

**JIO SPACE TECHNOLOGY LIMITED**

**FINANCIAL STATEMENTS**

**2022-23**

## INDEPENDENT AUDITOR'S REPORT

### To The Members of Jio Space Technology Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Jio Space Technology Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period ended March 31, 2023, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss, total comprehensive loss, its cash flows and the changes in equity for the period ended March 31, 2023.

#### Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive Income, cash flows and changes

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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, the Company has not paid any remuneration to its directors during the period ended March 31, 2023, hence reporting as per the provisions of section 197 of the Act is not applicable.
  - 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented to us that, to the best of it's knowledge and belief, as disclosed in the notes to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that cause us to believe that the representation given by the Management under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**Ketan Vora**  
Partner  
(Membership No. 100459)  
UDIN: 23100459BGXJFV4848

Place: Mumbai  
Date: April 14, 2023

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

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Jio Space Technology Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the period ended March 31, 2023.

**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. 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India 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 March 31, 2023, based on the criteria for internal financial control over financial reporting 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 Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Ketan Vora**  
Partner  
(Membership No. 100459)  
UDIN: 23100459BGXJFV4848

Place: Mumbai  
Date: April 14, 2023

**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date to the members of Jio Space Technology Limited on the financial statements for the period ended March 31, 2023)

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

- (i) As the Company does not hold any property, plant and equipment and intangible assets, reporting under clause 3(i) of the Order is not applicable.
- (ii)(a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (ii)(b) According to the information and explanations given to us, at any point of time of the period from April 01, 2022 to March 31, 2023, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has made investments in mutual funds (other parties), but has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. In view thereof, reporting under clause 3(iii) (a), (c), (d), (e) and (f) of the Order is not applicable. The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In respect of statutory dues:  
  
Undisputed statutory dues, including Goods and Services tax, Income-tax, cess and other material statutory dues applicable to the Company have been



regularly deposited by it with the appropriate authorities in all cases during the year. We are informed that the provisions of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, duty of Custom, duty of Excise and Value Added Tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Services tax, Income-tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (vii)(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2023.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)(a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the period and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (ix)(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
- (ix)(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (ix)(f) The Company has not raised loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x)(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (x)(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- (xi)(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi)(b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (xi)(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 188 of the Act, 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. The provisions of section 177 of the Act are not applicable to the Company.
- (xiv) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act, hence reporting under clauses 3(xiv) of the Order is not applicable.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its any of its directors or directors of its holding Company or persons connected with such directors and hence provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a),(b),(c) The Company has temporarily deployed surplus funds in units of Mutual fund which have been excluded for the purpose of computing percentage of financial asset to total assets. Basis the said exclusion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clauses 3(xvi)(a), (b), and (c) of the Order is not applicable.
- (xvi)(d) The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year covered by our audit but had incurred cash losses amounting to Rs. 262 Lakh in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.

- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) This being the first period of the Company, provisions of Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

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

**Ketan Vora**  
Partner  
(Membership No. 100459)  
UDIN: 23100459BGXJFV4848

Place: Mumbai  
Date: April 14, 2023

## Jio Space Technology Limited

## Balance Sheet as at 31st March, 2023

Particulars	Notes	(Rs. in Lakh)	
		As at 31st March, 2023	As at 31st March, 2022
<b>ASSETS</b>			
<b>Current Assets</b>			
Financial Assets			
Investments	1	4,90	-
Cash and Cash Equivalents	2	34	60
Other Current Assets	3	2	0
<b>Total Current Assets</b>		<b>5,26</b>	<b>60</b>
<b>Total Assets</b>		<b>5,26</b>	<b>60</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	4	7,50	3,01
Other Equity	5	(2,51)	(2,62)
<b>Total Equity</b>		<b>4,99</b>	<b>39</b>
<b>Liabilities</b>			
<b>Non - Current Liabilities</b>			
Deferred Tax Liabilities (Net)	6	4	-
<b>Total Non-Current Liabilities</b>		<b>4</b>	<b>-</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Other Financial Liabilities	7	23	21
Other Current Liabilities	8	0	-
<b>Total Current Liabilities</b>		<b>23</b>	<b>21</b>
<b>Total Liabilities</b>		<b>27</b>	<b>21</b>
<b>Total Equity and Liabilities</b>		<b>5,26</b>	<b>60</b>

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1-20

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Firm Regn No: 117366W / W-100018****For and on behalf of the Board****Ketan Vora**

Partner

**Membership No: 100459****Pankaj Pawar**

Director

DIN:00085077

**Kiran Thomas**

Director

DIN: 02242745

**Mathew Oommen**

Director

DIN: 07176548

**Arman Seow Bin  
Abdullah**

Director

DIN: 09565285

**Harsh Verma**

Director

DIN: 09564890

**Sandeep Kumar  
Jalan**

Director

DIN: 06927791

**Shubhradip Bose**

Company Secretary

Date: April 14, 2023

## Jio Space Technology Limited

## Statement of Profit and Loss for the year ended 31st March, 2023

Particulars	Notes	2022-23	(Rs. in Lakh)
			Period ended 31st March, 2022
<b>INCOME</b>			
Other Income	9	25	-
<b>Total Income</b>		<b>25</b>	<b>-</b>
<b>EXPENSES</b>			
Other Expenses	10	10	2,62
<b>Total Expenses</b>		<b>10</b>	<b>2,62</b>
<b>Profit/Loss Before Tax</b>		<b>15</b>	<b>(2,62)</b>
<b>Tax Expenses</b>			
Deferred Tax	6	4	-
<b>Profit/(Loss) for the Year/ Period</b>		<b>11</b>	<b>(2,62)</b>
<b>Other Comprehensive Income/(Loss) for the Year/ Period</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income/(Loss) for the Year/ Period</b>		<b>11</b>	<b>(2,62)</b>
<b>Earnings Per Equity Share of Face Value of Rs 10 Each</b>			
Basic (in Rupees)	11	0.19	(42.95)
Diluted (in Rupees)	11	0.19	(42.95)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1-20		

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Firm Regn No: 117366W / W-100018****For and on behalf of the Board**

**Ketan Vora**  
Partner  
Membership No: 100459

**Pankaj Pawar**  
Director  
DIN:00085077

**Kiran Thomas**  
Director  
DIN: 02242745

**Mathew Oommen**  
Director  
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**Arman Seow  
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Director  
DIN: 09565285

**Harsh Verma**  
Director  
DIN: 09564890

**Sandeep Kumar  
Jalan**  
Director  
DIN: 06927791

**Shubhradip Bose**  
Company Secretary

Date: April 14, 2023

## Jio Space Technology Limited

## Statement of Changes In Equity for the year ended 31st March, 2023

## (A) Equity Share Capital

As on 31st March, 2022		(Rs. in Lakh)
Balance at the beginning of the year/ period		-
Changes in Equity share capital during the year		3,01
<b>Balance at the end of the year/ period</b>		<b>3,01</b>
As on 31st March, 2023		
Balance at the beginning of the year		3,01
Changes in Equity share capital during the year		4,49
<b>Balance at the end of the year</b>		<b>7,50</b>

## (B) Other Equity

(Rs. in Lakh)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
<b>As on 31st March, 2022</b>		
Balance at the beginning of the year (incorporated on 23rd October, 2021)	-	-
(Loss) for the period	(2,62)	(2,62)
<b>Balance at the end of the year</b>	<b>(2,62)</b>	<b>(2,62)</b>
<b>As on 31st March, 2023</b>		
Balance at the beginning of the year	(2,62)	(2,62)
Profit for the year	11	11
<b>Balance at the end of the year</b>	<b>(2,51)</b>	<b>(2,51)</b>

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Firm Regn No: 117366W / W-100018****For and on behalf of the Board****Ketan Vora**

Partner

**Membership No: 100459****Pankaj Pawar**

Director

DIN:00085077

**Kiran Thomas**

Director

DIN: 02242745

**Mathew Oommen**

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**Harsh Verma**

Director

DIN: 09564890

**Sandeep Kumar Jalan**

Director

DIN: 06927791

**Shubhradip Bose**

Company Secretary

Date: April 14, 2023

## Jio Space Technology Limited

## Cash Flow Statement for the year ended 31st March, 2023

Particulars	2022-23	(Rs. in Lakh) Period ended 31st March, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit/ (Loss) before tax as per Statement of Profit and Loss	15	(2,62)
Adjusted for:		
Gain on Investments (Net)	(25)	-
<b>Operating Loss before Working Capital Changes</b>	<b>(10)</b>	<b>(2,62)</b>
Adjusted for:		
Other Current Assets	(2)	(0)
Other Financial Liabilities	2	21
<b>Cash (used in) operations</b>	<b>(10)</b>	<b>(241)</b>
<b>Net Cash flow (used in) Operating Activities (A)</b>	<b>(10)</b>	<b>(2,41)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Investments	(4,75)	-
Proceeds from Sale of Investments	10	-
<b>Net Cash flow (used in) Investing Activities</b>	<b>(4,65)</b>	<b>-</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Equity Share Capital	4,49	3,01
<b>Net Cash flow generated from Financing Activities (B)</b>	<b>4,49</b>	<b>3,01</b>
<b>Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B)</b>	<b>(26)</b>	<b>60</b>
Opening Balance of Cash and Cash Equivalents	60	-
<b>Closing Balance of Cash and Cash Equivalents (Refer Note 2)</b>	<b>34</b>	<b>60</b>

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
**Firm Regn No: 117366W / W-100018**

**For and on behalf of the Board**

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

**Pankaj Pawar**  
Director  
DIN:00085077

**Kiran Thomas**  
Director  
DIN: 02242745

**Mathew Oommen**  
Director  
DIN: 07176548

**Arman Seow  
Bin Abdullah**  
Director  
DIN: 09565285

**Harsh Verma**  
Director  
DIN: 09564890

**Sandeep Kumar  
Jalan**  
Director  
DIN: 06927791

**Shubhradip Bose**  
Company Secretary

Date: April 14, 2023

## Jio Space Technology Limited

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

#### A CORPORATE INFORMATION

Jio Space Technology Limited (“the Company”) is a limited company incorporated in India on 23rd October, 2021. The registered office of the Company is located at Office - 101, Saffron, Nr. Centre Point, Panchawati 5 Rasta, Ambawadi, Ahmedabad, Gujarat - 380006 India. The Company’s Holding Company is Jio Platforms Limited. The Company is inter alia engaged in the business of Satellite based communication 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 certain financial assets and liabilities which have been measured at fair value:

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Rules notified under the relevant provisions of the Companies Act, 2013 (the Act), as amended from time to time and presentation requirements of Division II of Schedule III to the Act, (Ind AS Compliant Schedule III) as amended from time to time.

The Company’s Financial Statements are presented in Indian Rupees (Rs), which is also its functional currency and all values are rounded to the nearest lakh (Rs 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) Cash and Cash Equivalents

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



## Jio Space Technology Limited

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

#### (c) 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. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 - Financial Instruments.

###### C. Other Equity Investments

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

##### ii. Financial Liabilities

###### A. Initial recognition and Measurement

All Financial Liabilities are recognized 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.

**Jio Space Technology Limited****Notes to the Financial Statements for the year ended 31st March, 2023****(d) 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.

**(e) Revenue Recognition**

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

Revenue from other services including advertisement is recognized on rendering services.

**(f) Tax Expenses**

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

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

**ii. Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred income tax assets on carry forward losses is recognised based on convincing evidence including robust business projections where it is reasonably certain that sufficient taxable profits will be available to utilise those losses. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

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

## Jio Space Technology Limited

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

#### (g) 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 subsequent financial years.

#### (a) 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, 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.

#### D STANDARDS ISSUED BUT NOT EFFECTIVE

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

- i Ind AS 101 – First time adoption of Ind AS
- ii Ind AS 102 – Share-based Payment
- iii Ind AS 103 – Business Combination
- iv Ind AS 107 – Financial Instruments Disclosures
- v Ind AS 109 – Financial Instrument
- vi Ind AS 115 – Revenue from Contracts with Customers
- vii Ind AS 1 – Presentation of Financial Statements
- viii Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix Ind AS 12 – Income Taxes
- x Ind AS 34 - Interim Financial Reporting

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

## Jio Space Technology Limited

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

1	Investments - Current	Units	As at	(Rs. in Lakh)
			31st March, 2023	As at 31st March, 2022
			Amount	Amount
	<b>Investments measured at Fair Value Through Profit &amp; Loss (FVTPL) In Mutual Funds - Unquoted</b>			
	Kotak Liquid Direct Plan - Growth	10,772	4,90	-
			<b>4,90</b>	
1.1	<b>Category-wise Current Investment</b>			
	Investments measured at Fair Value Through Profit & Loss (FVTPL)		4,90	-
	<b>Total Current Investments</b>		<b>4,90</b>	<b>-</b>

2	Cash and Cash Equivalents	As at	(Rs. in Lakh)
		31st March, 2023	As at 31st March, 2022
	Balances with Banks in current account	34	60
	Cash and Cash Equivalents as per Balance Sheet	34	60
	Cash and Cash Equivalents as per Cash Flow Statement	34	60

3	Other Current Assets (Unsecured and Considered Good)	As at	As at
		31st March, 2023	31st March, 2022
	Balance with GST authorities (Previous Year Rs. 3,225)	2	0
	Others* (Rs. 18,000 and Previous Year Rs. 10,000)	0	0
	<b>Total</b>	<b>2</b>	<b>0</b>

\*Others include prepaid

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

	As at		(Rs. in Lakh)	
	31st March, 2023	Amount	As at	Amount
	Units		31st March, 2022	
			Units	Amount
<b>4 Share Capital</b>				
<b>Authorised Share Capital :</b>				
Equity Shares of Rs.10 each	45,00,00,000	450,00	45,00,00,000	450,00
		<u>450,00</u>		<u>450,00</u>
<b>Issued, Subscribed and Paid up:</b>				
Equity Shares of Rs.10 each fully paid up	75,00,000	7,50	30,10,000	3,01
<b>TOTAL</b>		<u>7,50</u>		<u>3,01</u>

**4.1 Terms/ rights attached to Equity Shares :**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, in proportion to the number of equity shares held.

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

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	No of Shares	No of Shares
No. of shares at the beginning of the year	30,10,000	-
Add: Issue of Shares	44,90,000	30,10,000
No. of shares at the end of the year	<u>75,00,000</u>	<u>30,10,000</u>

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

Name of Shareholders	As at		As at	
	31st March, 2023		31st March, 2022	
	No of Shares	% held	No of Shares	% held
Jio Platforms Limited*	38,25,000	51%	30,10,000	100.00%
New Skies Satellites B.V. (JV Partner)	36,75,000	49%	-	-

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

**4.4 Shareholding of Promoter****As at 31st March, 2023**

S. No.	Promoter's Name	No. of shares at the beginning of the year	change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Jio Platforms Limited	30,10,000	8,15,000	38,25,000	51%	-49%

**As at 31st March, 2022**

S. No.	Promoter's Name	No. of shares at the beginning of the year	change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Jio Platforms Limited	-	30,10,000	30,10,000	100%	100%

	As at		(Rs. in Lakh)	
	31st March, 2023	Amount	As at	Amount
			31st March, 2022	
<b>5 Other Equity</b>				
<b>Reserves and Surplus</b>				
<b>Retained Earnings</b>				
Balance at the beginning of the year/ period		(2,62)		-
Add: Profit/ (Loss) for the year/ period		11		(2,62)
		<u>(2,51)</u>		<u>(2,62)</u>
<b>Total</b>		<u>(2,51)</u>		<u>(2,62)</u>

## Jio Space Technology Limited

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

(Rs. in Lakh)

**6 Deferred Tax Liabilities (Net)****a. The movement on the deferred tax account is as follows:**

	As at 31st March, 2023	As at 31st March, 2022
At the start of the year	-	-
Charge to Statement of Profit and Loss	4	-
Charge to Other Comprehensive Income	-	-
<b>At the end of year</b>	<b>4</b>	<b>-</b>

**Component of Deferred tax liabilities/( assets)**

	As at 31st March, 2022	Charge/(Credit) to Statement of Profit and Loss and Other Comprehensive Income	(Rs. in Lakh) As at 31st March, 2023
<b>Deferred tax liabilities/(assets) in relation to:</b>			
Property, Plant and Equipment and Intangible Assets	-	-	-
Carried Forward Losses	-	-	-
Financial Assets/Financial Liabilities	-	4	4
Provisions	-	-	-
<b>Total</b>	<b>-</b>	<b>4</b>	<b>4</b>

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

	As at 31st March, 2023	(Rs. in Lakh) As at 31st March, 2022
Current Tax	-	-
Deferred Tax	4	-
<b>Total Income Tax expenses recognised in the current year</b>	<b>4</b>	<b>-</b>

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

	As at 31st March, 2023	(Rs. in Lakh) As at 31st March, 2022
Profit before Tax	15	-
Applicable Tax Rate	25.17%	-
Computed Tax Expense	4	-
<b>Tax effect of :</b>		
Expenses Disallowed	-	-
<b>Tax Expenses recognised in Statement of Profit and Loss</b>	<b>4</b>	<b>-</b>
<b>Effective Tax Rate</b>	<b>25.17%</b>	<b>-</b>

**7 Other Financial Liabilities - Current**

	As at 31st March, 2023	(Rs. in Lakh) As at 31st March, 2022
Other Payables*	23	21
<b>Total</b>	<b>23</b>	<b>21</b>

\* includes payable for expenses

**8 Other Current Liabilities**

	As at 31st March, 2023	(Rs. in Lakh) As at 31st March, 2022
Other Payables (Rs. 250)	0	-
<b>Total</b>	<b>0</b>	<b>-</b>

\* includes statutory dues

## Jio Space Technology Limited

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

(Rs. in Lakh)  
Period ended 31st  
March, 2022**9 Other Income**

Gain on Investments (Net)

**Gain on Financial Assets**

Realised Gain (Rs. 28,670)

Unrealised Gain

**Total****2022-23**

0	-
25	-
<b>25</b>	<b>-</b>

(Rs. in Lakh)  
Period ended 31st  
March, 2022**10 Other Expenses****2022-23**

Rates and taxes

Professional Fees

Payment to Auditors

General Expenses

**Total**

-	2,55
1	1
6	6
3	0
<b>10</b>	<b>2,62</b>

Period ended 31st  
March, 2022**11 Earnings Per Share (EPS)****2022-23****FACE VALUE PER EQUITY SHARE (RS.)****BASIC EARNINGS PER SHARE (RS.)**Profit/(Loss) for the year/ period as per  
Statement of Profit and Loss (Rs.in lakh)Weighted Average number of Equity Shares  
used as denominator for calculating Basic EPS**DILUTED EARNINGS PER SHARE (RS.)**Profit/(Loss) for the year/ period as per  
Statement of Profit and Loss (Rs.in lakh)Weighted Average number of Equity Shares  
used as denominator for calculating Diluted EPS

10	10
0.19	(42.95)
11	(2,62)
59,70,440	6,10,000
0.19	(42.95)
11	(2,62)
59,70,440	6,10,000

## Jio Space Technology Limited

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

## 12 Related Party Disclosures

- (i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:  
List of related parties where control exists and with whom transactions have taken place and relationships:

Sr.No.	Name of the Related Party	Relationship
1	Jio Platforms Limited	Holding Company
2	New Skies Satellites B.V.	Joint Venturer

- (ii) Transactions during the year with related parties:

(Rs. in lakh)

Sr. No	Nature of Transactions (Excluding reimbursements)	Holding Company	Joint Venturer	Total
1	Equity Shares Issued	82 (3,01)	3,68 -	4,49 (3,01)
2	Business Support Services	1 -	- -	1 -
<b>Balances as at 31st March 2023</b>				
1	Equity Share Capital	3,83 (3,01)	3,68 -	7,50 (3,01)
2	Other Payables			

- (iii) Disclosure in respect of major related party transactions during the period:

(Rs. in lakh)

Period ended 31st  
March, 2022

Particulars	Relationship	2022-23	
<b>1 Equity Shares Issued</b>			
Jio Platforms Limited	Holding Company	82	(3,01)
New Skies Satellites B.V.	Joint Venturer	3,68	-
<b>2 Business Support Services</b>			
Jio Platforms Limited	Holding Company	1	-
<b>Balances as at 31st March 2023</b>			
Particulars	Relationship	As at 31st March, 2023	As at 31st March, 2022
<b>1 Equity Share Capital</b>			
Jio Platforms Limited	Holding Company	3,83	(3,01)
New Skies Satellites B.V.	Joint Venturer	3,68	-



## Jio Space Technology Limited

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

#### 13 Capital Management

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

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk
- Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings
- Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

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

#### Gearing Ratio

(Rs. in lakh)

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

	As at	As at
	31st March, 2023	31st March, 2022
Gross Debt	-	-
Cash and cash equivalent	34	60
Net Debt (A)	-	-
Total Equity (As per Balance Sheet) (B)	<u>4,99</u>	<u>39</u>
<b>Net Gearing (A/B)</b>	<u>-</u>	<u>-</u>

Note: No Debt, hence ratio not given for current period

#### 14 Financial Instruments

##### Valuation

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

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

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

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

## Jio Space Technology Limited

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

## Fair Value Measurement Hierarchy:

(Rs. in lakh)

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
<b>Financial Assets</b>								
<b>At Amortised Cost</b>								
Cash and Bank Balances	34	-	-	-	60	-	-	-
<b>At FVTPL</b>								
Investments	4,90	4,90	-	-	-	-	-	-
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Other Financial Liabilities	23	-	-	-	21	-	-	-

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

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

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

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. Credit risk arises from company's activities in investments and outstanding receivables from customers.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities.

**Liquidity Risk**

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

## Jio Space Technology Limited

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

#### 15 Ratios

Sr No.	Particulars	Period ended 31st	
		2022-23	March, 2022
1	Current Ratio	<b>23.02</b>	2.89
2	Debt-Equity Ratio	<b>NA</b>	NA
3	Debt Service Coverage Ratio	<b>NA</b>	NA
4	Return on Equity	<b>2%</b>	-672%
5	Inventory Turnover Ratio	<b>NA</b>	NA
6	Trade Receivables Turnover Ratio	<b>NA</b>	NA
7	Trade Payables Turnover Ratio	<b>NA</b>	NA
8	Net Capital Turnover Ratio	<b>NA</b>	NA
9	Net Profit Ratio %	<b>NIL</b>	NIL
10	Return on Capital Employed (Excluding Working Capital Financing)	<b>2%</b>	-672%
11	Return on Investment	<b>5%</b>	NA

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
3	Net Profit Ratio	$\frac{\text{Profit After Tax}}{\text{Value of Sales \& Services}}$
4	Return on Capital Employed (Excluding Working Capital financing)	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income (-) Share of Profit / (Loss) of Associates and Joint Ventures}}{\text{Average Capital Employed}}$
5	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents \& Other Marketable}}$

#### 16 Segment Reporting

The Company is engaged in business of commercializing Satellite based communication services and solutions, in collaboration with global satellite based communication service providers. All activities of the Company revolve around this business. Accordingly, the Company has single segment as per the requirements of Ind AS 108 - Operating Segments. Also all the operations of Company are in India therefore there are no geographic segments.

**Jio Space Technology Limited****Notes to the Financial Statements for the year ended 31st March, 2023****17 Payment To Auditors As:**

	(Rs. in lakh)	
	2022-23	Period ended 31st March, 2022
Fees as Auditors	5	6
Fees for Other Services	1	-
	6	6

**18 Other Statutory information**

- (i) There are no balances outstanding on account of any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956
- (ii) The Company does not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

**19 Details of Loans Given, Investments Made And Guarantee Given Covered u/s 186 (4) Of The Companies Act, 2013**

No investments are made, no loans and guarantees are given by the Company as at 31st March, 2023.

**20 Approval of Financial Statements**

The financial statements were approved for issue by Board of Directors on 14th April, 2023.

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Firm Regn No: 117366W / W-100018**

**For and on behalf of the Board**

**Ketan Vora**

Partner

**Membership No: 100459**

**Pankaj Pawar**

Director

DIN:00085077

**Kiran Thomas**

Director

DIN:02242745

**Mathew Oommen**

Director

DIN:07176548

**Arman Seow Bin  
Abdullah**

Director

DIN: 09565285

**Harsh Verma**

Director

DIN: 09564890

**Sandeep Kumar  
Jalan**

Director

DIN: 06927791

**Shubhradip Bose**

Company Secretary

Date: April 14, 2023