

JIO SPACE TECHNOLOGY LIMITED

FINANCIAL STATEMENTS

2022-23

Jio Space Technology Limited

Balance Sheet as at 31st March, 2023

(Rs. in Lakh)
As at
31st March, 2022

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

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	(Rs. in Lakh)	
		2022-23	Period ended 31st March, 2022
INCOME			
Other Income	9	25	-
Total Income		25	-
EXPENSES			
Other Expenses	10	10	2,62
Total Expenses		10	2,62
Profit/Loss Before Tax		15	(2,62)
Tax Expenses			
Deferred Tax	6	4	-
Profit/(Loss) for the Year/ Period		11	(2,62)
Other Comprehensive Income/(Loss) for the Year/ Period		-	-
Total Comprehensive Income/(Loss) for the Year/ Period		11	(2,62)
Earnings Per Equity Share of Face Value of Rs 10 Each			
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**

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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	3,01
Balance at the end of the year/ period	3,01	3,01
As on 31st March, 2023		
Balance at the beginning of the year	3,01	3,01
Changes in Equity share capital during the year	4,49	4,49
Balance at the end of the year	7,50	7,50

(B) Other Equity

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

As per our report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
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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.

(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

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

	(Rs. in Lakh)
	As at
2 Cash and Cash Equivalents	As at
Balances with Banks in current account	34
Cash and Cash Equivalents as per Balance Sheet	60
Cash and Cash Equivalents as per Cash Flow Statement	60
	<u>34</u>
	<u>60</u>

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

*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	Units	Amount
4 Share Capital				
Authorised Share Capital :				
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>
Issued, Subscribed and Paid up:				
Equity Shares of Rs.10 each fully paid up	75,00,000	7,50	30,10,000	3,01
TOTAL		<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	
5 Other Equity				
Reserves and Surplus				
Retained Earnings				
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>
Total		<u>(2,51)</u>		<u>(2,62)</u>

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	-	-
At the end of year	4	-

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
Deferred tax liabilities/(assets) in relation to:			
Property, Plant and Equipment and Intangible Assets	-	-	-
Carried Forward Losses	-	-	-
Financial Assets/Financial Liabilities	-	4	4
Provisions	-	-	-
Total	-	4	4

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	-
Total Income Tax expenses recognised in the current year	4	-

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	-
Tax effect of :		
Expenses Disallowed	-	-
Tax Expenses recognised in Statement of Profit and Loss	4	-
Effective Tax Rate	25.17%	-

7 Other Financial Liabilities - Current

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

* 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	-
Total	0	-

* 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

25

-

-

-

10 Other Expenses

Rates and taxes

Professional Fees

Payment to Auditors

General Expenses

Total

2022-23

-

1

6

3

10

2,55

1

6

0

2,62

(Rs. in Lakh)
Period ended 31st
March, 2022

11 Earnings Per Share (EPS)

2022-23

Period ended 31st
March, 2022

FACE VALUE PER EQUITY SHARE (RS.)

10

10

BASIC EARNINGS PER SHARE (RS.)

0.19

(42.95)

Profit/(Loss) for the year/ period as per
Statement of Profit and Loss (Rs.in lakh)

11

(2,62)

Weighted Average number of Equity Shares
used as denominator for calculating Basic EPS

59,70,440

6,10,000

DILUTED EARNINGS PER SHARE (RS.)

0.19

(42.95)

Profit/(Loss) for the year/ period as per
Statement of Profit and Loss (Rs.in lakh)

11

(2,62)

Weighted Average number of Equity Shares
used as denominator for calculating Diluted EPS

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

- a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk
- b) Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings
- c) Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of 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>
Net Gearing (A/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:

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

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.

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
Financial Assets								
At Amortised Cost								
Cash and Bank Balances	34	-	-	-	60	-	-	-
At FVTPL								
Investments	4,90	4,90	-	-	-	-	-	-
Financial Liabilities								
At Amortised Cost								
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	23.02	2.89
2	Debt-Equity Ratio	NA	NA
3	Debt Service Coverage Ratio	NA	NA
4	Return on Equity	2%	-672%
5	Inventory Turnover Ratio	NA	NA
6	Trade Receivables Turnover Ratio	NA	NA
7	Trade Payables Turnover Ratio	NA	NA
8	Net Capital Turnover Ratio	NA	NA
9	Net Profit Ratio %	NIL	NIL
10	Return on Capital Employed (Excluding Working Capital Financing)	2%	-672%
11	Return on Investment	5%	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	-
	<u>6</u>	<u>6</u>

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