

Jio Digital Distribution Holdings Private Limited
Financial Statements
2022-2023

Jio Digital Distribution Holdings Private Limited

Notes to the Financial Statements for the year ended 31st March, 2023

15. Ratio Analysis:

Sr. No.	Particulars	2022-23	2021-22
1	Current Ratio*	120.23	100.50
2	Debt Equity Ratio	Not Applicable	Not Applicable
3	Debt Service Coverage Ratio	Not Applicable	Not Applicable
4	Return on Equity	(0.00)	(0.00)
5	Inventory Turnover Ratio	Not Applicable	Not Applicable
6	Trade Receivables Turnover Ratio	Not Applicable	Not Applicable
7	Trade Payables Turnover Ratio**	6.96	2.72
8	Net Capital Turnover Ratio	Not Applicable	Not Applicable
9	Net Profit Ratio***	(0.03)	(0.07)
10	Return on Capital Employed****	NIL	NIL
11	Return on Investments	0.05	0.05

* Current Ratio % increased primarily due to decrease in Current Liabilities

** Trade Payables turnover ratio increased primarily due to decrease in Average Trade Payables

*** Net Profit Ratio % ratio increased primarily due to decrease in loss and increase in Turnover

**** Since Capital employed is negative, Return on Capital Employed is NIL

15.1 Formula for computation of ratios are as follows

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

Jio Digital Distribution Holdings Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

16. CAPITAL MANAGEMENT

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

17. FINANCIAL INSTRUMENTS

Valuation

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

Fair value measurement Hierarchy:

(₹ in Lakhs)

Particulars	As at 31st March, 2023				As at 31st March, 2022			
	Carrying amount	Level of Input used in			Carrying amount	Level of Input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amortised Cost								
Investment*	-	-	-	-	-	-	-	-
Cash and Cash Equivalents	107.22	-	-	-	107.71	-	-	-
Other Financial Assets	0.47	-	-	-	0.34	-	-	-
Financial Liabilities								
At Amortised Cost								
Trade Payable	0.81	-	-	-	0.72	-	-	-

* Excludes Group Company financial assets measured at cost (Refer note 1)

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

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

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

Level 3: Inputs based on unobservable market data.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. It arises from its investment activities, derivative instruments and other financial assets.

Liquidity Risk

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

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

18. Details of loans given, investments made and guarantees given and securities provided covered u/s 186 (4) of the Companies Act, 2013.

Investments made is given under the said head.

No Loans or Guarantees or securities are given by the Company during the financial year ended 31st March, 2023 (Previous year NIL)

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

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

21. Contingent Liabilities And Commitments

The company has dividend outstanding on 6% cumulative optionally convertible preference shares amounting to ₹ 58.18 Lakhs for FY 2022-23 and ₹44.07 Lakhs for FY 2021-22.

22. Corporate Social Responsibility (CSR)

a. CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is NIL as the average net profit of the Company for the three immediately preceding financial years is negative.

b. Expenditure related to CSR is NIL

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Notes to the Financial Statements for the year ended 31st March, 2023

23. OTHER STATUTORY INFORMATION

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.
- (ii) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iii) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iv) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

24. APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved for issue by the Board of Directors on April 19, 2023.

As per our Report of even date

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

Parag D. Mehta
 Partner
 Membership No. 113904

Dated : April 19, 2023

For and on behalf of the Board

V. Ramachandran
 Director
 DIN: 02032853

Rahul Mukherjee
 Director
 DIN: 09114624

Garima Garg
 Company Secretary