Jio Haptik Technologies Limited
Financial Statements
2020-21

INDEPENDENT AUDITOR'S REPORT

To the Members of Jio Haptik Technologies Limited (formerly known as Reliance Jio Digital Services Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Jio Haptik Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, the statement of changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report in the annual report for the year ended March 31, 2021, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report, that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rules 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
   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 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 director 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 does not have any pending litigation which would impact its financial position in its financial statements.
      ii. The Company does not have any foreseeable losses on long-term contracts including derivative contracts, if any, in respect of which any provision is required to be made under the applicable law and Accounting Standards.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Gopal Chaturvedi
Partner
Membership No.: 090903
UDIN – 21090903AAAACI8225

Place: Mumbai
Date: April 19, 2021

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 Jio Haptik Technologies Limited on the financial statements for the year ended 31st March, 2021)

i. In respect of its fixed assets:
   a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
   b. As explained to us, all the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
   c. The Company does not have any immovable property and accordingly, the provisions of Clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.

ii. The Company does not have any inventories and accordingly, the provisions of Clause (ii) of paragraph 3 of the Order are not applicable to the Company.

iii. There are no loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan and it has not made any investments or given any guarantee or security on which the provisions of Section 185 and 186 of the Act applies. Accordingly, the provisions of Clause (iv) of paragraph 3 of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposit. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act in respect of activities carried on by the Company and accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.

vii. In respect of statutory dues:

a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2021 for a period of more than six months from the date of becoming payable.
b. There were no dues of Income Tax, Sales Tax, Goods and Services Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, as applicable, which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to banks. During the year, the Company has no dues to financial institution and government. The Company has not issued any debentures.

ix. To the best of our knowledge and belief and according to the information and explanations given to us, during the year the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) or term loan.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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.

xiii. According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of Clause (xiv) of paragraph 3 of the Order are not applicable to the Company.

xv. According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.

xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Gopal Chaturvedi
Partner
Membership No.: 090903
UDIN – 21090903AAAACI8225

Place: Mumbai
Date: April 19, 2021

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 Jio Haptik Technologies Limited on the financial statements for the year ended 31st March, 2021)

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 Jio Haptik Technologies Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these 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 Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

A Company's internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these 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 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 with reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31st March, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over financial statements issued by the Institute of Chartered Accountants of India.

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

Gopal Chaturvedi
Partner
Membership No.: 090903
UDIN – 21090903AAAACI8225

Place: Mumbai
Date: April 19, 2021

JIO HAPTIK TECHNOLOGIES LIMITED
(Formerly known as Reliance Jio Digital Services Limited)

Balance Sheet as at 31st March, 2021

(Rs. in lakh)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	1	**1,16**	1,14
Intangible assets	1	**182,75**	205,83
Intangible Assets under Development	1	**76,10**	37,07
Other Non-Current Assets	2	**1,53**	83
Total Non-Current Assets		**261,54**	244,87
Current Assets			
Financial Assets			
Investments	3	**8,05**	4,36
Trade receivables	4	**6,61**	3,64
Cash and Cash Equivalents	5	**1,30**	1,27
Other Current Assets	6	**4,35**	3,00
Total Current Assets		**20,31**	12,27
Total Assets		**281,85**	257,14
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7	**49,13**	43,50
Other Equity	8	**224,10**	202,53
Total Equity		**273,23**	246,03
Liabilities			
Non - Current Liabilities			
Provisions	9	**1,19**	92
Total Non-Current liabilities		**1,19**	92
Current Liabilities			
Financial Liabilities			
Trade payables due to	10		
Micro and Small Enterprise		**0**	-
Other than Micro and Small Enterprises		**2,63**	80
Other Financial Liabilities	11	**2,08**	5,93
Other Current Liabilities	12	**1,80**	3,07
Provisions	13	**92**	39
Total Current Liabilities		**743**	10,19
Total Liabilities		**8,62**	11,11
Total Equity and Liabilities		**281,85**	257,14

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1-27

JIO HAPTIK TECHNOLOGIES LIMITED
(Formerly known as Reliance Jio Digital Services Limited)

As per our Report of even date

For Pathak H. D. & Associates LLP	**For and on behalf of the Board**	
Chartered Accountants		
Firm Regn No: 107783W/ W100593		
Gopal Chaturvedi	**Dhirendra Harilal Shah**	**Aakrit Ajay Kumar Vaish**
Partner	Director	Whole Time Director
Membership No. 090903	**(DIN 00004616)**	**(DIN 05113028)**
	Partha Roy	**Rahul Mukherjee**
	Chief Financial Officer	Company Secretary
	(PAN No: ADEPR0508F)	**(Membership No: A26182)**

Date: 19th April, 2021

JIO HAPTIK TECHNOLOGIES LIMITED
(Formerly known as Reliance Jio Digital Services Limited)

Statement of Profit and Loss for the year ended 31st March, 2021 (Rs. in lakh)

Particulars	Notes	2020-21	2019-20
INCOME			
Revenue from Operations	14	**20,46**	8,14
Other Income	15	**43**	55
Total Income		**20,89**	8,69
EXPENSES			
Employee Benefits Expense	16	**14,26**	11,13
Finance Costs (Interest) (Rs. 615 and Previous Year Rs. 678)		**0**	0
Depreciation and Amortisation Expense	1	**23,52**	23,36
Other Expenses	17	**7,00**	5,90
Total Expenses		**4,478**	40,39
(Loss) for the Year		**(23,89)**	(31,70)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit and Loss		**19**	5
Total Other Comprehensive Income for the year		**19**	5
Total Comprehensive Income for the year		**(23,70)**	(31,65)
EARNINGS PER EQUITY SHARE OF FACE VALUE OF RS 10 EACH			
Basic (in Rupees)	18	**(5.18)**	**(7.75)**
Diluted (in Rupees)	18	**(5.18)**	**(7.75)**

Significant Accounting Policies
See accompanying Notes to the Financial Statements 1-27

JIO HAPTIK TECHNOLOGIES LIMITED
As per our Report of even date

For Pathak H. D. & Associates LLP	**For and on behalf of the Board**	
Chartered Accountants		
Firm Regn No: 107783W/ W100593		
Gopal Chaturvedi	**Dhirendra Harilal Shah**	**Aakrit Ajay Kumar Vaish**
Partner	Director	Whole Time Director
Membership No. 090903	**(DIN 00004616)**	**(DIN 05113028)**
	Partha Roy	**Rahul Mukherjee**
	Chief Financial Officer	Company Secretary
	(PAN No: ADEPR0508F)	**(Membership No: A26182)**

Date: 19th April, 2021

JIO HAPTIK TECHNOLOGIES LIMITED
(Formerly known as Reliance Jio Digital Services Limited)

Statement of Changes In Equity for the year ended 31st March, 2021

A. Equity Share Capital

	(Rs. in lakh)
Balance at the beginning of the reporting period i.e. 1st April, 2019	40,00
Changes in equity share capital during the year	3,50
Balance at the end of the reporting period i.e. 31st March, 2020	**43,50**
Changes in equity share capital during the year	5,63
Balance at the end of the reporting period i.e. 31st March, 2021	**49,13**

B. Other Equity

Particulars	Reserves and Surplus				
	Securities Premium	Share Based Payments	Retained Earnings	Other Comprehensive Income	Total
AS ON 31ST MARCH, 2020					
Balance at the beginning of the reporting period i.e. 1st April, 2019	210,00	-	(7,03)	-	202,97
Loss for the year	-	-	(31,70)	-	(31,70)
Other Comprehensive Income for the year	-	-	-	5	5
Equity Shares Issued	24,50	-	-	-	24,50
On Employee Stock Option		6,71	-		6,71
Balance at the end of the reporting period i.e. 31st March, 2020	**234,50**	**6,71**	**(38,73)**	**5**	**202,53**
AS ON 31ST MARCH, 2021					
Balance at the beginning of the reporting period i.e. 1st April, 2020	**234,50**	**6,71**	**(38,73)**	**5**	**202,53**
Loss for the year	-	-	**(23,89)**	**-**	**(23,89)**
Other Comprehensive Income for the year	-	-		**19**	**19**
Equity Shares Issued	**39,38**	**-**	**-**	**-**	**39,38**
On Employee Stock Option		**5,89**			**5,89**
Balance at the end of the reporting period i.e. 31st March, 2021	**273,88**	**12,60**	**(62,62)**	**24**	**224,10**

JIO HAPTIK TECHNOLOGIES LIMITED
(Formerly known as Reliance Jio Digital Services Limited)

As per our Report of even date

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

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Dhirendra Harilal Shah
Director
(DIN 00004616)

Aakrit Ajay Kumar Vaish
Whole Time Director
(DIN 05113028)

Partha Roy
Chief Financial Officer
(PAN No: ADEPR0508F)

Rahul Mukherjee
Company Secretary
(Membership No: A26182)

Date: 19th April, 2021

JIO HAPTIK TECHNOLOGIES LIMITED
(Formerly known as Reliance Jio Digital Services Limited)

Cash Flow Statement for the year ended 31st March, 2021

			(Rs. in lakh)
		2020-21	2019-20
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Loss before tax as per Statement of Profit and Loss	**(23,89)**	(31,70)
	Adjusted for:		
	Gain on Investments (Net)	**(23)**	(55)
	Depreciation and Amortisation Expense	**23,52**	23,36
	Employee Stock Option Provision	**2,06**	2,15
	Interest and Finance charges (Rs. 615 and Previous Year Rs. 678)	**0**	0
		25,35	24,96
	Operating Loss before Working Capital Changes	**146**	(6,74)
	Adjusted for:		
	Trade and Other Receivables	**(423)**	(5,38)
	Trade and Other Payables	**(151)**	1,40
	Cash Generated from Operations	**(5,74)**	(3,98)
	Taxes Paid (Net)	**(79)**	-
	Net Cash flow from Operating Activities	**(5,07)**	(10,72)
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Property, Plant and Equipment and Intangible Assets	**(36,45)**	(2,882.77)
	Purchase of Business (Net Consideration)	**-**	(0,82)
	Purchase of Investments	**(46,85)**	(24,40)
	Proceeds from Sale of Investments	**43,40**	37,95
	Net Cash flow (used in) Investing Activities	**(39,90)**	(16,10)
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from Issue of Equity Share Capital	**45,00**	28,00
	Finance Cost Paid	**(0)**	(0)
	Net Cash flow from Financing Activities	**45,00**	28,00
	Net Increase in Cash and Cash Equivalents	**3**	1,18
	Opening Balance of Cash and Cash Equivalents	**1,27**	9
	Cash and Cash Equivalent acquired pursuant to purchase of business (Refer Note 24)	**-**	0
	Closing Balance of Cash and Cash Equivalents (Refer Note 5)	**130**	1,27

JIO HAPTIK TECHNOLOGIES LIMITED
(Formerly known as Reliance Jio Digital Services Limited)
As per our Report of even date

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

Gopal Chaturvedi
Partner
Membership No. 090903

For and on behalf of the Board

Dhirendra Harilal Shah
Director
(DIN 00004616)

Aakrit Ajay Kumar Vaish
Whole Time Director
(DIN 05113028)

Partha Roy
Chief Financial Officer
(PAN No: ADEPR0508F)

Rahul Mukherjee
Company Secretary
(Membership No: A26182)

Date: 19th April, 2021

JIO HAPTIK TECHNOLOGIES LIMITED
(Formerly known as Reliance Jio Digital Services Limited)

A CORPORATE INFORMATION

Jio Haptik Technologies Limited ("the Company") is a limited company incorporated in India.
The registered office of the Company is located at office - 101, Saffron, Nr. Centre Point, Panchwati 5 Rasta, Ambawadi, Ahmedabad - 380006, Gujarat, India. The Company's immediate Holding Company is Jio Platforms 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.

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.

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

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification:

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.
An asset is treated as Current when it is –

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

A liability is current when:
It is expected to be settled in normal operating cycle;
It is due to be settled within twelve months after the reporting period, or
There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Property, Plant and Equipment

Property, Plant and Equipments are 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 project development stage, prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation on Property, Plant and Equipments is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 unless otherwise stated.

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) 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

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 Company and the cost can be measured reliably.

Expenses incurred relating to project, net of income earned during project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under

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 or Loss when the asset is derecognised.

Intellectual Property Rights are amortised on straight line method and based on useful life of 10 years.

(d) 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 Profit and Loss for the period in which they are

(e) Impairment of Non Financial Assets - Property, Plant and Equipment and Intangible Assets

At each balance sheet date, the Company assesses whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such impairment exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

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

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

(f) Provisions

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

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

(g) 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.

Post Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972. The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

(h) Taxation

The tax expense for the period comprises current 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 or in Equity. In this case, the tax is also recognised in Other Comprehensive Income and Equity.

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 or substantively enacted at the Balance sheet date.

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 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.

(i) Cash and Cash Equivalents

Cash and Cash Equivalents comprise of cash in hand and deposits 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.

(j) Foreign Currencies

Transactions and Translation

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

Exchange differences arising on settlement or translation of monetary items are recognised in 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 as pre-operative expenses and disclosed under Intangible Assets Under Development).

(k) Revenue recognition

Effective from 1st April,2018 the Company has adopted Ind AS-115 "Revenue from contracts with customers" using the cumulative catch-up method, applied to contracts that were not completed as on 1st April, 2018. Accordingly the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 is not material.

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

Revenue is recognised only if following conditions are satisfied:

• Revenue can be measured reliably,

• It is probable that the economic benefit associated with the transaction will flow to the Company,

• The costs incurred for the transaction and the costs to complete the transaction can be measured reliably

Interest income

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

Dividends

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

(l) Financial Instruments

i) Financial Assets

A. Initial recognition and measurement:

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

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

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

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

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

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

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

C. Other Equity Investments

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

D. 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).

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).

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 alue due to the short maturity of these instruments.

iii) Offsetting

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

(m) Share Based Payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.
The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(n) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C Critical accounting judgements and key sources of estimation uncertainty:

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

a) Depreciation and useful lives of property plant and equipment

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) Impairment of non-financial assets:

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

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

d) 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.

e) 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.

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Notes on Financial Statements for the year ended 31st March, 2021

1. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT (Rs. in lakh)

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01-Apr-20	Additions /Adjustment	Deduction /Adjustment	**As at 31-Mar-21**	As at 01-Apr-20	For the year	Deduction /Adjustment	**As at 31-Mar-21**	**As at 31-Mar-21**	As at 31-Mar-20
Property, Plant and Equipment : Own Assets										
Plant and Equipments	90	44	-	**134**	13	35	-	**48**	**86**	77
Furniture & Fixtures	29	0	-	**29**	2	3	-	**5**	**24**	27
Office Equipments	16	2	-	**18**	6	6	-	**12**	**7**	10
Total (A)	**1,35**	**46**	**-**	**1,81**	**21**	**44**	**-**	**65**	**1,16**	**1,14**
Intangible Assets*										
Intellectual Property Rights	**230,83**	**-**	**-**	**230,83**	**25,00**	**23,08**	**-**	**48,09**	**182,75**	205,83
Total (B)	**230,83**	**-**	**-**	**230,83**	**25,00**	**23,08**	**-**	**48,09**	**182,75**	**205,83**
Total (A+B)	**232,18**	**46**	**-**	**232,64**	**25,22**	**23,52**	**-**	**48,74**	**183,91**	**206,97**
Figures	231,27	1,01	10	232,18	1,93	23,36	0,08	25,21	206,97	229,33
Intangible Assets Under Development									**76,10**	37,07

* Other than internally generated
"0" represents the amount below the denomination threshold.
Intangible Assets Under Development includes Rs. 39,03 Lakhs (Previous Year Rs. 37,07 Lakhs) on account of Project development expenditure.

JIO HAPTIK TECHNOLOGIES LIMITED
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Notes on Financial Statements for the year ended 31st March, 2021

(Rs. in lakh)

		As at 31st March, 2021	As at 31st March, 2020
2	**Other Non-Current Assets**		
	(Unsecured and Considered Good)		
	Security Deposits	**33**	42
	Advance Income Tax (Net of Provision)	**1,20**	41
	Total	**1,53**	83

(Rs. in lakh)

	As at 31st March, 2021	As at 31st March, 2020
Advance Income Tax (Net of Provision)		
At start of year	**41**	4
Tax paid during the year	**79**	37
At end of year	**1,20**	41

(Rs. in lakh)

		As at 31st March, 2021 Units	As at 31st March, 2021 Amount	As at 31st March, 2020 Units	As at 31st March, 2020 Amount
3	**Investments - Current**				
	Investments measured at Fair Value Through Profit & Loss (FVTPL)				
	In Mutual Funds - Unquoted				
	Aditya Birla Sun Life - Liquid Fund - Direct Plan Growth (Face value of Rs. 100 each)	**2,42,887**	**8,05**	1,36,405	4,36
	Total	**2,42,887**	**8,05**	5,77,914	4,36
	Aggregate amount of Unquoted Investments		**8,05**		4,36

(Rs. in lakh)

		As at 31st March, 2021	As at 31st March, 2020
3.1	**Category-wise Current Investment**		
	Investment measured at Fair Value Through Profit & Loss (FVTPL)	**8,05**	17,36
	Total Current Investments	**8,05**	17,36

(Rs. in lakh)

		As at 31st March, 2021	As at 31st March, 2020
4	**Trade Receivables (Unsecured)**		
	Considered Good	**6,61**	3,64
	Credit impaired	**40**	
	Less: Provision	**(40)**	
	Total	**6,61**	3,64

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Notes on Financial Statements for the year ended 31st March, 2021

(Rs. in lakh)

		As at 31st March, 2021	As at 31st March, 2020
5	**Cash and Cash Equivalents**		
	Balances with Banks	**1,30**	1,27
	Cash and Cash Equivalents as per Balance Sheet	**1,30**	1,27
	Cash and Cash Equivalents as per Cash Flow Statement	**1,30**	1,27

(Rs. in lakh)

		As at 31st March, 2021	As at 31st March, 2020
6	**Other Current Assets**		
	(Unsecured and Considered Good)		
	Balance with GST authorities	**3,97**	2,39
	Others	**38**	61
	Total	**4,35**	3,00

6.1 Others includes advance given to BCCI and Pre-Paid Expenses

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Notes on Financial Statements for the year ended 31st March, 2021

(Rs. in lakh)

		As at 31st March, 2021		As at 31st March, 2020	
		Units	**Amount**	Units	Amount
7	**Share Capital**				
	Authorised Share Capital :				
	Equity Shares of Rs.10 each	**5,00,00,000**	**50,00**	5,00,00,000	50,00
			50,00		50,00
	Issued, Subscribed and Paid up:				
	Equity Shares of Rs.10 each fully paid up	**4,91,25,000**	**49,13**	4,35,00,000	43,50
	TOTAL		**49,13**		43,50

7.1 Terms/ rights attached to Equity Shares :

The Company has only one class of Equity Shares capital 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 Capital held by them.

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

(Rs. in lakh)

	As at 31st March, 2021		As at 31st March, 2020	
Particulars	**No.of Shares**	**Amount**	No.of Shares	Amount
No. of shares at the beginning of the year	**4,35,00,000**	**43,50**	4,00,00,000	40,00
Add: Issue of Shares	**56,25,000**	**5,63**	35,00,000	3,50
No. of shares at the end of the year	**4,91,25,000**	**49,13**	4,35,00,000	43,50

7.3 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 Shareholders	As at 31st March, 2021		As at 31st March, 2020	
	No of Shares	**% held**	No of Shares	% held
Jio Platforms Limited (Holding Company w.e.f 31st Mar'20)	**4,91,25,000**	**100%**	4,35,00,000	100%

JIO HAPTIK TECHNOLOGIES LIMITED
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Notes on Financial Statements for the year ended 31st March, 2021

(Rs. in lakh)

8 Other Equity	As at 31st March, 2021	As at 31st March, 2020
Securities Premium	**273,88**	234,50
Share Based Payments	**12,60**	6,71
Retained Earnings	**(62,62)**	(38,73)
Other Comprehensive Income	**24**	5
Total	**224,10**	202,53

	As at 31st March, 2021	As at 31st March, 2020
8.1 Securities Premium		
Balance at beginning of year	**234,50**	210,00
Add: On issue of Equity Shares	**39,38**	24,50
Balance at end of the Year	**273,88**	234,50
8.2 Share Based Payments		
Balance at beginning of year	**6,71**	-
Add: Employee Stock Options Granted	**5,89**	6,71
Balance at end of the Year	**12,60**	6,71
8.3 Retained Earnings		
Balance at beginning of year	**(38,73)**	(7,03)
Loss for the year	**(23,89)**	(31,70)
Balance at end of the Year	**(62,62)**	(38,73)
8.4 Other Comprehensive Income		
Balance at beginning of year	**5**	-
Other Comprehensive Income for the year	**19**	5
Balance at end of the Year	**24**	5

(Rs. in lakh)

9 Provisions - Non - Current	As at 31st March, 2021	As at 31st March, 2020
Provisions for Employee Benefits (Refer Note 19)	**1,19**	92
Total	**1,19**	92

		(Rs. in lakh)
10 Trade payables due to	**As at 31st March, 2021**	As at 31st March, 2020
Micro and Small Enterprises	**0**	-
Other than Micro and Small Enterprises	**2,63**	80
Total	**2,63**	80

There are no overdue amounts to Micro, Small and Medium Enterprises as at 31st March, 2020 (except to the extent of amounts not due for pending compliance with contract terms) for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

		(Rs. in lakh)
11 Other Financials Liabilities - Current	**As at 31st March, 2021**	As at 31st March, 2020
Creditors for Capital Expenditure	**2,08**	2,87
Other payables*	**-**	3,06
Total	**2,08**	5,93

11.1 *Others payables include performance linked incentives payable

		(Rs. in lakh)
12 Other Current Liabilities	**As at 31st March, 2021**	As at 31st March, 2020
Other Payables	**1,80**	3,07
Total	**1,80**	3,07

12.1 Other Payables include sundry payables, statutory dues, etc.

		(Rs. in lakh)
13 Provisions - Current	**As at 31st March, 2021**	As at 31st March, 2020
Provisions for employee benefits (Refer Note 19)	**92**	39
Total	**92**	39

JIO HAPTIK TECHNOLOGIES LIMITED
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Notes on Financial Statements for the year ended 31st March, 2021

			(Rs. in lakh)
		2020-21	2019-20
14	**Revenue from Operations**		
	Value of Services	**24,15**	9,61
	Less: GST Recovered	**(3,69)**	(1,47)
	Total	**20,46**	8,14

			(Rs. in lakh)
		2020-21	2019-20
15	**Other Income**		
	Interest Income (Rs. 23,165 and previous year Rs. 1,259)	**0**	0
	Gain on Financial Assets		
	Realised Gain	**20**	55
	Unrealised Gain (Previous Year Rs. 37,904)	**3**	(0)
	Other Non-Operating Income	**20**	
	Total	**43**	55

			(Rs. in lakh)
		2020-21	2019-20
16	**Employee Benefits Expense**		
	Salaries and Wages	**13,86**	8,59
	Contribution to Provident and Other Funds	**34**	25
	Staff Welfare Expenses	**6**	2,29
	Total	**14,26**	11,13

			(Rs. in lakh)
17	**Other Expenses**	**2020-21**	2019-20
	Rent	**26**	29
	Repairs and Maintenance	**1**	4
	Electricity Charges	**4**	10
	Insurance	**40**	11
	Provision for doubtful debts/Written off (Net)	**40**	-
	Rates and taxes (Previous Year Rs. 13,050)	**-**	0
	Professional Fees	**58**	95
	Payment to Auditors (Refer Note no 26)	**7**	6
	Recruitment Expenses	**-**	25
	Technology Expenses	**1,90**	82
	Travelling Expenses	**1**	16
	Telephone Expenses	**4**	14
	Sales and Marketing Expenses	**2,69**	1,63
	Exchange Difference	**(3)**	-
	Director Sitting Fees	**5**	9
	Subscription Fees	**1**	1
	General Expenses	**57**	1,25
	Total	**7,00**	5,90

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Notes on Financial Statements for the year ended 31st March, 2021

18 EARNINGS PER SHARE (EPS)	2020-21	2019-20
i. Loss for the year as per Statement of Profit and Loss (Rs. in lakh)	**(23,89)**	(31,71)
ii. Weighted Average number of Equity Shares used as denominator for calculating EPS	**4,60,89,041**	4,09,38,525
iii. Basic Earnings per share (Rs.)	**(5.18)**	**(7.75)**
iv. Diluted Earnings per share (Rs.)	**(5.18)**	**(7.75)**
v. Face Value per equity share (Rs.)	**10**	10

Note: In the current year, the effect of Weighted Average Potential Equity Shares of 59,89,376 (previous year 58,69,375) to be issued at the time of exercise of Employee Stock Option is anti-dilutive in nature and hence not considered in calculation of dilutive earnings per share.

19 AS PER INDIAN ACCOUNTING STANDARD 19 "EMPLOYEE BENEFITS" THE DISCLOSURES AS DEFINED ARE GIVEN B

DEFINED CONTRIBUTION PLANS

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

(Rs. in lakh)

Particulars	2020-21	2019-20
Employer's Contribution to Provident Fund	**-**	16
Employer's Contribution to Pension Fund	**23**	17

Defined Benefit Plan

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

(Rs. in lakh)

Particulars	Gratuity (Unfunded)	
	2020-21	2019-20
Defined Benefit Obligation at beginning of the year	**94**	56
Transfer on account of business acquisition	**-**	0
Current Service Cost	**44**	39
Interest Cost	**6**	4
Benefits Paid	**(2)**	0
Actuarial (Gain) / Loss	**(19)**	(5)
Defined Benefit Obligation at the end of the year	**123**	94

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

(Rs. in lakh)

Particulars	Gratuity (Unfunded)	
	2020-21	2019-20
Fair value of Plan assets at beginning of the year	-	-
Transfer on account of business acquisition	-	-
Expected return on plan assets	-	-
Actuarial gain / (loss)	-	-
Employer contribution	-	-
Benefits paid	-	-
Fair value of Plan assets at the end of the year	-	-
Actual Return on plan assets	**-**	-

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III) Reconciliation of fair value of assets and obligati

(Rs. in lakh)

Particulars	Gratuity (Unfunded)	
	As at 31st March, 2021	As at 31st March, 2020
Fair value of Plan Assets	**-**	-
Present value of Obligation	**123**	94
Amount recognised in Balance Sheet	**(123)**	(94)

IV) Expenses recognised during the year

(Rs. in lakh)

Particulars	Gratuity (Unfunded)	
	2020-21	2019-20
In Income Statement		
Current Service Cost	**44**	39
Interest Cost	**6**	4
Return on Plan Assets	**-**	-
Actuarial (Gain) / Loss	**-**	-
Other Transfer	-	-
Net Cost	**50**	43
In Other Comprehensive Income	**(19)**	(5)
Net Expense for the year recognised in Profit & Loss	**31**	38

V) Actuarial Assumptions

	Gratuity (Unfunded)	
	2020-21	2019-20
Mortality Table (IALM)	**2012-14 (Ultimate)**	2006-08 (Ultimate)
Discount rate (per annum)	**6.95%**	6.84%
Expected rate of return on Plan Assets (per annum)	**6.95%**	6.84%
Rate of escalation in salary (per annum)	**6.00%**	10.00%
Rate of employee turnover (per annum)	**0.00%**	0.00%

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.

VI) Sensitivity Analysis

Significant Acturial 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 occuring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(Rs. in Lakh)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Decrease	**Increase**	Decrease	Increase
Change in rate of discounting (delta effect of +/- 0.5%)	**10**	**(9)**	9	(8)
Change in rate of salary increase (delta effect of +/- 0.5%	**(9)**	**10**	(8)	9
Change in rate of employee turnover (delta effect of +/- 25%) (Current year Decrease Rs 40,586 and Increase Rs 34,927; Previous year Decrease Rs 21,564 and Increase Rs 17,726)	**0**	**0**	(0)	0

These plans typically expose the Group 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.

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Interest risk - A decrease in bond interest rate will increase the plan liability; however, this will be partially offset by an increase in 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.

20 Deferred Tax Asset (net) of Rs. 15,57 Lakh (Previous Year Rs. 9,61 Lakh) on account of carried forward losses is not recognised on consideration of prudence.

21 RELATED PARTY 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:

Sr.N	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited (upto 30th March	Holding Company
3	Jio Platforms Limited (w.e.f. 31st March 2020)	
4	Jio Platforms Limited (upto 30th March 2020)	Fellow Subsidiary
5	Reliance Jio Infocomm Limited	
6	Reliance Retail Limited	
7	Hathway Cable & Datacom Limited	
8	Hathway Digital Limited	
9	Indiavidual Learning Limited	
10	Indiawin Sports Private Limited	
11	Reliance Jio Infocomm USA Inc	
12	Mr. Partha Roy	Key Managerial Personnel
13	Mr. Rahul Mukherjee	
14	Mr. Aakrit Vaish (w.e.f 26th April 2019)	
15	Mr. Vaibhav Y Kumar (upto 18th December 2019)	

(II) Transactions during the year with related parties

(Rs. in lakh)

Sr. No	Nature of Transactions (excluding reimbursements)	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Managerial Personnel	Total
1	Issue of Equity Share Capital	**-**	**45,00**	**-**	**-**	**45,00**
		(28,00)	-	-	-	(28,00)
2	Professional Fees	**-**	**-**	**4,02**	**-**	**4,02**
		-	-	(6,20)	-	(6,20)
3	Revenue from Operations	**-**	**3,71**	**13**	-	**3,84**
		-	(64)	-	-	(64)
4	Purchase of Asset			**8**		**8**
				-		-
5	Other Expenses			**1**		**1**
				-		-
6	Payment to Key Managerial Personnel	**-**	**-**	**-**	**2,68**	**2,68**
		-	-	-	(2,34)	(2,34)
	Balances as at 31st March 2021					(Rs. in lakh)
1	Equity Share Capital*	**-**	**323,00**	-	-	**323,00**
		-	(278,00)	-	-	(278,00)
2	Trade Receivables	**-**	**-**	**6**	-	**6**
		-	(76)	-	-	(76)
3	Creditors for Capital Expenditure	-	-	**1,12**	-	**1,12**
		-	-	(2,36)	-	(2,36)

*Including Securities Premium

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

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

(Rs. in lakh)

Sr.No	Particulars	Relationship	2020-21	2019-20
1	**Issue of Equity Share Capital**			
	Reliance Industrial Investments and Holding Limited	Holding	**-**	28,00
	Jio Platforms Limited	Holding	**45,00**	0
2	**Professional Fees**			
	Reliance Jio Infocomm USA Inc	Fellow Subsidiary	**4,02**	6,20
3	**Revenue from Operations**			
	Jio Platforms Limited	Holding Company/ Fellow Subsidiary	**3,71**	64
	Hathway Cable & Datacom Limited	Fellow Subsidiary	**25**	-
	Hathway Digital Limited	Fellow Subsidiary	**27**	-
	Indiavidual Learning Limited	Fellow Subsidiary	**1,49**	-
	Indiawin Sports Private Limited	Fellow Subsidiary	**7**	-
	Reliance Retail Limited	Fellow Subsidiary	**13**	-
4	**Purchase of Assets**			
	Reliance Retail Limited	Fellow Subsidiary	**8**	-
5	**Other Expenses**			
	Reliance Retail Limited	Fellow Subsidiary	**1**	-
6	**Payment to Key Managerial Personnel**			
	Mr. Vaibhav Y Kumar	Key Managerial Personnel	**-**	39
	Mr. Aakrit Vaish	Key Managerial Personnel	2,68	1,94

Balances as at 31st March, 2021

(Rs. in lakh)

Sr.No	Particulars	Relationship	As at 31st March, 2021	As at 31st March, 2020
1	**Equity Share Capital**			
	Reliance Industrial Investments and Holdings Limited	Holding	**-**	0,00
	Jio Platforms Limited	Holding	**323,00**	278,00
2	**Trade Receivables**			
	Jio Platforms Limited	Holding Company/ Fellow Subsidiary	**-**	76
	Reliance Retail Limited	Fellow Subsidiary	**6**	-
3	**Creditors for Capital Expenditure**			
	Reliance Jio Infocomm USA Inc	Fellow Subsidiary	**1,12**	236

21.1 Compensation of Key Management Personnel

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

	2020-21	2019-20
Short-term benefits	2,68	2,33
Post employment benefits (Rs. 21,600)	**-**	0
Other long term benefits	**-**	-
Share based payments	**-**	-
Termination benefits	**-**	-
	2,68	2,33

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22 CAPITAL MANAGEMENT

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

a) Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.

b) Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.

c) Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of Balance Sheet.

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

23 FINANCIAL INSTRUMENTS

Valuation

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

a) The fair value of investment in Mutual Funds is measured at NAV.

b) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

For all Financial Assets and Liabilities other than those carried at FVTPL and FVTOCI, the cost approximates the fair value as they are short-term in nature.

Fair Value Measurement Hierarchy:

(Rs. in lakh)

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amotised Cost						
Trade Receivables	**6,61**	-	-	3,64	-	-
Cash and Bank Balances	**1,30**	-	-	1,27	-	-
At FVTPL						
Investments	**8,05**	**8,05**	-	4,36	4,36	-
Financial Liabilities						
At Amortised Cost						
Trade Payables	**2,63**	-	-	80	-	-
Other Financial Liabilities	**2,08**	-	-	5,93	-	-

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.

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Foreign Currency Risk

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

(Rs. in lakh)

	Foreign Currency Exposure	
Particulars	**As at 31st March, 2021**	**As at 31st March, 2020**
	USD	**USD**
Foreign Currency Creditors	**42**	295
Net Exposure	**42**	295

(Rs. in lakh)

	Foreign Currency Sensitivity	
	As at 31st March, 2021	**As at 31st March, 2020**
1% Depreciation in INR	**(0)**	**(3)**
Impact on P&L	**(0)**	**(3)**
1% Appreciation in INR	**0**	**3**
Impact on P&L	**0**	**3**

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.

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.

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Notes on Financial Statements for the year ended 31st March, 2021

24 SEGMENT REPORTING

The company is involved in the business of developing conversational artificial intelligence driven platform. 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, 2021 predominantly relate to this segment. The company has a customer having revenue more than 10% (aggregating to Rs.371 lakhs) of the total revenue of the company.

25 SHARE BASED PAYMENTS

a) Scheme Details

The Company has introduced Employee Stock Option Scheme (ESOS -2019) under which 58,69,375 options have been granted on 1st Oct'19 at the exercise price of Rs. 10 per share (face value Rs. 10 each) and Fair Value of Rs. 40 at the grant date for a vesting period of five years with 20% options being vested every year on the basis of performance and other eligibility criteria.

b) Movement in share options during the year

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at beginning of the year	**58,69,375**	**-**
Add: Options Granted during the year	1,20,000	58,69,375
Less :- Cancelled during the year	1,35,000	-
Less: Exercised during the year	-	-
Balance at end of the year	**58,54,375**	58,69,375

26 PAYMENT TO AUDITORS

(Rs. in lakh)

		2020-21	2019-20
(a)	Fees as Auditors	**6**	5
(b)	Tax Audit Fees	**1**	1
(c)	Fees for Other Services (Rs. 40000 and Previous Year Rs. 40000)	**0**	0
	Total	**7**	6

27 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by Board of Directors on 19th April, 2021

JIO HAPTIK TECHNOLOGIES LIMITED
(Formerly known as Reliance Jio Digital Services Limited)

As per our Report of even date

For Pathak H. D. & Associates LLP	**For and on behalf of the Board**	
Chartered Accountants		
Firm Regn No: 107783W/ W100593		
Gopal Chaturvedi	**Dhirendra Harilal Shah**	**Aakrit Ajay Kumar Vaish**
Partner	Director	Whole Time Director
Membership No. 090903	**(DIN 00004616)**	**(DIN 05113028)**
	Partha Roy	**Rahul Mukherjee**
	Chief Financial Officer	Company Secretary
	(PAN No: ADEPR0508F)	**(Membership No: A26182)**

Date: 19th April, 2021