	As at 31st March,2017
<b>3.1</b>	<b>Category-wise Current Investment</b>		
	Financial assets measured at Fair value through Profit & Loss (FVTPL)	<b>27,68</b>	51,06
	<b>Total Current Investment</b>	<b>27,68</b>	51,06

		(₹ in lakh)	
		As at 31st March,2018	As at 31st March,2017
<b>4</b>	<b>Other Current Assets (Unsecured and considered good)</b>		
	Balance with GST authorities *	7,85	5,61
	Others**	5	-
	<b>Total</b>	<b>7,90</b>	5,61

\*Includes cenvat credit pending availment for Previous Year of ₹ 1,41 lakh.

\*\*Includes claims receivable.

## Notes on Financial Statements for the year ended 31st March, 2018

		(₹ in lakh)	
		As at 31st March,2018	As at 31st March,2017
<b>5</b>	<b>Share Capital</b>		
	<b>Authorised Share Capital :</b>		
	Equity Shares of ₹10 each	100,000,000	100,000,000
		<u>100,00</u>	<u>100,00</u>
	<b>Issued, Subscribed and Paid up:</b>		
	Equity Shares of ₹10 each fully paid up	86,010,000	86,010,000
	<b>Total</b>	<u>86,01</u>	<u>86,01</u>

### 5.1 Terms/ rights attached to Equity Shares :

The company has only one class of equity shares having a par value of ₹ 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.

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

Particulars	As at 31st March,2018	As at 31st March,2017
	No.of Shares	No.of Shares
No. of shares at the beginning of the year	86,010,000	11,010,000
Add: Issue of Shares	-	75,000,000
No. of shares at the end of the year	<u>86,010,000</u>	<u>86,010,000</u>

### 5.3 The details of shareholders holding more than 5% shares:

Name of Shareholders	As at 31st March,2018		As at 31st March,2017	
	No. of Shares	% held	No. of Shares	% held
Reliance Industrial Investments and Holdings Limited (Holding Company)	86,010,000	100 %	86,010,000	100%

		(₹ in lakh)	
		As at 31st March,2018	As at 31st March,2017
<b>6</b>	<b>Other Equity</b>		
	Retained Earnings	(1,36)	(78)
	<b>Total</b>	<u>(1,36)</u>	<u>(78)</u>
<b>6.1</b>	<b>Retained Earnings</b>		
	Balance at beginning of year	(78)	(71)
	Loss for the year	(58)	(7)
	<b>Balance at end of year</b>	<u>(1,36)</u>	<u>(78)</u>

## Notes on Financial Statements for the year ended 31st March, 2018

		(₹ in lakh)	
		As at 31st March,2018	As at 31st March,2017
<b>7</b>	<b>Borrowings - Current</b>		
	<b>Unsecured - At Amortised Cost</b>		
	Loan repayable on demand		
	Bank Overdraft	1,72	38
	<b>Total</b>	<u>1,72</u>	<u>38</u>
<b>8</b>	<b>Other Financial Liabilities</b>		
	Creditors for Capital Expenditure	2,10	10,49
	<b>Total</b>	<u>2,10</u>	<u>10,49</u>
8.1	There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2018 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.		
<b>9</b>	<b>Other Current Liabilities</b>		
	Other Payables*	61	4,04
	<b>Total</b>	<u>61</u>	<u>4,04</u>
	*Includes sundry payables, statutory dues, etc.		
<b>10</b>	<b>Other Income</b>		
	Interest Income (Previous Year ₹ 420)	-	0
	<b>Net Gain arising on Sale of Current Investments</b>		
	Realised Gain / (Loss)	4,41	79
	Unrealised Gain / (Loss)	(1,94)	2,35
	<b>Total</b>	<u>2,47</u>	<u>3,14</u>

## Notes on Financial Statements for the year ended 31st March, 2018

	(₹ in lakh)	
	2017-18	2016-17
<b>11 Other Expenses</b>		
Rates and taxes	3	3
Professional Fees	2,94	2,95
Payment to Auditors	2	1
Director Sitting Fees	6	6
General Expenses (₹ 31,039)	0	1
<b>Total</b>	<b>3,05</b>	<b>3,06</b>
<b>12 EARNINGS PER SHARE (EPS)</b>	<b>2017-18</b>	<b>2016-17</b>
i. Profit / (Loss) for the year as per Statement of Profit and Loss (₹ in lakh)	(58)	(7)
ii. Weighted Average number of equity shares used as denominator for calculating EPS	86,010,000	70,701,781
iii. Basic Earnings per share (₹)	(0.07)	(0.01)
iv. Diluted Earnings per share (₹)	(0.07)	(0.01)
v. Face Value per equity share (₹)	10	10
<b>13</b> Deferred Tax Asset (net) of ₹ 23 Lakh (Previous Year ₹ 3 Lakh) on account of carried forward losses is not recognised on consideration of prudence.		

### 14 RELATED PARTY DISCLOSURES

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

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

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited	Holding Company
3	Reliance Retail Limited	Fellow Subsidiary
4	Reliance Jio Infocomm Limited	
5	Reliance Strategic Investments Limited	
6	Kanisk Singh (upto 9th Oct'17)	Key Managerial Personnel
7	Jayraman Kal	
8	Nidhi Sabhrawal (upto 2nd Jan'17)	
9	Binal Shah (w.e.f 12th Jan'17 and upto 17th Apr'17)	
10	Harish Madnani (w.e.f. 12th Oct'17)	
11	Nishant Swami (w.e.f. 18th Apr'17)	

**Notes on Financial Statements for the year ended 31st March, 2018**

<b>(ii) Transactions during the year with related parties</b>					(₹ in lakh)
<b>Sr. No</b>	<b>Nature of Transactions (excluding reimbursements)</b>	<b>Holding Company</b>	<b>Fellow Subsidiary</b>	<b>Key Managerial Personnel/ Relative</b>	<b>Total</b>
1	Shares issued and allotted	-	-	-	-
		(75,00)	-	-	(75,00)
2	Loan repaid	-	-	-	-
		-	(10,00)	-	(10,00)
3	Interest expense	-	-	-	-
		-	(15)	-	(15)
4	Professional Fees	-	<b>1,59</b>	-	<b>1,59</b>
		-	(1,52)	-	(1,52)
5	Fixed Assets/Project Development Expenditure	-	<b>3,26</b>	-	<b>3,26</b>
		-	(1,49)	-	(1,49)
6	Payment to Key Managerial Personnel	-	-	<b>3,49</b>	<b>3,49</b>
		-	-	(3,61)	(3,61)
<b>Balances as at 31st Mar'18</b>					(₹ in lakh)
7	Share Capital	<b>86,01</b>	-	-	<b>86,01</b>
		(86,01)	-	-	(86,01)
8	Creditors for Capital Expenditure	-	-	-	-
		-	(3,81)	-	(3,81)
9	Other Payables	-	-	-	-
		-	(3,06)	-	(3,06)

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

<b>Disclosure in Respect of Material Related Party Transactions during the year :</b>				(₹ in lakh)
<b>Particulars</b>	<b>Relationship</b>	<b>2017-18</b>	<b>2016-17</b>	
<b>1 Shares issued and allotted</b>				
Reliance Industrial Investments and Holding Limited	Holding	-	75,00	
<b>2 Loan Repaid</b>				
Reliance Strategic Investments Limited	Fellow Subsidiary	-	10,00	
<b>3 Interest paid</b>				
Reliance Strategic Investments Limited	Fellow Subsidiary	-	15	
<b>4 Professional Fees</b>				
Reliance Retail Limited	Fellow Subsidiary	<b>1,59</b>	1,52	
<b>5 Fixed Assets/Project Development Expenditure</b>				
Reliance Retail Limited	Fellow Subsidiary	<b>3,26</b>	1,49	
<b>6 Payment to Key Managerial Personnel</b>				
Shri Kanisk Singh	Key Managerial Personnel	<b>23</b>	46	
Shri Jayraman Kal	Key Managerial Personnel	<b>2,87</b>	3,04	
Nidhi Sabhrawal	Key Managerial Personnel	-	8	
Binal Shah	Key Managerial Personnel	<b>3</b>	3	
Harish Madnani	Key Managerial Personnel	<b>22</b>	-	
Nishant Swami	Key Managerial Personnel	<b>13</b>	-	

## Notes on Financial Statements for the year ended 31st March, 2018

Balances as at		As at 31st Mar'18	(₹ in lakh) As at 31st Mar'17
<b>7 Share Capital</b>			
Reliance Industrial Investments and Holdings Limited	Holding	<b>86,01</b>	86,01
<b>8 Creditors for Capital Expenditure</b>			
Reliance Retail Limited	Fellow Subsidiary	-	3,81
<b>9 Other Payables</b>			
Reliance Jio Infocomm Limited	Fellow Subsidiary	-	12
Reliance Retail Limited	Fellow Subsidiary	-	2,94

All related party contracts / arrangements have been entered at arm's length price.

### 14.1 Compensation of Key Managerial Personnel

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

	2017-18	2016-17
i) Short-term benefits	<b>3,34</b>	3,49
ii) Post employment benefits	<b>14</b>	12
iii) Other long term benefits	-	-
iv) Share based payments	-	-
v) Termination benefits	-	-
	<u><b>3,48</b></u>	<u>3,61</u>

15 COMMITMENTS	As at 31st March,2018	(₹ in lakh) As at 31st March,2017
<b>Commitments</b>		
(i) Estimated amount of contracts remaining to be executed on Capital account not provided for	<b>2,27</b>	20,65

### 16 CAPITAL MANAGEMENT

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

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

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

## Notes on Financial Statements for the year ended 31st March, 2018

### Net Gearing Ratio

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

	As at 31st Mar'18	As at 31st Mar'17
Gross Debt	1,72	38
Cash and cash equivalent	-	-
Net Debt (A)	1,72	38
Total Equity (As per Balance Sheet) (B)	84,65	85,23
<b>Net Gearing Ratio (A/B) %</b>	<b>2.04</b>	<b>0.44</b>

(₹ in lakh)

## 17 FINANCIAL INSTRUMENTS

### Valuation

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

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

### Fair Value Measurement Hierarchy:

(₹ in lakh)

Particulars	As at 31st March, 2018			As at 31st March, 2017		
	Carrying amount	Level of Input used in		Carrying amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Cash and Cash Equivalents	-	-	-	-	-	-
<b>At FVTPL</b>						
Investments	27,68	27,68	-	51,06	51,06	-
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Borrowings	1,72	-	-	38	-	-
Creditors for Capital Expenditure	2,10	-	-	10,49	-	-
<b>At FVTPL</b>						
Financial Derivatives	-	-	-	-	-	-

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

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

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

### Foreign Currency Risk

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

## Notes on Financial Statements for the year ended 31st March, 2018

Particulars	Foreign Currency Exposure			
	As on 31st March,2018		As on 31st March,2017	
	USD	EUR	USD	EUR
Foreign Currency Loan	-	-		
Foreign Currency Creditors	34	78	5,25	98
<b>Net Exposure</b>	<b>34</b>	<b>78</b>	5,25	98

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

Particulars	Foreign Currency Sensitivity			
	As on 31st March,2018		As on 31st March,2017	
	USD	EUR	USD	EUR
<b>1% Depreciation in INR</b>	(0)	(1)	(5)	(1)
Impact on P&L	(0)	(1)	(5)	(1)
<b>1% Appreciation in INR</b>	0	1	5	1
Impact on P&L	0	1	5	1

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

### Interest Rate Risk

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

Particulars	Interest rate exposure	
	As at 31st March, 2018	As at 31st March, 2017
<b>Borrowings</b>		
Non-Current - Fixed	-	-
Current	1,72	38
<b>Total</b>	<b>1,72</b>	<b>38</b>

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

### Credit risk

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

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

### Liquidity Risk

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

## Notes on Financial Statements for the year ended 31st March, 2018

(₹ in lakh)

Maturity Profile of Loans as on 31 March, 2018							
Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
<b>Borrowings</b>							
Non-Current	-	-	-	-	-	-	-
Current	1,72	-	-	-	-	-	1,72
<b>Total Borrowings</b>	<b>1,72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,72</b>

(₹ in lakh)

Maturity Profile of Loans as on 31 March, 2017							
Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
<b>Borrowings</b>							
Non-Current	-	-	-	-	-	-	-
Current	38	-	-	-	-	-	38
<b>Total Borrowings</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38</b>

18 The name of the Company has been changed from Reliance Jio Media Private Limited to Reliance Jio Media Limited with effect from 7th February, 2018.

### 19 SEGMENT REPORTING

The Company has obtained license to operate as a Multi System Operator to provide Digital Cable TV services to its own consumers and through the Local Cable Operators. The Company has single segment as per the requirements of Ind AS 108 for "Operating Segment". The assets and liabilities of the Company as on 31st March, 2018 predominantly relate to this segment.

### 20 PAYMENT TO AUDITORS

	2017-18	2016-17
i Statutory Audit Fees	1	1
ii Certification and Consultation Fees (Previous Year ₹ 40,000)	1	0
<b>Total</b>	<b>2</b>	<b>1</b>

### 21 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by board of directors on 23rd April, 2018

#### As per our Report of even date

**For Pathak H.D. & Associates**  
Chartered Accountants  
Firm Regn No: 107783W

**Gopal Chaturvedi**  
Partner  
Membership No: 090903

Place: Mumbai  
Date: 23rd April, 2018

#### For and on behalf of the Board

**Pankaj M. Pawar**  
Director  
(DIN: 00085077)

**Shobhan M. Thakore**  
Independent Director  
(DIN:00031788)

**Jayaraman Kalyanasundaram**  
Chief Executive Officer  
(PAN: ACVPJ1156D)

**Jyotindra H. Thacker**  
Director  
(DIN: 00006678)

**Jagmohanlal Bhamri**  
Independent Director  
(DIN:07169306)

**Harish Madnani**  
Chief Financial Officer  
(PAN: AAGPM5000Q)

**Ramesh K. Damani**  
Director  
(DIN: 00049764)

**Nishant Kumar Swami**  
Company Secretary  
(Membership No: 47710)