Reliance Jio Infocomm Limited

Financial Statements

2018-2019

Independent Auditor's Report

To the Members of Reliance Jio Infocomm Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Reliance Jio Infocomm Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, 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 "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its profit 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 standalone 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit matter	Auditors' response
Revenue recognition The accounting policies for revenue recognition are set out in Note B.2 (h) to the financial statements. Revenue is a key audit matter due to the volume of the transactions, high degree of IT systems involvement and considering that certain tariff schemes rolled out by the Company could involve exercise of judgments and estimates regarding application of the revenue recognition accounting standards.	Our audit procedures included the following: • Evaluated and tested the design and operating effectiveness of the relevant business process controls, inter-alia controls over the capture, measurement and authorization of revenue transactions. • Involved internal Information Technology (IT) specialists and tested the IT environment inter-alia for access controls and change management controls over the Company's billing and other relevant support systems. • Tested collections, customer ratings for new products and tariffs introduced in the year, the reconciliation between revenue per the billing system and the financial records, supporting documentation for manual journal entries posted in revenue. • Assessed the reasonableness of judgements and estimates exercised by the management regarding the application of revenue recognition accounting standard with respect to certain tariff schemes, inter-alia in respect of Ind AS 115.

<table>
<tr><th>Key Audit matter</th><th>Auditors' response</th></tr>
<tr><td>Capitalisation of Property Plant and Equipment (PPE) / Intangible assets and amortization / depreciation of spectrum and related tangible assets

The accounting policies for PPE and Intangible Assets, are set out in Notes B.2 (b) and B.2 (d) to the financial statements.

Capitalisation of PPE and intangible assets is a key audit matter, as it is a material account balance. The Company continues to augment wireless network capacity and is setting up wireline telecommunication project. PPE and Intangibles are capitalized when they are ready for use as intended by the management.

Spectrum and the related tangible assets are amortised / depreciated to appropriately reflect the expected pattern of consumption of expected future economic benefits from continued use of the said assets.

Determination of timing of capitalization and rate of amortization / depreciation involve significant judgement and estimates and use of technology.</td><td>Our audit procedures included the following:
• Tested the design, implementation and operating effectiveness of controls in respect of timing of the capitalization with the source documentation.
• Tested controls over determination of expected economic benefits from the use of relevant assets and monitoring actual consumption thereof to true-up the expected pattern of consumption during an accounting period.
• Involved internal Telecom and IT specialists to assess the reasonableness of the expected pattern of consumption of the economic benefits emanating from the use of the relevant assets and the relevant application systems used in monitoring the actual consumption thereof.
• Substantive testing procedures included, verifying necessary authorisations for capitalization of items of PPE and Intangible assets, testing supporting documentation for consumption of capital goods inventory and verifying the mathematical accuracy of computation of amortization / depreciation charge for the year.</td></tr>
<tr><td>Demerger of Fibre Undertaking and Transfer of Tower Undertaking pursuant to Composite Scheme of Arrangement (The Scheme)

The Scheme approved by the Hon'ble National Company law Tribunal, is a significant transaction for the year which materially impacts the Balance Sheet as at the year-end.

Refer Note 40 of the financial statements for details of the transaction and the accounting treatment thereof.</td><td>Our audit procedures included the following:
• Evaluated and tested controls with respect to:
o Management's assessment of the accounting treatment of the said transaction in terms of the Indian Accounting Standards, compliance with tax laws and other statutes/regulations, as applicable.
o Identification and allocation of assets and liabilities related to each of the two undertakings.
• Substantive testing procedures included:
➢ Involvement of internal tax specialists to assess the reasonableness of the management's position on tax implications.
➢ Verifying accounting of the transaction in accordance with the approved Scheme and testing the related disclosures in the financial statements.</td></tr>
</table>

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 31st March, 2019, but does not include the standalone and consolidated financial statements and our auditor's report thereon.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 standalone 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as referred to in Note 32(I)(i) to the standalone financial statements;
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah LLP**
Chartered Accountants
(Registration No.101720W/ W-100355)

R. Koria
Partner
Membership No. 35629

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

Abhijit A. Damle
Partner
Membership No. 102912

Mumbai, 18th April, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date to the members of Reliance Jio Infocomm Limited on the standalone financial statements for the year ended 31st March, 2019)

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 in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

ii. Having regard to the nature of Company's business/activities during the year, clause (ii) of paragraph 3 of the Order, regarding physical verification of inventory, is not applicable to the Company.

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured and unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) of paragraph 3 of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.

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

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Cess and other material statutory dues, as applicable to the Company, 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, 2019 for a period of more than six months from the date of becoming payable.

b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Goods and Service Tax, Income Tax, Sales Tax, Service Tax, Duty of Excise, Value Added Tax and Service Tax as at 31st March 2019 which have not been deposited on account of any dispute. The details of dues of customs duty, as at 31st March 2019, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs in crore)	Period for which dispute relates to	Forum where dispute is pending
Customs Act, 1962	Customs Duty	340	2015-2016, 2016-2017, 2017-2018, 2018-2019	Deputy Commissioner/ Commissioner of Customs

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and government and dues to debenture holders.

ix. In our opinion and according to the information and explanations given to us, monies raised by way of term loans have, *prima facie*, been applied by the Company during the year for the purposes for which they were raised. The Company has not raised monies by way of initial public offer or further public offer (including debt instruments).

x. In our opinion and according to the information and explanations given to us, no fraud by the Company or no material fraud 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, 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 Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

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 the financial statements as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is 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 them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

For **Chaturvedi & Shah LLP**
Chartered Accountants
(Registration No.101720W/ W-100355)

R. Koria
Partner
Membership No. 35629

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

Abhijit A. Damle
Partner
Membership No. 102912

Mumbai, 18th April, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Reliance Jio Infocomm Limited on the standalone financial statements for the year ended 31st March, 2019)

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 Infocomm Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Chaturvedi & Shah LLP**
Chartered Accountants
(Registration No.101720W/ W-100355)

R. Koria
Partner
Membership No. 35629

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

Abhijit A. Damle
Partner
Membership No. 102912

Mumbai, 18th April, 2019

Balance Sheet as at 31st March, 2019

(₹ in crore)

Particulars	Notes	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	1	**74,633**	95,769
Capital Work-in-Progress	1	**30,965**	61,025
Intangible Assets	1	**59,367**	59,760
Intangible Assets Under Development	1	**3,643**	8,962
Financial Assets			
Investments	2	**1,108**	1,016
Other Financial Assets	3	**2**	3
Deferred Tax Assets (Net)	4	**3,427**	4,037
Other Non-Current Assets	5	**9,111**	3,610
Total Non-Current Assets		**182,256**	**234,182**
CURRENT ASSETS			
Financial Assets			
Investments	6	**155**	-
Trade Receivables	7	**735**	912
Cash and Cash Equivalents	8	**17**	691
Other Bank Balances	9	**412**	27
Other Financial Assets	10	**672**	340
Other Current Assets	11	**11,533**	17,579
Total Current Assets		**13,524**	**19,549**
Total Assets		**195,780**	**253,731**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	**45,000**	45,000
Other Equity	13	**(4,600)**	57,933
Total Equity		**40,400**	**102,933**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	**65,613**	35,192
Other Financial Liabilities	15	**9,998**	8,536
Deferred Payment Liabilities	16	**18,839**	20,209
Provisions	17	**-**	364
Total Non-Current Liabilities		**94,450**	**64,301**
Current Liabilities			
Financial Liabilities			
Borrowings	18	**3,601**	13,263
Trade Payables Due to	19		
Micro and Small Enterprises		**11**	9
Other than Micro and Small Enterprises		**3,245**	3,108
Other Financial Liabilities	20	**48,523**	65,751
Deferred Payment Liabilities	16	**1,370**	870
Other Current Liabilities	21	**4,075**	3,406
Provisions	22	**105**	90
Total Current Liabilities		**60,930**	**86,497**
Total Liabilities		**155,380**	**150,798**
Total Equity and Liabilities		**195,780**	**253,731**
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 43		

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn No: 101720W / W-100355

R.Koria
Partner
Membership No: 35629

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

Abhijit A. Damle
Partner
Membership No: 102912

Rajneesh Jain
Chief Financial Officer

Jyoti Jain
Company Secretary

Place: Mumbai
Date: 18th April, 2019

For and on behalf of the Board

Mukesh D. Ambani Chairman
Sanjay Mashruwala Managing Director
Manoj H. Modi
Akash M. Ambani
Isha M. Ambani
Mahendra Nahata
Mathew Oommen
Pankaj M. Pawar
Kiran M. Thomas
Adil Zainulbhai
Prof. Dipak C. Jain
Prof. Mohanbir S. Sawhney
Ranjit V. Pandit
Shumeet Banerji
Directors

Statement of Profit and Loss for the year ended 31st March, 2019

(₹ in crore)

Particulars	Notes	2018-19	2017-18
INCOME			
Revenue from Operations	23	**38,838**	20,154
Other Income	24	**6**	4
Total Income		**38,844**	20,158
EXPENSES			
Network Operating Expenses	25	**11,338**	4,921
Access Charges (Net)		**4,207**	4,287
License Fees/Spectrum Charges		**4,159**	1,767
Employee Benefits Expense	26	**1,658**	963
Finance Costs	27	**4,148**	2,049
Depreciation and Amortisation Expense	1	**6,398**	3,577
Selling and Distribution Expenses		**1,150**	797
Other Expenses	28	**1,230**	688
Total Expenses		**34,288**	19,049
Profit Before Tax		**4,556**	1,109
TAX EXPENSES			
Current Tax	4	**982**	234
Deferred Tax	4	**610**	152
Profit for the year		**2,964**	723
OTHER COMPREHENSIVE INCOME			
i. Items that will not be reclassified to Profit or Loss		**6**	8
ii. Income tax relating to items that will not be reclassified to Profit or Loss		**(2)**	(3)
Total Other Comprehensive Income for the year (Net of tax)		**4**	5
Total Comprehensive Income for the year		**2,968**	728
EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH			
Basic (in ₹)	29	**0.66**	0.16
Diluted (in ₹)	29	**0.27**	0.07
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 43		

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn No: 101720W / W-100355

R.Koria
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Membership No: 35629

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Chartered Accountants
Firm Regn No: 117366W / W-100018

Abhijit A. Damle
Partner
Membership No: 102912

Rajneesh Jain
Chief Financial Officer

Jyoti Jain
Company Secretary

Place: Mumbai
Date: 18th April, 2019

For and on behalf of the Board

Mukesh D. Ambani Chairman
Sanjay Mashruwala Managing Director
Manoj H. Modi
Akash M. Ambani
Isha M. Ambani
Mahendra Nahata
Mathew Oommen
Pankaj M. Pawar
Kiran M. Thomas
Adil Zainulbhai
Prof. Dipak C. Jain
Prof. Mohanbir S. Sawhney
Ranjit V. Pandit
Shumeet Banerji
Directors

Statement of Changes in Equity for the year ended 31st March, 2019

A. EQUITY SHARE CAPITAL

(₹ in crore)

Balance as at 1st April, 2017	Change during the year 2017-18	Balance as 31st March, 2018	Change during the year 2018-19	**Balance as at 31st March, 2019**
45,000	-	45,000	-	**45,000**

B. OTHER EQUITY

(₹ in crore)

Particulars	Instruments Classified as Equity		Reserves and Surplus		Total
	0.1% Non-Cumulative Optionally Convertible Preference Share Capital, fully paid up	9% Non-Cumulative Optionally Convertible Preference Share Capital, fully paid up	Securities Premium	Retained Earnings	
AS ON 31ST MARCH, 2018					
Balance at the beginning of the reporting period i.e. 1st April, 2017	125	6,732	26,928	(7,921)	25,864
Profit for the year	-	-	-	723	723
Other Comprehensive Income for the year	-	-	-	5	5
Shares Issued*	-	6,268	25,072	-	31,340
Balance at the end of the reporting period i.e. 31st March, 2018	**125**	**13,000**	**52,000**	**(7,192)**	**57,933**
AS ON 31ST MARCH, 2019					
Balance at the beginning of the reporting period i.e. 1st April, 2018	125	13,000	52,000	(7,192)	57,933
Profit for the year	-	-	-	2,964	2,964
Adjustment on account of Demerger	-	-	-	(501)	(501)
Other Comprehensive Income for the year	-	-	-	4	4
Cancellation of Preference shares (Refer Note 40)	-	(13,000)	(52,000)	-	(65,000)
Balance at the end of the reporting period i.e. 31st March, 2019	**125**	**-**	**-**	**(4,725)**	**(4,600)**

* Includes ₹ Nil (Previous Year ₹ 2,268 crore) in respect of partly paid up Preference shares.

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn No: 101720W / W-100355

R.Koria
Partner
Membership No: 35629

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

Abhijit A. Damle
Partner
Membership No: 102912

Rajneesh Jain
Chief Financial Officer

Jyoti Jain
Company Secretary

Place: Mumbai
Date: 18th April, 2019

For and on behalf of the Board

Mukesh D. Ambani Chairman
Sanjay Mashruwala Managing Director
Manoj H. Modi
Akash M. Ambani
Isha M. Ambani
Mahendra Nahata
Mathew Oommen
Pankaj M. Pawar
Kiran M. Thomas
Adil Zainulbhai
Prof. Dipak C. Jain
Prof. Mohanbir S. Sawhney
Ranjit V. Pandit
Shumeet Banerji
Directors

Cash Flow Statement for the year ended 31st March, 2019

(₹ in crore)

		2018-19	2017-18
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit Before Tax as per Statement of Profit and Loss	**4,556**	1,109
	Adjusted for:		
	Depreciation and Amortisation Expense	**6,398**	3,577
	Effect of Exchange Rate Change	**9**	2
	Interest Income	**(4)**	(3)
	Gain on Investments (Net) (Previous Year ₹ 21,76,474)	**-**	(0)
	Loss on Sale/Discard of Property, Plant and Equipment (Net)	**5**	7
	Finance Costs	**4,148**	2,049
	Operating Profit before Working Capital Changes	**15,112**	6,741
	Adjusted for:		
	Trade and Other Receivables	**(8,836)**	(6,962)
	Trade and Other Payables	**1,350**	4,031
	Cash Generated from Operations	**7,626**	3,810
	Taxes Paid (Net)	**(968)**	(240)
	Net Cash flow from Operating Activities	**6,658**	3,570
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Property, Plant and Equipment and Intangible Assets	**(43,845)**	(35,792)
	Proceeds from disposal of Property, Plant and Equipment	**6**	6
	Purchase of Investments	**(47,905)**	(600)
	Proceeds from Sale of Investments*	**48,030**	600
	Investment in Subsidiaries	**(93)**	(143)
	Interest Income (Previous Year ₹ 1,73,070)	**15**	0
	Fixed Deposits/Escrow account with Banks	**(384)**	(20)
	Net Cash flow used in Investing Activities	**(44,176)**	(35,949)
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issue of Preference Shares	**-**	31,340
	Proceeds from Borrowings – Non-Current	**68,012**	6,914
	Repayment of Borrowings – Non-Current	**(11,472)**	(3,317)
	Borrowings – Current (Net)	**(9,661)**	7,340
	Repayment of Deferred Payment Liabilities	**(870)**	(739)
	Finance Costs Paid	**(9,165)**	(8,489)
	Net Cash Flow generated from Financing Activities	**36,844**	33,049
	Net (Decrease)/Increase in Cash and Cash Equivalents	**(674)**	670
	Opening Balance of Cash and Cash Equivalents	**691**	21
	Closing Balance of Cash and Cash Equivalents (Refer Note 8)	**17**	691

* Includes Proceeds from Sale of Investment in subsidiary of ₹ 95 Crores

Note: 1. Cash flow Statement excludes transactions pursuant to Composite Scheme of Arrangement (Refer Note 40)

Cash Flow Statement for the year ended 31st March, 2019

CHANGES IN LIABILITY ARISING FROM FINANCING ACTIVITIES

(₹ in crore)

	1st April, 2018	Cash Flow	Non-Cash			31st March, 2019
			Foreign Exchange Movement	Finance Costs including Amortisation	Transfer on Account of Demerger/ Slump Sale (Refer No. 40)	
Borrowings – Non-Current (Refer Note 14)	45,129	56,540	893	(395)	(29,556)	72,611
Borrowings – Current (Refer Note 18)	13,263	(9,661)	-	-	-	3,601
	58,392	**46,879**	**893**	**(395)**	**(29,556)**	**76,212**

(₹ in crore)

	1st April, 2017	Cash Flow	Non-Cash			31st March, 2018
			Foreign Exchange Movement	Finance Costs including Amortisation	Transfer on Account of Demerger/ Slump Sale	
Borrowings – Non-Current (Refer Note 14)	41,540	3,597	81	(89)	-	45,129
Borrowings – Current (Refer Note 18)	5,923	7,340	-	-	-	13,263
	47,463	**10,937**	**81**	**(89)**	**-**	**58,392**

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn No: 101720W / W-100355

R.Koria
Partner
Membership No: 35629

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

Abhijit A. Damle
Partner
Membership No: 102912

Rajneesh Jain
Chief Financial Officer

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Place: Mumbai
Date: 18th April, 2019

For and on behalf of the Board

Mukesh D. Ambani Chairman
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Kiran M. Thomas
Adil Zainulbhai
Prof. Dipak C. Jain
Prof. Mohanbir S. Sawhney
Ranjit V. Pandit
Shumeet Banerji

Directors

Notes to the Financial Statements for the year ended 31st March, 2019

A CORPORATE INFORMATION

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

B SIGNIFICANT ACCOUNTING POLICIES

B.1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for following Assets and Liabilities which have been measured at fair value:

i Certain Financial Assets and Liabilities (including derivative instruments),

ii Defined Benefit Plans - Plan Assets

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the Rules notified under the relevant provisions of the Companies Act, 2013.

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

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification

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

An asset is treated as Current when it is –

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

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

Notes to the Financial Statements for the year ended 31st March, 2019

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

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

Depreciation on Property, Plant and Equipment is provided using straight-line method except in case of wireless telecommunication equipments and components which are depreciated based on the expected pattern of consumption of the expected future economic benefits over its useful life. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of Asset 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 Property, Plant and Equipment and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(c) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leased Assets

Assets held under finance leases are initially recognised as Assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

(d) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable for preparing the asset for its intended use, 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 Company and the cost can be measured reliably.

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

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the

Notes to the Financial Statements for the year ended 31st March, 2019

net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

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

i Software are amortised on straight line method, over a period of 5 to 10 years.

ii License Fee is amortised over the remainder of the License period from the date of commencement of the commercial operation.

iii Spectrum cost is amortised from the date of commencement of commercial operation over the balance validity period, based on the expected pattern of consumption of the expected future economic benefits, in accordance with the applicable Accounting Standards.

iv Payment for Bandwidth capacities acquired under Indefeasible Right to Use (IRU) is amortised over the period of the agreement.

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

(e) Cash and Cash Equivalents

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

(f) Financial Instruments

i. Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial Assets measured at Amortised Cost (AC)

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

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

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

C. Investment in Subsidiaries

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

D. Other Equity Investments

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

Notes to the Financial Statements for the year ended 31st March, 2019

ii. Financial Liabilities

A. Initial recognition and measurement

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

B. Subsequent Measurement

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

iii. Derivative Financial Instruments and Hedge Accounting

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

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

Fair Value Hedge

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

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

(g) Provisions

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

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

Asset Retirement Obligation:

Asset Retirement Obligation (ARO) is provided for those lease arrangements where the Company has an obligation to restore the leased premises at the end of the period in a condition similar to inception of the arrangement.

The obligation arising on account of such costs are provided at present value of future restoration and dismantling costs and are recognised as part of the cost of underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognized in the Statement of Profit and Loss.

(h) 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 it is probable that the economic benefits will flow to the

Notes to the Financial Statements for the year ended 31st March, 2019

Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is recognised upon transfer of control of promised services to the customers. Revenues from fixed-price and fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, are recognised to the extent the Company has rendered the services, as per the contractual arrangements. Revenue is measured at the fair value of the consideration received or receivable in exchange of transferring the promised services, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from services includes revenue towards sharing infrastructure for usage of Company's network by other operators. Revenue from membership fees are recognised rateably over the membership period. Revenue from other services including advertisement is recognized on rendering services.

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

Interest Income

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

Dividends

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

(i) 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

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

Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by the respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of Defined Benefit Plans in respect of post-employment are charged or credited to the Other Comprehensive Income.

Other Long Term Employee Benefits

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

Notes to the Financial Statements for the year ended 31st March, 2019

(j) Finance Costs

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

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

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

(k) Foreign Currencies Transactions and Translations

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

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings and that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

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

(l) Tax Expenses

The tax expense for the period comprises current tax and deferred income tax. Tax expense 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 which case, the tax expense is also recognised in Other Comprehensive Income or 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 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 income tax assets on carry forward losses is recognised based on convincing evidence including robust business projections where it is reasonably certain that sufficient taxable profits will be available to utilise those losses. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

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

Notes to the Financial Statements for the year ended 31st March, 2019

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

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

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

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

(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 next financial years.

(A) DEPRECIATION / AMORTISATION AND USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT / INTANGIBLE ASSETS

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation/amortisation method is selected so as to reflect the pattern in which future economic benefits of different assets are expected to be consumed by the Company. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

(B) ASSET RETIREMENT OBLIGATION

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

(C) RECOVERABILITY OF TRADE RECEIVABLES

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

(D) PROVISIONS

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 requires the application of judgement to existing facts and circumstances,

Notes to the Financial Statements for the year ended 31st March, 2019

which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(E) IMPAIRMENT OF NON-FINANCIAL ASSETS

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

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

(F) IMPAIRMENT OF FINANCIAL ASSETS

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

(G) REVENUE

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

D STANDARDS ISSUED BUT NOT EFFECTIVE

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April, 2019.

A) ISSUE OF IND AS 116 - LEASES

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and required lessee to recognize assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17. The Company is evaluating the impact of application of Ind AS 116.

B) AMENDMENT TO EXISTING STANDARD

The MCA has also carried out amendments of the following accounting standards

i. Ind AS 103 – Business Combinations

ii. Ind AS 109 - Financial Instruments

iii. Ind AS 12 – Income Taxes

iv. Ind AS 19 – Employee Benefits

v. Ind AS 23 – Borrowing Costs

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

Notes to the Financial Statements for the year ended 31st March, 2019

1. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS, INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in crore)

Description	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1-4-2018	Additions/ Adjust-ments	Deduc-tions/ Adjust-ments^	As at 31-3-2019	As at 1-4-2018	For the Year#	Deduc-tions/ Adjust-ments^	As at 31-3-2019	As at 31-3-2019	As at 31-3-2018
PROPERTY, PLANT AND EQUIPMENT:										
Own Assets:										
Leasehold Land	150	149	16	283	34	8	5	37	246	116
Freehold Land	20	1,847	10	1,857	-	-	-	-	1,857	20
Leasehold Improvements	1	183	-	184	1	0	-	1	183	0
Buildings	211	778	14	975	5	24	0	29	946	206
Buildings-Temporary Structures	2	0	-	2	2	0	-	2	0	0
Plant and Equipments	97,228	37,499	60,496	74,231	2,322	4,206	3,223	3,305	70,926	94,906
Construction Equipments	714	9	0	723	259	55	0	314	409	455
Office Equipments	37	21	9	49	14	15	9	20	29	23
Furniture and Fixtures	29	7	-	36	8	4	-	12	24	21
Vehicles	37	-	10	27	15	4	5	14	13	22
Total (A)	**98,429**	**40,493**	**60,555**	**78,367**	**2,660**	**4,316**	**3,242**	**3,734**	**74,633**	95,769
INTANGIBLE ASSETS*										
Spectrum/License Fee ~	57,746	407	-	58,153	1,132	1,788	-	2,920	55,233	56,614
Software	2,329	2,143	-	4,472	174	251	-	426	4,046	2,155
Indefeasible right to use (IRU)	1,043	-	943	100	52	70	110	12	88	991
Others	0	-	-	0	0	0	-	0	0	0
Total (B)	**61,119**	**2,550**	**943**	**62,725**	**1,359**	**2,109**	**110**	**3,358**	**59,367**	59,760
Total (A + B)	**159,548**	**43,043**	**61,498**	**141,092**	**4,019**	**6,425**	**3,352**	**7,092**	**134,000**	**155,529**
Previous Year	**1,361**	**158,205**	**18**	**159,548**	**386**	**3,638**	**5**	**4,019**	**155,529**	
CAPITAL WORK-IN-PROGRESS									**30,965**	61,025
INTANGIBLE ASSETS UNDER DEVELOPMENT									**3,643**	8,962

* Other than internally generated.

\# Depreciation for the year includes depreciation of ₹ 27 crore (Previous year ₹ 61 crore) capitalised during the year. Thus the net amount of ₹ 6,398 crore (Previous year ₹ 3,577 crore) has been considered in Statement of Profit and Loss.

^ Includes assets/depreciation/amortisation transferred consequent to composite Scheme of Arrangement. (Refer Note 40).

"0" represents the amount below the denomination threshold.

~ The remaining amortisation period of Spectrum/License fee as at 31st March, 2019 ranges between 2 to 18 years.

Notes to the Financial Statements for the year ended 31st March, 2019

1.1 The Company continues to invest in augmentation of the wireless network capacity and setting up Wireline Telecommunication Project.

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

(a) ₹ 9,613 crore (Previous Year ₹ 13,699 crore) on account of capital goods inventory.

(b) ₹ 5,076 crore (Previous Year ₹ 13,278 crore) on account of Project Development Expenditure.

1.3 Additions in Property, Plant and Equipment, Capital Work-in-Progress, Intangible Assets and Intangible Assets Under Development includes ₹ 537 crore (net loss) [Previous Year ₹ 421 crore (net loss)] on account of exchange difference during the year.

1.4 For Assets pledged as security – Refer Note Nos. 14.1 and 14.2

(₹ in crore)

2. INVESTMENTS – NON-CURRENT	**As at 31st March, 2019**		As at 31st March, 2018	
	Units	**Amount**	Units	Amount
INVESTMENTS MEASURED AT COST				
In Equity Shares of Subsidiary Companies				
Unquoted, fully paid up				
Reliance Jio Infocomm Pte Ltd. of USD 1 each	**12,94,00,000**	**814**	11,70,00,000	726
Reliance Jio Infocomm USA Inc. of USD 0.01 each	**3,85,47,66,449**	**242**	3,85,47,66,449	242
Reliance Jio Infocomm UK Limited of GBP 1 each	**60,00,000**	**52**	55,00,000	48
Total Investments measured at cost		**1,108**		1,016
Aggregate amount of Unquoted Investments		**1,108**		1,016

(₹ in crore)

2.1 CATEGORY WISE INVESTMENTS – NON-CURRENT	**As at 31st March, 2019**	As at 31st March, 2018
Financial assets measured at Cost	**1,108**	1,016
Total Investments – Non-Current	**1,108**	1,016

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

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

(₹ in crore)

3. OTHER FINANCIAL ASSETS – NON-CURRENT	**As at 31st March, 2019**	As at 31st March, 2018
Fixed Deposits with Banks	**2**	3
Total	**2**	3

3.1 Fixed Deposits with Banks have been pledged with Government Authorities

Notes to the Financial Statements for the year ended 31st March, 2019

4. DEFERRED TAX ASSETS (NET)

(a) The movement on the deferred tax account is as follows:

(₹ in crore)

	As at 31st March, 2019	As at 31st March, 2018
At the start of the year	**4,037**	4,190
Charge to Statement of Profit and Loss	**(610)**	(152)
Charge to Other Comprehensive Income	**-**	(1)
At the end of year	**3,427**	4,037

COMPONENT OF DEFERRED TAX ASSET / (LIABILITIES) (₹ in crore)

	As at 31st March, 2018	(Charge)/Credit to Statement of Profit and Loss and Other Comprehensive Income	**As at 31st March, 2019**
Deferred tax asset/(liabilities) in relation to:			
Property, Plant and Equipment and Intangible Assets	(5,851)	(3,991)	**(9,842)**
Carried Forward Losses	9,865	3,373	**13,238**
Financial Assets	1	-	**1**
Provisions	22	8	**30**
Total	4,037	**(610)**	**3,427**

(b) **Income tax recognised in Statement of Profit and Loss:** (₹ in crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Current Tax	**982**	234
Deferred Tax	**610**	152
Total Income Tax expenses recognised in the current year	**1,592**	386

The income tax expenses for the year can be reconciled to the accounting profit as follows: (₹ in crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit before Tax	**4,556**	1,109
Applicable Tax Rate	**34.94%**	34.608%
Computed Tax Expense	**1,592**	384
Tax effect of:		
Expenses Disallowed	**-**	2
Tax Expenses recognised in Statement of Profit and Loss	**1,592**	386
Effective Tax Rate	**34.94%**	34.83%

(₹ in crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
(c) **Income tax recognised in Other Comprehensive Income**	**2**	3

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

5.	OTHER NON-CURRENT ASSETS (UNSECURED AND CONSIDERED GOOD)	As at 31st March, 2019	As at 31st March, 2018
	Capital Advances	**346**	501
	Security Deposits	**1,229**	2,001
	Advance Income Tax (Net of Provision)	**18**	34
	Balance with Customs, Central Excise and GST Authorities	**6,548**	-
	Others	**970**	1,074
	Total	**9,111**	3,610

5.1 Others include amount paid under protest.

(₹ in crore)

	As at 31st March, 2019	As at 31st March, 2018
ADVANCE INCOME TAX (NET OF PROVISION)		
At start of year	**34**	30
Charge for the year - Current tax	**(982)**	(234)
Others #	**(2)**	(2)
Tax paid (Net) during the year	**968**	240
At end of year	**18**	34

Pertain to Provision for tax on Other Comprehensive Income.

(₹ in crore)

6.	INVESTMENTS - CURRENT	As at 31st March, 2019	As at 31st March, 2018
	INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT & LOSS		
	In Equity Shares of Reliance Jio Infratel Private Limited (RJIPL) Unquoted, fully paid up (105,35,00,000 Shares of ₹ 1 each, Previous Year -Nil) (Refer Note 40)	**105**	-
	In Preference Shares of RJIPL Unquoted, fully paid up (5,00,00,000 Shares of ₹ 10 each, Previous Year -Nil) (Refer Note 40)	**50**	-
	Total	**155**	-

(₹ in crore)

7.	TRADE RECEIVABLES (UNSECURED)	As at 31st March, 2019	As at 31st March, 2018
	Considered good	**735**	912
	Credit impaired	**15**	13
	Less: Provision for credit impaired receivables	**(15)**	(13)
	Total	**735**	912

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

8. CASH AND CASH EQUIVALENTS	As at 31st March, 2019	As at 31st March, 2018
Balances with Banks	**17**	691
Cash and Cash Equivalents as per Balance Sheet	**17**	691
Cash and Cash Equivalents as per Cash Flow Statement	**17**	691

(₹ in crore)

9. BANK BALANCES OTHER THAN COVERED IN CASH AND CASH EQUIVALENTS	As at 31st March, 2019	As at 31st March, 2018
Fixed Deposits with Banks	**112**	27
Other Bank Balances	**300**	-
Total	**412**	27

9.1 Fixed Deposits with Banks of ₹ 36 crore (Previous year of ₹ 27 crore) have been pledged with Government Authorities and ₹ 76 crore (Previous year Nil) have been pledged against bank guarantee.

9.2 Other Bank Balance comprise of balance lying in escrow account towards assets acquisition (Refer Note 39)

(₹ in crore)

10. OTHER FINANCIAL ASSETS – CURRENT	As at 31st March, 2019	As at 31st March, 2018
Interest accrued on Fixed Deposits	**13**	5
Others	**659**	335
Total	**672**	340

10.1 Others include Contractual/Unbilled receivables and Loan to employees.

(₹ in crore)

11. OTHER CURRENT ASSETS (UNSECURED AND CONSIDERED GOOD)	As at 31st March, 2019	As at 31st March, 2018
Balance with Customs, Central Excise and GST Authorities*	**9,540**	15,580
Others	**1,993**	1,999
Total	**11,533**	17,579

11.1 Others include prepaid expenses, claim receivables and advance to vendors

* Includes Input tax credit/CENVAT credit pending for credit availment of ₹ 823 crore (Previous Year ₹ 2,646 crore).

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

12. SHARE CAPITAL		As at 31st March, 2019	As at 31st March, 2018
AUTHORISED SHARE CAPITAL:			
57,00,00,00,000 (57,00,00,00,000)	Equity Shares of ₹ 10 each	**57,000**	57,000
13,13,00,00,000 (13,13,00,00,000)	Preference Shares of ₹ 10 each	**13,130**	13,130
	Total	**70,130**	70,130
ISSUED, SUBSCRIBED AND PAID UP:			
45,00,00,00,000 (45,00,00,00,000)	Equity Shares of ₹ 10 each fully paid up	**45,000**	45,000
	Total	**45,000**	45,000

Figures in bracket represents Previous Year's figure.

12.1 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.

12.2 THE RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING IS SET OUT BELOW:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No of Shares	Rs.in crore	No of Shares	Rs.in crore
Equity shares at the beginning of the year	**45,00,00,00,000**	**45,000**	45,00,00,00,000	45,000
Add: Issue of Shares	**-**	**-**	-	-
Equity shares at the end of the year	**45,00,00,00,000**	**45,000**	45,00,00,00,000	45,000

12.3 THE DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY INCLUDING THOSE HELD BY HOLDING COMPANY AND SUBSIDIARIES OF HOLDING COMPANY:

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No of Shares	% Held	No of Shares	% Held
Reliance Industries Limited (Holding Company)	**44,74,74,90,000**	**99.44%**	44,74,74,90,000	99.44%

(₹ in crore)

13. OTHER EQUITY	As at 31st March, 2019	As at 31st March, 2018
INSTRUMENTS CLASSIFIED AS EQUITY		
OPTIONALLY CONVERTIBLE PREFERENCE SHARES (OCPS)		
0.1% Non-Cumulative OCPS Series-I (Refer Note 40)	**125**	125
9% Non-Cumulative OCPS Series-II	**-**	3,000
9% Non-Cumulative OCPS Series-III	**-**	6,000
9% Non-Cumulative OCPS Series-IV	**-**	4,000
	125	13,125
RESERVES AND SURPLUS		
SECURITIES PREMIUM		
As per last Balance Sheet	**52,000**	26,928
Add: On issue of shares	**-**	25,072
Less: Cancellation of Preference shares (Refer Note 40)	**(52,000)**	-
Balance at end of Year	**-**	52,000
RETAINED EARNINGS		
As per last Balance Sheet	**(7,192)**	(7,921)
Add: Profit for the year	**2,964**	723
Add: Other Comprehensive Income arising from Remeasurement of Defined Benefit Plan, net of Income tax	**4**	5
Less: Adjustment on account of Demerger (Refer Note 40)	**(501)**	-
Balance at end of Year	**(4,725)**	(7,192)
TOTAL	**(4,600)**	57,933

Notes to the Financial Statements for the year ended 31st March, 2019

13.1 0.1% NON-CUMULATIVE OPTIONALLY CONVERTIBLE PREFERENCE SHARES OF ₹ 10 EACH, FULLY PAID UP

TERMS/RIGHTS ATTACHED TO PREFERENCE SHARES:

12,50,00,000 0.1% Non-Cumulative Optionally Convertible Preference Shares ("OCPS-Series-I") are convertible into 2 (Two) Equity Shares of ₹ 10 each at any time at the option of the Company but in any case not later than 29th June, 2030 and in the event the shares are not converted, these will be redeemed at any time at the option of the Company at ₹ 20 each but not in any case later than 29th June, 2030.

13.2 9% NON-CUMULATIVE OPTIONALLY CONVERTIBLE PREFERENCE SHARES OF ₹ 10 EACH, FULLY PAID UP

TERMS/RIGHTS ATTACHED TO PREFERENCE SHARES:

The amount subscribed/paid on each 9% – Non-Cumulative Optionally Convertible Preference Shares ("OCPS-Series-II') were either redeemable at ₹ 50 or convertible into 5 (Five) Equity Shares of ₹ 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the OCPS (i.e. 3rd October, 2016).

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in crore	No. of Shares	₹ in crore
As per last Balance Sheet	**3,00,00,00,000**	**3,000**	3,00,00,00,000	3,000
Less: Cancellation of Preference shares (Refer Note 40)	**3,00,00,00,000**	**3,000**	-	-
Balance at end of year	**-**	**-**	3,00,00,00,000	3,000

13.3 9% NON-CUMULATIVE OPTIONALLY CONVERTIBLE PREFERENCE SHARES OF ₹ 10 EACH, FULLY PAID UP

TERMS/RIGHTS ATTACHED TO PREFERENCE SHARES:

The amount subscribed/paid on each 9% – Non-Cumulative Optionally Convertible Preference Shares ("OCPS-Series-III') were either redeemable at ₹ 50 or convertible into 5 (Five) Equity Shares of ₹ 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the OCPS (i.e. 6th February, 2017).

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in crore	No. of Shares	₹ in crore
As per last Balance Sheet	**6,00,00,00,000**	**6,000**	6,00,00,00,000	3,732
Add: On issue of shares	**-**	**-**	-	2,268
Less: Cancellation of Preference shares (Refer Note 40)	**6,00,00,00,000**	**6,000**	-	-
Balance at end of year	**-**	**-**	6,00,00,00,000	6,000

13.4 9% NON-CUMULATIVE OPTIONALLY CONVERTIBLE PREFERENCE SHARES OF ₹ 10 EACH, FULLY PAID UP

TERMS/RIGHTS ATTACHED TO PREFERENCE SHARES:

The amount subscribed/paid on each 9% – Non-Cumulative Optionally Convertible Preference Shares ("OCPS-Series-IV') were either redeemable at ₹ 50 or convertible into 5 (Five) Equity Shares of ₹ 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the OCPS (i.e. 4th September, 2017).

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in crore	No. of Shares	₹ in crore
As per last Balance Sheet	**4,00,00,00,000**	**4,000**	-	-
Add: On issue of shares	**-**	**-**	4,00,00,00,000	4,000
Less: Cancellation of Preference shares (Refer Note 40)	**4,00,00,00,000**	**4,000**	-	-
Balance at end of year	**-**	**-**	4,00,00,00,000	4,000

Notes to the Financial Statements for the year ended 31st March, 2019

13.5 The details of shareholders holding more than 5% OCPS in the Company including those held by holding company and Subsidiaries of holding company:

a. OCPS Series-I : 100% shares are held by Reliance Industrial Investments and Holdings Limited (Subsidiary of Holding Company)

b. OCPS Series-II/III/IV : 100% shares were held by Reliance Industries Limited (Holding Company)

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

13.6 The Company has not created Debenture Redemption Reserve for a cumulative amount of ₹ 2,956 crore (Previous Year ₹ 2,789 crore) keeping in view the provisions of section 71(4) of the Company's Act 2013.

(₹ in crore)

14. BORROWINGS	**As at 31st March, 2019**		As at 31st March, 2018	
	Non-Current	**Current**	Non-Current	Current
(I) SECURED – AT AMORTISED COST				
(a) Non-Convertible Debentures	**14,500**	**3,000**	8,000	4,500
(b) Term Loans – from Banks (Current Year ₹ 5,26,700)	**-**	**0**	1,000	335
	14,500	**3,000**	9,000	4,835
(II) UNSECURED – AT AMORTISED COST				
(a) Non-Convertible Debentures*	**5,500**	**1,500**	7,000	-
(b) Term Loans				
i) From Banks	**34,456**	**1,677**	17,313	4,459
ii) From Others	**1,963**	**821**	1,879	643
(c) Loans from related parties (Refer Note 31)	**9,194**	**-**	-	-
	51,113	**3,998**	26,192	5,102
Total	**65,613**	**6,998**	35,192	9,937

"0" represents the amount below the denomination threshold.

* In respect of Non-Convertible Debentures aggregating to ₹ 2,000 crore, the Company has entered into currency and interest rate swap for their entire term for ₹ 1,025 crore.

14.1 Secured Non-Convertible Debentures referred to in 14(I) (a) above are secured by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories, furniture, fixtures and vehicles, save and except the telecom licenses, spectrum, brand name, goodwill and any intellectual property rights and such of the assets that are procured through financing from Cisco Systems Capital India Private Limited.

MATURITY PROFILE AND RATE OF INTEREST OF SECURED NON-CONVERTIBLE DEBENTURES ARE AS SET OUT BELOW:

(₹ in crore)

Rate of Interest	**Non-Current**						**Current**
	2025-26	**2024-25**	**2023-24**	**2022-23**	**2021-22**	**Total**	
7.97%	-	-	-	1,000	-	1,000	-
8.00%	-	-	2,500	-	-	2,500	-
8.00%	-	-	2,500	-	-	2,500	-
8.10%	-	-	-	-	-	-	2,250
8.10%	-	-	-	-	-	-	750
8.25%	1,000	1,000	1,000	-	-	3,000	-
8.32%	-	-	-	-	2,000	2,000	-
8.70%	-	-	-	-	3,500	3,500	-
Total	**1,000**	**1,000**	**6,000**	**1,000**	**5,500**	**14,500**	**3,000**

Notes to the Financial Statements for the year ended 31st March, 2019

14.2 SECURED TERM LOANS FROM BANKS REFERRED TO IN 14(I)(b) ABOVE TO THE EXTENT OF:

(a) ₹ 0.05 crore (Previous Year ₹ 1 crore) are secured by hypothecation of specific vehicles.

(b) ₹ Nil (Previous Year ₹ 1,334 crore) are secured by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories, furniture, fixtures and vehicles, save and except the telecom licenses, spectrum, brand name, goodwill and any intellectual property rights and such of the assets that are procured through financing from Cisco Systems Capital India Private Limited and repayable in 18 equated quarterly instalments starting December, 2017.

Maturity Profile of Secured Term loans are as set out below:

(₹ in crore)

Description	Non-Current		Current
	2-5 Years	Total	1 Year
Term Loans from Banks	-	-	0.05

14.3 MATURITY PROFILE AND RATE OF INTEREST OF UNSECURED NON-CONVERTIBLE DEBENTURES REFERRED TO IN 14(II)(a) ABOVE ARE AS SET OUT BELOW:

(₹ in crore)

Rate of Interest	Non-Current			Current
	2024-25	2020-21	Total	2019-20
8.95%	-	-	-	500
8.90%	-	-	-	1,000
8.95%	-	1,000	1,000	-
8.95%	-	1,000	1,000	-
9.25%	2,500	-	2,500	-
9.00%	1,000	-	1,000	-
Total	**3,500**	**2,000**	**5,500**	**1,500**

14.4 MATURITY PROFILE OF UNSECURED TERM LOANS REFERRED TO IN 14(II)(b) AND 14(II)(c) ABOVE COMPRISING OF EXTERNAL COMMERCIAL BORROWINGS AND LOAN FROM BANKS DENOMINATED IN UNITED STATES DOLLARS, RUPEE LOAN FROM BANKS, RUPEE LOAN FROM OTHERS AND RUPEE LOAN FROM RELATED PARTIES ARE AS SET OUT BELOW:

(₹ in crore)

Description	Non-Current			Current
	6-10 Years	2-5 Years	Total	1 Year
Term Loans from Banks#	17,491	17,618	35,109	1,723
Term Loans from Others	-	1,963	1,963	821
Loans from Related Parties	-	9,194	9,194	-

Including ₹ 699 crore (Non-Current ₹ 653 crore and Current ₹ 46 crore) as prepaid finance charges.

14.5 Payment obligations under Unsecured Loans referred to in 14(II) above to the extent of ₹ 41,615 crore (Previous Year ₹ 23,097 crore) are guaranteed by Reliance Industries Limited, the Holding Company.

(₹ in crore)

15. OTHER FINANCIAL LIABILITIES – NON-CURRENT	**As at 31st March, 2019**	As at 31st March, 2018
Interest accrued but not due on Deferred Payment Liabilities	**4,587**	4,085
Creditors for Capital Expenditure	**4,875**	3,914
Others	**536**	537
Total	**9,998**	8,536

15.1 Others include derivative liabilities at fair value.

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

16.	DEFERRED PAYMENT LIABILITIES	As at 31st March, 2019		As at 31st March, 2018	
		Non-Current	**Current**	Non-Current	Current
	Unsecured				
	Payable to Department of Telecommunications ("DoT")	**18,839**	**1,370**	20,209	870
	Total	**18,839**	**1,370**	20,209	870

16.1 During the year ended 31st March, 2017, 2015 and 2014, the Company had won the auction for spectrum aggregating to 572.8 MHz (DL+UL). The Company had opted for deferred payment for a specified portion of the auction price. The deferred payment liability recognised in the financial statements is payable in 16 annual instalments after a moratorium of two years.

(₹ in crore)

17.	PROVISIONS – NON-CURRENT	As at 31st March, 2019	As at 31st March, 2018
	Asset Retirement Obligation	**-**	364
	TOTAL	**-**	364

(₹ in crore)

18.	BORROWINGS – CURRENT	As at 31st March, 2019	As at 31st March, 2018
	UNSECURED – AT AMORTISED COST		
	Bank Overdraft	**66**	598
	Rupee Loans – Commercial Paper*	**3,535**	12,665
	TOTAL	**3,601**	13,263

* Maximum amount outstanding at any time during the year was ₹ 28,849 crore (Previous Year ₹ 12,863 crore).

(₹ in crore)

19.	TRADE PAYABLES DUE TO	As at 31st March, 2019	As at 31st March, 2018
	Micro and Small Enterprises	**11**	9
	Other than Micro and Small Enterprises	**3,245**	3,108
	Total	**3,256**	3,117

19.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at 31st March, 2019 (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.

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

20.	OTHER FINANCIAL LIABILITIES – CURRENT	As at 31st March, 2019	As at 31st March, 2018
	Current maturities of Borrowings – Non-Current	**6,998**	9,937
	Interest accrued but not due on Borrowings	**1,490**	1,142
	Interest accrued but not due on Deferred Payment Liabilities	**1,965**	1,292
	Creditors for Capital Expenditure	**36,454**	52,157
	Other Payables	**1,616**	1,223
	Total	**48,523**	65,751

20.1 Other Payables include employee dues and derivative liabilities at fair value.

(₹ in crore)

21.	OTHER CURRENT LIABILITIES	As at 31st March, 2019	As at 31st March, 2018
	Revenue received in advance	**3,719**	3,144
	Other Payables	**356**	262
	Total	**4,075**	3,406

21.1 Other Payables include statutory dues.

(₹ in crore)

22.	PROVISIONS – CURRENT	As at 31st March, 2019	As at 31st March, 2018
	Provisions for Employee Benefits	**105**	90
	Total	**105**	90

(₹ in crore)

23.	REVENUE FROM OPERATIONS	2018-19	2017-18
	Value of Services	**45,782**	23,714
	Less: Service Tax/GST recovered	**(6,944)**	(3,560)
	Total	**38,838**	20,154

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

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

(₹ in crore)

24.	OTHER INCOME	2018-19	2017-18
	Interest Income from fixed deposits	**4**	3
	Gain on Investments (Net) (Previous Year ₹ 21,76,474)	**-**	0
	Others Non-Operating Income (Previous Year ₹ 44,98,089)	**2**	0
	Total	**6**	4

(₹ in crore)

25.	NETWORK OPERATING EXPENSES	2018-19	2017-18
	Rent	**4,271**	1,730
	Power and Fuel	**5,083**	2,254
	Repairs and Maintenance	**1,696**	864
	Other network cost	**288**	73
	Total	**11,338**	4,921

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

26.	EMPLOYEE BENEFITS EXPENSE	2018-19	2017-18
	Salaries and Wages	**1,496**	853
	Contribution to Provident Fund and Other Funds	**83**	53
	Staff Welfare Expenses	**79**	57
	Total	**1,658**	963

(₹ in crore)

27.	FINANCE COSTS	2018-19	2017-18
	Interest Expenses	**4,148**	2,049
	Total	**4,148**	2,049

27.1 Finance Costs are net of borrowing cost Capitalised of ₹ 7,370 crore (Previous Year ₹ 5,799 crore)

(₹ in crore)

28.	OTHER EXPENSES	2018-19	2017-18
	Professional Fees	**190**	148
	Payment to Auditors (Refer Note 36)	**4**	3
	Net Loss on foreign currency transactions	**127**	17
	Provision for doubtful debts	**2**	13
	Customer Service Expenses	**208**	193
	Bank Charges	**103**	66
	Rates and Taxes	**102**	23
	Travelling Expenses	**119**	25
	Loss on Sale/Discard of Property, Plant and Equipment	**5**	7
	General Expenses	**370**	193
	Total	**1,230**	688

29.	EARNINGS PER SHARE (EPS)	2018-19	2017-18
	FACE VALUE PER EQUITY SHARE (₹)	**10**	10
	BASIC EARNINGS PER SHARE (₹)	**0.66**	**0.16**
	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in crore)	**2,964**	723
	Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	**45,00,00,00,000**	45,00,00,00,000
	DILUTED EARNINGS PER SHARE (₹)	**0.27**	**0.07**
	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in crore)	**2,964**	723
	Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	**1,10,25,00,00,000**	1,01,70,20,54,795
	RECONCILIATION OF WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		
	Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	**45,00,00,00,000**	45,00,00,00,000
	Weighted Average number of Potential Equity Shares on account of OCPS	**65,25,00,00,000**	56,70,20,54,795
	Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	**1,10,25,00,00,000**	1,01,70,20,54,795

Notes to the Financial Statements for the year ended 31st March, 2019

30. AS PER INDIAN ACCOUNTING STANDARD 19 "EMPLOYEE BENEFITS" THE DISCLOSURES AS DEFINED ARE GIVEN BELOW (REFER NOTE 26):

DEFINED CONTRIBUTION PLANS

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

(₹ in crore)

Particulars	2018-19	2017-18
Employer's Contribution to Provident Fund	**78**	72
Employer's Contribution to Superannuation Fund	**1**	1
Employer's Contribution to Pension Fund	**36**	36

Defined Benefit Plan

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

(₹ in crore)

Particulars	Gratuity (Funded)	
	2018-19	2017-18
Defined Benefit Obligation at beginning of the year	**100**	74
Add: Transfers	**-**	2
Current Service Cost	**32**	28
Interest Cost	**8**	6
Actuarial Gain	**(6)**	(8)
Benefits Paid	**(4)**	(2)
Defined Benefit Obligation at end of the year	**130**	100

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

(₹ in crore)

Particulars	Gratuity (Funded)	
	2018-19	2017-18
Fair value of Plan assets at beginning of the year	**100**	74
Add: Transfers	**-**	2
Expected return on plan assets	**8**	6
Employer contribution	**26**	20
Benefits paid	**(4)**	(2)
Fair value of Plan assets at end of the year	**130**	100
Actual Return on Plan Assets	**8**	6

III) Reconciliation of fair value of Assets and Obligations

(₹ in crore)

Particulars	Gratuity (Funded)	
	As at 31st March 2019	As at 31st March 2018
Fair value of Plan Assets	**130**	100
Present value of Obligation	**130**	100
Amount recognised in Balance Sheet	**-**	-

Notes to the Financial Statements for the year ended 31st March, 2019

IV) Expenses recognised during the year

(₹ in crore)

Particulars	Gratuity (Funded)	
	2018-19	2017-18
In Income Statement		
Current Service Cost	**32**	28
Interest Cost	**8**	6
Return on Plan Assets	**(8)**	(6)
Net Cost	**32**	28
In Other Comprehensive Income		
Actuarial Gain	**(6)**	(8)
Return on Plan Assets (₹ 5,30,601 and Previous year ₹ 47,24,937)	**0**	0
Net Income for the year recognised in OCI	**(6)**	(8)

V) Investment Details:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	₹ in crore	**% invested**	₹ in crore	% invested
Insurance Policies	**130**	**100**	100	100

VI) Actuarial assumptions

Mortality Table	Gratuity (Funded)	
	2018-19	2017-18
	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	**8.00%**	8.00%
Expected rate of return on Plan Assets (per annum)	**8.00%**	8.00%
Rate of escalation in salary (per annum)	**6.00%**	6.00%
Rate of employee turnover (per annum)	**2.00%**	2.00%

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

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

VII) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2018-19

VIII) Sensitivity Analysis

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

(₹ in crore)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Decrease	**Increase**	Decrease	Increase
Change in rate of discounting (delta effect of +/- 0.5%)	**8**	**(7)**	6	(5)
Change in rate of salary increase (delta effect of +/- 0.5%)	**(7)**	**8**	(6)	6
Change in rate of employee turnover (delta effect of +/-0.5%) (Previous Year Decrease ₹ 43,84,236, Increase ₹ 38,82,684)	**(1)**	**1**	(0)	0

Notes to the Financial Statements for the year ended 31st March, 2019

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

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

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

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

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

31. RELATED PARTIES DISCLOSURES

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

LIST OF RELATED PARTIES WITH WHOM TRANSACTIONS HAVE TAKEN PLACE AND RELATIONSHIPS:

Sr. No.	Name of the Related Party	Relationship
1.	Reliance Industries Limited	Holding Company
2.	Reliance Jio Infocomm Pte. Ltd.	Subsidiary Companies
3.	Reliance Jio Infocomm USA, Inc.	
4.	Reliance Jio Infocomm UK Limited	
5.	Reliance Jio Global Resources LLC	
6.	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary
7.	Reliance Retail Limited	
8.	Reliance Corporate IT Park Limited	
9.	Reliance SMSL Limited (formerly Known as Strategic Manpower Solution Limited)	
10.	Reliance Payment Solutions Limited	
11.	Reliance Jio Messaging Services Limited (formerly Known as Reliance Jio Messaging Services Private Limited)	
12.	Reliance Petro Marketing Limited	
13.	Reliance Commercial Dealers Limited	
14.	Model Economic Township Limited	
15.	Indiawin Sports Private Limited	
16.	TV18 Broadcast Limited*	
17.	Network18 Media & Investments Limited*	
18.	Panorama Television Private Limited*	
19.	AETN18 Media Private Limited*	
20.	e-Eighteen.com Limited*	
21.	Digital18 Media Limited*	
22.	Reliance Jio Infratel Private Limited (Up to 31st March, 2019-Refer Note 40)	
23.	Jio Digital Fibre Private Limited (Up to 31st March, 2019-Refer Note 40)	
24.	Radisys Corporation^	
25.	Jio Estonia OU^	
26.	Reliance Gas Pipelines Limited	

^ The above entities includes related parties where the relationship existed for the part of the year

Notes to the Financial Statements for the year ended 31st March, 2019

Sr. No.	Name of the Related Party	Relationship
27.	Jamnagar Utilities and Power Private Limited (Formerly known as Reliance Utilities and Power Private Limited)	Associates of Holding Company
28.	Reliance Industrial Infrastructure Limited	
29.	IBN Lokmat News Private Limited	Joint Ventures of Holding Company
30.	Jio Payments Bank Limited	
31.	Marks And Spencer Reliance India Private Limited	
32.	IMG Reliance Limited	
33.	Shri Sanjay Mashruwala	Key Managerial Personnel
34.	Shri Rajneesh Jain	
35.	Shri Jyoti Jain	
36.	Reliance Foundation	Enterprise over which Key Managerial Personnel are able to exercise significant influence
37.	Reliance Jio Infocomm Limited Employees Gratuity Fund	Post Employment Benefit

* Control by Independent Media Trust of which Reliance Industries Limited, the Holding Company is the sole beneficiary

(II) TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES:

(₹ in crore)

Sr No	Nature of Transactions (Excluding Reimbursements)	Holding Company	Subsidiaries	Fellow Subsidiaries	Associate/ JV of the Holding Company	Key Managerial Personnel	Others	Total
1.	Purchase of Property, Plant and Equipment and Intangible Assets	**172** (16)	**42** (75)	**1,408** (301)	**-** -	**-** -	**-** -	**1,622** (392)
2.	Purchase / Subscription of Investment	**-** -	**93** (143)	**-** -	**-** -	**-** -	**-** -	**93** (143)
3.	Loan Taken	**30,250** -	**-** -	**-** -	**-** -	**-** -	**-** -	**30,250** -
4.	Loan Repaid	**1,500** -	**-** -	**-** -	**-** -	**-** -	**-** -	**1,500** -
5.	Preference Shares issued and allotted#	**-** (31,340)	**-** -	**-** -	**-** -	**-** -	**-** -	**-** (31,340)
6.	Cancellation of Preference Shares by way of Constructive Payment (Refer Note 40)	**65,000** -	**-** -	**-** -	**-** -	**-** -	**-** -	**65,000** -
7.	Revenue received in advance	**-** -	**-** -	**45,371** (23,968)	**-** -	**-** -	**-** -	**45,371** (23,968)
8.	Revenue from Operations	**26** (14)	**238** (107)	**54** (25)	**1** (1)	**-** -	**-** -	**319** (147)
9.	Network Operating Expenses	**-** -	**145** (28)	**350** (166)	**-** -	**-** -	**-** -	**495** (194)
10.	Access Charges	**-** -	**53** (152)	**-** -	**-** -	**-** -	**-** -	**53** (152)
11.	Employee Benefits Expense	**-** -	**-** -	**-** -	**-** -	**-** -	**26** (20)	**26** (20)
12.	Payment to Key Managerial Personnel	**-** -	**-** -	**-** -	**-** -	**8** (8)	**-** -	**8** (8)
13.	Business Support Services/ Professional Fees	**123** -	**23** (20)	**258** (328)	**-** -	**-** -	**-** -	**404** (348)
14.	Customer Service Expenses	**-** -	**-** -	**208** (251)	**-** -	**-** -	**-** -	**208** (251)

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

Sr No	Nature of Transactions (Excluding Reimbursements)	Holding Company	Subsidiaries	Fellow Subsidiaries	Associate/ JV of the Holding Company	Key Managerial Personnel	Others	Total
15.	Commission on Customer Acquisition and Recharges	- -	- -	**712** (534)	- -	- -	- -	**712** (534)
16.	Selling and Distribution Expenses	- -	- -	- (3)	- -	- -	- -	- **(3)**
17.	Bank Charges	**51** (23)	- -	-	- -	- -	- -	**51** (23)
18.	Finance Cost	**186** -	- -	- -	- -	- -	- -	**186** -
19.	General Expense	- -	- -	**68** -	- -	- -	- -	**68** -
20.	Donation	- -	- -	- -	- -	- -	**6** -	**6** -
	Balances as at 31st March, 2019							
1.	Investments	- -	**1,108** (1,016)	- -	- -	- -	- -	**1,108** (1,016)
2.	Equity Share Capital	**44,747** (44,747)	- -	- -	- -	- -	- -	**44,747** (44,747)
3.	Preference Share Capital#	- (65,000)	- -	**125** (125)	- -	- -	- -	**125** (65,125)
4.	Trade and Other Payable	**179** -	**50** (83)	**2,927** (9,890)	- -	- -	- -	**3,156** (9,973)
5.	Trade and Other Receivable	**2** (14)	**33** (18)	**27** (270)	- (0)	- -	- -	**62** (302)
6.	Loan taken	9,194 -	- -	- -	- -	- -	- -	**9,194** -
7.	Corporate Guarantees taken	**59,036** (28,513)	- -	- -	- -	- -	- -	**59,036** (28,513)

including Securities Premium

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

(III) DISCLOSURE IN RESPECT OF MAJOR RELATED PARTY TRANSACTIONS DURING THE YEAR:

(₹ in crore)

Sr. No.	Particulars	Relationship	2018-19	2017-18
1.	**Purchase of Property, Plant and Equipment and Intangible Assets**			
	Reliance Industries Limited	Holding Company	**172**	16
	Reliance Jio Infocomm Pte. Ltd.	Subsidiary	**42**	75
	Reliance Retail Limited	Fellow Subsidiary	**160**	102
	Radisys Corporation	Fellow Subsidiary	**7**	-
	Reliance Corporate IT Park Limited	Fellow Subsidiary	**1,241**	199
2.	**Purchase/Subscription of Investment**			
	Reliance Jio Infocomm USA, Inc.	Subsidiary	**-**	13
	Reliance Jio Infocomm UK Limited	Subsidiary	**5**	8
	Reliance Jio Infocomm Pte. Ltd.	Subsidiary	**88**	122

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

Sr. No.	Particulars	Relationship	2018-19	2017-18
3.	**Revenue received in advance**			
	Reliance Retail Limited	Fellow Subsidiary	**45,371**	23,968
4.	**Revenue from Operations**			
	Reliance Industries Limited	Holding Company	**26**	14
	Reliance Jio Infocomm USA, Inc.	Subsidiary	**77**	29
	Reliance Jio Infocomm UK Limited	Subsidiary	**80**	20
	Reliance Jio Infocomm Pte. Ltd.	Subsidiary	**82**	58
	Reliance Corporate IT Park Limited	Fellow Subsidiary	**7**	5
	Reliance Retail Limited	Fellow Subsidiary	**6**	8
	Reliance SMSL Limited	Fellow Subsidiary	**39**	12
	Reliance Payment Solutions Limited	Fellow Subsidiary	**0**	0
	Reliance Gas Pipelines Limited	Fellow Subsidiary	**0**	0
	Reliance Petro Marketing Limited	Fellow Subsidiary	**0**	0
	Reliance Commercial Dealers Limited	Fellow Subsidiary	**-**	0
	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	**0**	0
	Reliance Jio Messaging Services Limited	Fellow Subsidiary	**-**	0
	Model Economic Township Limited	Fellow Subsidiary	**0**	0
	Indiawin Sports Private Limited	Fellow Subsidiary	**-**	0
	AETN18 Media Private Limited	Fellow Subsidiary	**0**	0
	Digital 18 Media Limited	Fellow Subsidiary	**0**	0
	E-Eighteen.com Limited	Fellow Subsidiary	**0**	0
	Network 18 Media & Investments Limited	Fellow Subsidiary	**0**	0
	Panorama Television Private Limited	Fellow Subsidiary	**0**	0
	Tv18 Broadcast Limited	Fellow Subsidiary	**0**	0
	Jio Payments Bank Limited	Associate/JV of Holding Company	**-**	0
	Jamnagar Utilities and Power Private Limited (Formerly known as Reliance Utilities and Power Private Limited)	Associate/JV of Holding Company	**0**	0
	Reliance Industrial Infrastructure Limited	Associate/JV of Holding Company	**0**	0
	IMG Reliance Limited	Associate/JV of Holding Company	**0**	0
	IBN Lokmat News Private Limited	Associate/JV of Holding Company	**0**	0
	Marks And Spencer Reliance India Private Limited	Associate/JV of Holding Company	**0**	-
5.	**Network Operating expense**			
	Reliance Petro Marketing Limited	Fellow Subsidiary	**257**	128
	Reliance Jio Infocomm Pte. Ltd.	Subsidiary	**145**	28
	Reliance Jio Infratel Private Limited	Fellow Subsidiary	**-**	15
	Reliance Corporate IT Park Limited	Fellow Subsidiary	**93**	23

Note: “0” represents the amounts below the denomination threshold.

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

Sr. No.	Particulars	Relationship	2018-19	2017-18
6.	**Access Charges**			
	Reliance Jio Infocomm USA, Inc.	Subsidiary	**22**	19
	Reliance Jio Infocomm UK Limited	Subsidiary	**10**	3
	Reliance Jio Infocomm Pte. Ltd.	Subsidiary	**21**	130
7.	**Employee Benefits Expense**			
	Reliance Jio Infocomm Ltd Employees Gratuity Fund	Post Employment Benefit	**26**	20
8.	**Payment to Key Managerial Personnel**			
	Shri Sanjay Mashruwala	Key Managerial Personnel	**6**	6
	Shri Rajneesh Jain	Key Managerial Personnel	**2**	2
	Shri Jyoti Jain	Key Managerial Personnel	**0**	0
9.	**Business Support Services/Professional Fees**			
	Reliance Industries Limited	Holding Company	**123**	-
	Reliance Jio Infocomm USA Inc	Subsidiary	**23**	20
	Reliance Corporate IT Park Limited	Fellow Subsidiary	**232**	299
	Reliance Retail Limited	Fellow Subsidiary	**25**	28
	Reliance Jio Infratel Private Limited	Fellow Subsidiary	**0**	1
	Jio Estonia OU	Fellow Subsidiary	**1**	-
10.	**Customer Service Expenses**			
	Reliance Corporate IT Park Limited	Fellow Subsidiary	**208**	251
11.	**Commission on Customer Acquisition and Recharges**			
	Reliance Retail Limited	Fellow Subsidiary	**712**	534
12.	**Selling and Distribution Expenses**			
	Indiawin Sports Private Limited	Fellow Subsidiary	**-**	3
13.	**General Expenses**			
	Reliance Commercial Dealers Limited	Fellow Subsidiary	**68**	-
14.	**Donation**			
	Reliance Foundation	Enterprise over which Key Managerial Personnel are able to exercise significant influence	**6**	-

Note: “0” represents the amounts below the denomination threshold.

Notes to the Financial Statements for the year ended 31st March, 2019

31.1 Compensation of Key Management Personnel

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

(₹ in crore)

	2018-19	2017-18
Short-term benefits	**8**	8
Post employment benefits*	**0**	0
Other long term benefits*	**-**	-
Share based payments	**-**	-
Termination benefits	**-**	-
Total	**8**	8

* Does not include provision for Gratuity and Compensated Absences as they are determined on an actuarial basis for all the employees together.

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

(₹ in crore)

32. CONTINGENT LIABILITIES AND COMMITMENTS	**2018-19**	2017-18
(I) CONTINGENT LIABILITIES		
(i) Claims/disputed liabilities against the Company not acknowledged as debts	**1,231**	469
(ii) Corporate Guarantees	**19**	19
(iii) Guarantees issued by Banks on behalf of the Company	**4,487**	2,874
The disputed liabilities are not likely to have any material effect on financial position of the Company.		
(II) COMMITMENTS		
Estimated amount of contracts remaining to be executed on Capital account not provided for	**11,368**	34,453

(III) LEASE COMMITMENTS

Company as a lessee

The Company has entered into non-cancellable operating leases for cell sites for periods ranging from 5 years to 15 years.

Future minimum lease rentals payable under non-cancellable operating leases are as follows:-

(₹ in crore)

Particulars	**2018-19**	2017-18
Not later than one year	**4,061**	2,904
Later than one year and not later than five years	**15,496**	11,333
Later than five years	**8,594**	8,777
Total	**28,151**	23,014

33. CAPITAL MANAGEMENT

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

(a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.

(b) Maintain AAA rating by ensuring that the financial strength of the Balance Sheet is preserved.

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

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

Notes to the Financial Statements for the year ended 31st March, 2019

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

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

(₹ in crore)

	As at 31st March, 2019	As at 31st March, 2018
Gross Debt	**76,212**	58,392
Cash and Cash Equivalents	**(17)**	(691)
Net Debt (A)	**76,195**	57,701
Total Equity (As per Balance Sheet) (B)	**40,400**	1,02,933
Net Gearing Ratio (A/B)	**1.89**	0.56

34. FINANCIAL INSTRUMENTS

A. FAIR VALUE MEASUREMENT HIERARCHY: (₹ in crore)

Particulars	**As at 31st March, 2019**				As at 31st March, 2018			
	Carrying Amount	**Level of Input used in Fair Value Measurement**			Carrying Amount	Level of Input used in Fair Value Measurement		
		Level 1	**Level 2**	**Level 3**		Level 1	Level 2	Level 3
Financial Assets*								
At Amortised Cost								
Trade Receivables	735	-	-	-	912	-	-	-
Cash and Bank Balances	429	-	-	-	718	-	-	-
Other Financial Assets	652	-	-	-	314	-	-	-
At FVTPL								
Other Financial Assets	23	-	23	-	29	-	29	-
Current Investment	155	-	-	155	-	-	-	-
Financial Liabilities								
At Amortised Cost								
Borrowings	76,212	-	-	-	58,392	-	-	-
Other Financial Liabilities	49,997	-	-	-	63,226	-	-	-
Trade Payables	3,256	-	-	-	3,117	-	-	-
At FVTPL								
Other Financial Liabilities	1,526	-	1,526	-	1,123	-	1,123	-

* Above does not include Investments in Subsidiaries [₹ 1,108 crore (Previous Year ₹ 1,016 crore)] measured at cost (Refer Note 2.1)

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

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

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

Level 3: Inputs based on unobservable market data.

Notes to the Financial Statements for the year ended 31st March, 2019

Valuation methodology:

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) The fair value of Interest Rate Swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

c) The fair value of Forward Foreign Exchange contracts and Currency Swaps is determined using observable forward exchange rates and yield curves at the balance sheet date.

d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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

B. Financial Risk Management

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

i) Market Risk

a) Foreign Currency Risk

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

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

(₹ in crore)

Foreign Currency Exposure						
Particulars	**As at 31st March, 2019**			As at 31st March, 2018		
	USD	**EUR**	**JPY**	USD	EUR	JPY
Borrowings	**32,329**	**1,165**	**3,337**	18,575	-	-
Trade and Other Payables	**8,705**	**79**	**0**	11,454	28	-
Trade and Other Receivables	**(7)**	**0**	**-**	(26)	-	-
Derivatives	**-**					
– Forwards	**(30,729)**	**(1,165)**	**(3,337)**	(21,428)	(12)	-
– Currency Swaps	**(7,041)**	**-**	**-**	(2,798)	-	-
Exposure	**3,257**	**79**	**0**	5,777	16	0

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

(₹ in crore)

Foreign Currency Sensitivity				
Particulars	**As at 31st March, 2019**		As at 31st March, 2018	
	USD	**EUR**	USD	EUR
1% Depreciation in INR	**(32)**	**(0)**	(58)	0
Impact on Equity	(19)	-	(41)	-
Impact on Profit or Loss	(13)	0	(17)	0
1% Appreciation in INR	**32**	**0**	58	0
Impact on Equity	19	-	41	-
Impact on Profit or Loss	13	0	17	0

Notes to the Financial Statements for the year ended 31st March, 2019

(b) Interest Rate Risk

The Company's exposure to the risk of changes in market interest rate relates to the floating rate debt obligations and derivative products taken to mitigate interest rate risk.

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

(₹ in crore)

Interest Rate Exposure		
Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Borrowings		
Non-Current – Floating (Includes Current Maturities)*	36,830	23,409
Non-Current – Fixed (Includes Current Maturities)*	36,479	22,022
Current#	3,666	13,498
Total	**76,975**	**58,929**
Derivatives		
Currency rate swaps	(7,041)	(2,798)
Total	**(7,041)**	**(2,798)**

* Includes ₹ 699 crore (Previous Year ₹ 302 crore) as Prepaid Finance Charges

includes ₹ 64 crore (Previous Year ₹ 235 crore) as Commercial Paper Discount.

Sensitivity analysis of 1% change in Interest rate:

(₹ in crore)

Interest Rate Sensitivity				
Particulars	**As at 31st March, 2019**		As at 31st March, 2018	
	Up Move	**Down Move**	Up Move	Down Move
Impact on Equity	(192)	192	(93)	93
Impact on Profit or Loss	(64)	64	(34)	34
Total Impact	**(256)**	**256**	(127)	127

Capitalisation rate used to determine the amount of eligible borrowing cost is 8.08% per annum (Previous Year 7.70% per annum)

ii) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from Company's activities in investments, dealing in derivatives and outstanding receivables from customers.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed through advance payments.

iii) Liquidity Risk

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

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in crore)

Maturity Profile as at 31st March, 2019							
Particulars	**Below 3 Months**	**3 -6 Months**	**6 -12 Months**	**1 – 3 Years**	**3 – 5 Years**	**Above 5 Years**	**Total**
Borrowings							
Non-Current*	3,718	543	2,783	24,993	18,284	22,988	73,309
Current#	3,666	-	-	-	-	-	3,666
Total	**7,384**	**543**	**2,783**	**24,993**	**18,284**	**22,988**	**76,975**
Derivatives Liabilities							
Forwards	208	397	505	23	0	0	1,133
Currency Swaps	-	-	(53)	483	(37)	0	393
Total	**208**	**397**	**452**	**506**	**(37)**	**0**	**1526**

* Includes ₹ 699 crore as Prepaid Finance Charges
# Includes ₹ 64 crore as Commercial Paper Discount.

Maturity Profile as at 31st March, 2018

(₹ in crore)

Maturity Profile as at 31st March, 2018							
Particulars	Below 3 Months	3 -6 Months	6 -12 Months	1 – 3 Years	3 – 5 Years	Above 5 Years	Total
Borrowings							
Non-Current**	2,220	4,735	3,002	10,412	11,392	13,670	45,431
Current##	12,173	1,325	-	-	-	-	13,498
Total	**14,393**	**6,060**	**3,002**	**10,412**	**11,392**	**13,670**	**58,929**
Derivatives Liabilities							
Forwards	188	208	192	57	-	-	645
Currency Swaps	-	-	-	492	(14)	-	478
Total	**188**	**208**	**192**	**549**	**(14)**	**-**	**1,123**

** Includes ₹ 302 crore as Prepaid Finance Charges
Includes ₹ 235 crore as Commercial Paper Discount.

35. SEGMENT REPORTING

The Company is mainly engaged in the business of providing Digital Services. All activities of the Company revolve around this main business. Accordingly the Company has single segment as per the requirements of Ind AS 108 – Operating Segments.

(₹ in crore)

36. PAYMENT TO AUDITORS AS:	**2018-19**	2017-18
(a) Statutory Audit Fees	**2**	2
(b) Tax Audit Fees (₹ 25,00,000 and Previous Year ₹ 10,00,000)	**0**	0
(c) Certification and Consultation Fees	**2**	1
(d) Expenses Reimbursed (₹ 4,53,378 and Previous Year ₹ 6,05,593)	**0**	0
Total	**4**	3

Notes to the Financial Statements for the year ended 31st March, 2019

37. CORPORATE SOCIAL RESPONSIBILITY (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year 2018-19 is ₹ 7 Cr (Previous Year ₹ NIL).

(b) Expenditure related to CSR is ₹ 7 Cr (Previous Year ₹ NIL).

Details of Amount spent towards CSR given below:

(₹ in crore)

Particulars	**2018-19**	2017-18
Health	**4**	-
Education	**2**	-
Urban Renewal	**1**	-
Total	**7**	-

38. Details of Loans given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

(i) The Company has not given any loans.

(ii) Investments made by the Company as at 31st March, 2019 (Refer Note 2 and 6)

(iii) Corporate Guarantees given by the Company as at 31st March, 2019

(₹ in crore)

Sr. No.	**Name**	**Purpose**	**As at 31st March, 2019**	As at 31st March, 2018
1.	Smart Digivision Private Limited	Guarantee given for general business purpose	**19**	19

39. During the year, the Company has terminated the Master Agreement entered into with Reliance Communications Limited and its affiliates ("RCOM Entities") for acquisition of certain telecom assets of RCOM Entities. Such termination shall not affect the acquisition of the MCN assets completed prior to such termination. The Company has also terminated the Spectrum Trading Agreement entered into with RCOM Entities.

40. COMPOSITE SCHEME OF ARRANGEMENT

The Board of Directors of the Company at their meeting held on 11th December 2018 approved a Composite Scheme of Arrangement (herein after referred to as "the Scheme") between Reliance Jio Infocomm Ltd (**RJIL**) and Jio Digital Fibre Private Limited (**JDFPL**) and Reliance Jio Infratel Private Limited (**RJIPL**) and their respective Shareholders and Creditors, inter-alia, for:

a) Reduction of Preference Share Capital and Securities Premium of RJIL;

b) the demerger of the Optic Fiber Cable undertaking (Demerged Undertaking) of RJIL and its transfer to and vesting into JDFPL; and

c) transfer and vesting of the Tower Infrastructure undertaking (Transferred Undertaking) of RJIL to RJIPL for a lump sum consideration, with effect from the Appointed Date of 31st March 2019.

The creditors and the shareholders of the Company approved the Scheme on 18th February, 2019. The Scheme has been approved by the Ahmedabad bench of Hon'ble National Company Law Tribunal (**NCLT**) vide its Order dated 20th March 2019 and the certified copy of the Order approving the Scheme has been filed with the Registrar of Companies on 30th March 2019. The Scheme has an Appointed date of 31st March, 2019.

The effect of the Scheme has been given in these Standalone Financial Statements for the year ended 31st March 2019.

Notes to the Financial Statements for the year ended 31st March, 2019

A. REDUCTION OF PREFERENCE SHARE CAPITAL AND SECURITIES PREMIUM OF THE COMPANY PURSUANT TO THE SCHEME:

The cancellation of 13,00,00,00,000 preference shares, in the books of account of the Company has the consequence of, the issued, subscribed and paid up preference share capital being debited with ₹ 13,000 crore for the aggregate face value of preference shares cancelled and the securities premium account being reduced by ₹ 52,000 crore, by way of constructive payment to such preference shareholders. Correspondingly, equivalent amounts have been credited to loan accounts in the books of account of RJIL, by way of constructive receipt of amount towards loans.

(Refer Note 13 – Other Equity in the financial statements)

B. DEMERGER OF THE OPTIC FIBER CABLE UNDERTAKING PURSUANT TO THE SCHEME:

i. All assets and liabilities of the demerged undertaking of RJIL, stand transferred to and vested with JDFPL, at their carrying values, on a going concern basis with effect from 31st March 2019;

ii. Excess of assets over liabilities amounting ₹ 501 crore as at 31st March 2019 has been debited to the retained earnings of the Company, as detailed below:

Assets	**₹ in crores**
Non-Current Assets	86,840
Current Assets	4,531
Total Assets (A)	**91,371**

Liabilities	**₹ in crores**
Non-Current Liabilities	71,755
Current Liabilities	19,115
Total Liabilities (B)	**90,870**
Excess of assets over liabilities debited to retained earnings (A – B)	**501**

iii. The Board of Directors of JDFPL allotted:

I. 5,00,00,00,000 equity shares of JDFPL of ₹ 1 each fully paid up, to the shareholders of RJIL in the ratio of 1 equity share for every 9 equity shares held in RJIL.

II. 78,13,96,66,092 preference shares of JDFPL of ₹ 10 each fully paid up to the shareholders of RJIL for the difference between the value of the assets recorded in the books of JDFPL and book value of the assets of RJIL transferred to JDFPL.

III. 12,50,000 redeemable preference shares of ₹ 10 each fully paid up to the preference shareholders of RJIL in the ratio of 1 preference share for every 100 preference shares held in RJIL.

C. TRANSFER OF TOWER INFRASTRUCTURE UNDERTAKING FOR A LUMP SUM CONSIDERATION PURSUANT TO THE SCHEME:

i) All assets and liabilities of the transferred undertaking of RJIL, stand transferred to and vested with RJIPL, at their carrying values, on a going concern basis with effect from 31st March 2019;

ii) RJIPL has discharged the lump sum consideration to RJIL by issuance of:

I. 2,00,00,00,000 Class A equity shares of ₹ 1 each fully paid up.

II. 5,00,00,000 preference shares of ₹ 10 each fully paid up.

Notes to the Financial Statements for the year ended 31st March, 2019

iii) Excess of assets over liabilities amounting ₹ 250 crore as at 31st March 2019 is detailed below:

Assets	**₹ in crores**
Non-Current Assets	33,370
Current Assets	3,426
Total Assets (A)	**36,796**

Liabilities	**₹ in crores**
Non-Current Liabilities	22,543
Current Liabilities	14,003
Total Liabilities (B)	**36,546**
Excess of assets over liabilities (A-B)	**250**

iv) The equity/preference shares received by RJIL as a lump sum consideration, are recorded in its books of account at cost, being the carrying value of the net assets of the Transferred Undertaking referred to in C (iii) above.

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

42. The balance sheet as at 31st March 2019 is not comparable with the corresponding figures for the previous year consequent to the demerger/transfer referred to in Note 40 above.

43. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by Board of Directors on 18th April, 2019.

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn No: 101720W / W-100355

R.Koria
Partner
Membership No: 35629

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

Abhijit A. Damle
Partner
Membership No: 102912

Rajneesh Jain
Chief Financial Officer

Jyoti Jain
Company Secretary

Place: Mumbai
Date: 18th April, 2019

For and on behalf of the Board

Mukesh D. Ambani Chairman
Sanjay Mashruwala Managing Director
Manoj H. Modi
Akash M. Ambani
Isha M. Ambani
Mahendra Nahata
Mathew Oommen
Pankaj M. Pawar
Kiran M. Thomas
Adil Zainulbhai
Prof. Dipak C. Jain
Prof. Mohanbir S. Sawhney
Ranjit V. Pandit
Shumeet Banerji
Directors