Reliance Commodities Limited

Annual Report

2022-2023

Directors' Report

To the Members,

Your Directors are pleased to present the 18th Directors' Report together with the audited financial statements of the Company for the financial year ended March 31, 2023.

Financial Results:

(Rupees in Thousand)

Particulars	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Total Income	20,202	1,397
Total Expenses	6,221	11,972
Profit / (Loss) Before Tax	13,981	(10,575)
Tax Expenses	3,622	(3,592)
Profit / (Loss) After Tax	10,359	(6,983)

Financial Performance and State of Company's Affair:

The total income increased to ₹ 20,202/- thousands in FY 2022-2023 from ₹ 1,397/- thousands in FY 2021-2022. The net profit for the year under review is ₹ 10,359/- thousands against net loss of Rs. 6,983/- thousands in the previous year.

Transfer to reserves:

Your Directors have decided not to transfer any amount to the reserves for the financial year under review.

Share Capital:

During the financial year under review, the authorized share capital of the Company has remained unchanged i.e. ₹ 5,00,00,000/- and paid up capital is unchanged at ₹ 3,00,00,000/-.

Dividend:

In a view to conserve resources, your Directors have not recommended any dividend for the year under review.

Changes in the Nature of Business:

There are no changes in the nature of business of the Company during the period under review.

Public Deposits:

The Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, the requirement of details of deposits which are not in compliance with the requirements of Chapter V of the Act does not arise.

Particulars of Loans, Guarantees and Investments:

Particulars of loans given, investments made or guarantees or securities provided pursuant to Section 186 of the Companies Act, 2023 are given under Notes to Accounts annexed to Financial Statements for the year ended March 31, 2023.

Subsidiary companies, joint venture or associate companies:

During the financial year under review, no companies have become/ ceased to become a Subsidiary/ Joint Venture/ Associate Company of the Company.

Directors:

During the financial year under review, the following changes took place in the composition of Directors of the Company –

1. Mr. Sanjay Sharma was appointed as an Additional Director of the Company w.e.f. April 15, 2022
2. Mr. Amit Agrawal has resigned as Director w.e.f. closure of business hours of April 15, 2022
3. Mr. Sanjay Sharma was regularised as a Director w.e.f. July 07, 2022
4. Mr. Arun Shivaraman Kumar was regularised as a Director w.e.f. July 07, 2022
5. Mr. Niraj Kumar Anand was appointed as an Additional Director of the Company w.e.f. October 06, 2022
6. Ms. Asha Garg has resigned as Director w.e.f. closure of business hours of November 01, 2022

In terms of the provisions of the Companies Act, 2013, Mr. Arun Shivaraman Kumar, Director, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting

Directors' Responsibility Statement:

Pursuant to section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement it is hereby confirmed that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Controls with reference to Financial Statements:

The Company has in place adequate internal financial controls across the organization. The same is subject to review periodically by the internal auditors for its effectiveness.

Contracts and Arrangements with Related Parties:

All contracts/ arrangements/ transactions entered into by the Company during the financial year under review with related parties were on an arm's length basis and in the ordinary course of business.

There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

Prior omnibus approval of Board was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and statements giving details of all related party transactions were placed before the Board for their review and noting on a quarterly basis.

Your Directors draw attention of the members to the notes to the financial statement which sets out related party disclosures.

Material changes and Commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

There are no material changes or commitments affecting the financial position of the Company which have occurred between the financial year ended on March 31, 2023 and the date of this report.

Meetings of the Board of Directors:

During the year, five (5) Board Meetings were held on April 15, 2022, June 10, 2022, July 30, 2022, November 05, 2022 and February 06, 2023.

Corporate Social Responsibility:

In view of the absence of average net profit within the meaning of section 198(5) of the Companies Act, 2013, during the three immediately preceding financial years, the Company was neither required constitute a Committee nor spend any amount on CSR activities as envisaged under section 135 of the Companies Act, 2013, during the financial year under review.

Auditors:

M/s. Gupta Rustagi & Co., Chartered Accountants (Firm Registration No. 128701W) were appointed as Statutory Auditors of the Company, for a period of five years i.e. from the conclusion of the 17th Annual General Meeting (AGM) held on July 07, 2022 until the conclusion of 22nd Annual General Meeting.

Explanation by Board on the qualification, reservation, adverse remark or disclaimer made by the Auditors:

A. Statutory Auditors' Report:
The Statutory Auditors' Report for the financial year ended March 31, 2023 do not contain any qualification, reservation, adverse remark or disclaimer.

B. Secretarial Audit Report:
The Company is not required to conduct Secretarial Audit for the Financial Year 2022-23 as per the applicability of the provisions of the Companies Act, 2013.

C. Cost Records:
The Company is not required to maintain cost records as per sub-section (1) of Section 148 of the Companies Act, 2013.

Annual Return:

The Extract of Annual Return in Form MGT-9 pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached as **Annexure - 1** to this Report. The Annual Return of the Company containing the particulars as they stood on the close of the financial year viz March 31, 2023, shall be prepared, soon after the annual general meeting to be held during the calendar year 2023 and shall be available for inspection at the Registered office of the Company once the Annual Return under section 92(4) of the Companies Act, 2013 is filed with the Registrar of Companies, Maharashtra, Mumbai.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

Particulars required to be furnished under rule 8(3) of the Companies (Accounts) Rules, 2014 are as under:

1] In view of the nature of activities of the Company, Parts (A) and (B) pertaining to conservation of energy and technology absorption are not applicable to the Company.

2] Foreign Exchange Earnings and Outgo:
  a] Earnings: Nil
  b] Outgo: Nil

Risk Management Policy:

The Company has in place a well-defined and articulated risk management policy in respect of all business processes. This has been also communicated and percolated to all the stakeholders in the business as well as to the Directors, Key Managerial Personnel and other employees. All the risks relevant to the business and business environment have been identified and covered in the risk management policy.

The risk management policy of the Company is also aligned with that of the Group's risk management and enterprise risk management which the Group is implementing.

Whistle Blower (Vigil Mechanism):

In accordance with the Group's policy, the Company has formulated a Vigil Mechanism to address the genuine concerns, if any, of the Directors and the employees.

Frauds reported by auditors:

No frauds have been reported by the auditors under sub-section (12) of section 143 of the Companies Act, 2023.

Orders passed by Regulators, Courts or Tribunals:

No significant or material orders have been passed by any regulator, court or tribunal, which impacts the going-concern status or the Company's operation in future.

Compliance with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to uphold and maintain the dignity of woman employees and it has in place a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. The Company has in place an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year no such complaints were received.

Compliance with Secretarial Standards:

During the financial year under review, the Company has complied with all the applicable Secretarial Standards notified by the Institute of the Companies Secretaries of India.

The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year:

During the financial year under review, the Company has neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

During the financial year under review, no valuation was required.

Acknowledgements:

Your Directors wish to place on record their appreciation for the assistance and co-operation received from various statutory and regulatory authorities, executives, officers and staff of the Company during the year.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Niraj Kumar Anand	**Sanjay Sharma**
Date: June 28, 2023	**Director**	**Director**
Place: Mumbai	**DIN: 09755474**	**DIN: 09592199**

Annexure 1

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2023

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

(i)	CIN	U51100MH2005PLC154611
(ii)	Registration Date	July 8, 2005
(iii)	Name of the Company	Reliance Commodities Limited
(iv)	Category/ Sub-Category of the Company	Public Limited Company / Limited by Shares
(v)	Address of the Registered office & contact details	11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway, Goregaon (East), Mumbai - 400063 Tel: 022 4168 1200
(vi)	Whether listed company Yes/No	No
(vii)	Name, Address & contact details of Registrar & Transfer Agent, if any	KFin Technologies Limited Selenium, Tower – B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddi TG, Hyderabad – 500 032, Telangana Tel : + 91 40 6716 1771 Fax : +91 40 6716 1791 Email : mis.radag@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Distribution of Financial Product	6619	11.27
2	Propreitary Trading	6499	81.56

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Reliance Capital Limited Trade World, B-Wing, 7th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013	L65910MH1986PLC165645	Holding	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) *Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	29,99,930	70	30,00,000	100	29,99,930	70	30,00,000	100	Nil
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	29,99,930	70	30,00,000	100	29,99,930	70	30,00,000	100	Nil
(2) **Foreign**									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-

e) Any other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**29,99,930**	**70**	**30,00,000**	**100**	**29,99,930**	**70**	**30,00,000**	**100**	**Nil**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**29,99,930**	**70**	**30,00,000**	**100**	**29,99,930**	**70**	**30,00,000**	**100**	**Nil**

(ii) *Shareholding of Promoters*								
Sl. No.	**Shareholder's Name**	**Shareholding at the beginning of the year**			**Shareholding at the end of the year**			**% change in shareholding during the year**
		No. of Shares	**% of total Shares of the**	**% of Shares Pledged/ encumbered to total shares**	**No. of Shares**	**% of total Shares of the company**	**% of Shares Pledged / encumbered to total shares**	
1	Reliance Capital Limited	30,00,000	100	Nil	30,00,000	100	Nil	Nil
	Total	**30,00,000**	**100**	**Nil**	**30,00,000**	**100**	**Nil**	**Nil**

(iii) *Change in Promoters' Shareholding (please specify, if there is no change)*					
Sl. No.	**Name of Shareholder**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	At the beginning of the year	3,000,000	100	3,000,000	100
2	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. Allotment/ transfer/ bonus/ sweat equity etc):	There is no change in the shareholding of the promoters.			
3	At the End of the year	3,000,000	100	3,000,000	100

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):					
Sl. No.	**For Each of the Top 10 Shareholders**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. Allotment/ transfer/ bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

(v) *Shareholding of Directors and Key Managerial Personnel:*					
Sl. No.	**For Each of the Directors and KMP**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	Nil	Nil	Nil	Nil

	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. Allotment/ transfer/ bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(amount in thousands)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**
Change in Indebtedness during the financial year				
* Addition	-	675,500	-	675,500
* Reduction	-	675,500	-	675,500
Net Change	-	**0.00**	**-**	**0**
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. ***Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable***

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount ₹
	Name	-	-	
	Designation	-	-	
1	Gross Salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
		-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

B. ***Remuneration to other Directors:***

Sl.No.	Particulars of Remuneration	Name of Directors			Total Amount
1	**Independent Directors**	**-**	**-**	**-**	**-**
	* Fee for attending board committee meetings	-	-	-	-
	* Commission	-	-	-	-

	* Others, please specify	-	-		-		-
	Total (1)	-	-		-		-
2	**Other Non-Executive Directors**	**Ms. Asha Garg****	**Mr. Arun Shivaraman Kumar$**	**Mr. Amit Agrawal^**	**Mr. Sanjay Sharma***	**Mr. Niraj Kumar Anand#**	-
	* Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil	-
	* Commission	Nil	Nil	Nil	Nil	Nil	-
	* Others, please specify	Nil	Nil	Nil	Nil	Nil	-
	Total (2)	Nil	Nil	Nil	Nil	Nil	-
		-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration						-
	Overall Ceiling as per the Act						

*** Ms. Asha Garg has resigned as Director w.e.f. closure of business hours of November 01, 2022*

$ Mr. Arun Shivaraman Kumar was regularised as a Director w.e.f. July 07, 2022

^ Mr. Amit Agrawal has resigned as Director w.e.f. closure of business hours of April 15, 2022

** Mr. Sanjay Sharma was appointed as an Additional Director of the Company w.e.f. April 15, 2022*

** Mr. Sanjay Sharma was regularised as a Director w.e.f. July 07, 2022*

 # Mr. Niraj Kumar Anand was appointed as an Additional Director of the Company w.e.f. October 06, 2022

C. *Remuneration to Key Managerial Personnel other than MD/Manager/ WTD : Not Applicable*

Sl.No.	**Particulars of Remuneration**	**Key Managerial Personnel**			
		CEO	**Company Secretary**	**CFO**	**Total Amount**
		-	-	-	₹
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
		-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
		-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	No, None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	No, None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	No, None				
Punishment					
Compounding					

INDEPENDENT AUDITOR'S REPORT

To the Members of
Reliance Commodities Limited

Opinion

We have audited the accompanying financial statements of **Reliance Commodities Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, the Statement of changes in equity and Cash Flow Statement for the year then ended, 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 31st March 2023, its profit and total Comprehensive Income, Change in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are 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.

The Board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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, the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the Rules made there under, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we further 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 purpose of our audit;

   b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;

   e) on the basis of written representations received from the directors as on March 31, 2023, and 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) Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act") is enclosed as an annexure A to this report;

   g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

      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; as such the question of commenting on any material foreseeable losses thereon does not arise;
      iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise;
      iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 person or entity, including foreign entity ("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, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

For Gupta Rustagi & Co.,

Chartered Accountants

Firm Registration No.128701W

Place - Mumbai

Date - 05th May, 2023

Sd/-

Niraj Gupta
Partner
Membership No. 100808

UDIN:23100808BGVNSO7333

Annexure referred to in paragraph 1 under heading Report on Other Legal and Regulatory Requirements of our Report of even date to the members of Reliance Commodities Limited on the financial statements of the Company for the year ended 31st March, 2023

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

i. The Company does not hold any Property, Plant & Equipment so requirement of clause 3(i) of the Order is not applicable to the Company.

ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable

iii. The Company has not granted any loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity, thus, reporting under clause 3(iii) of the Order is not applicable.

iv. The Company has neither granted any loans to any director or any person in whom director is interested nor made any investment in any Company as specified in Section 185 and 186 of the Act. Thus, clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposits from the public or amounts which are deemed to be deposits, covered under Section 73 to 76 of the Companies Act, 2013. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and based on the records of the Company examined by us, the Company is regular in depositing the undisputed statutory dues, including Goods & Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, excise duty and customs duty. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, value added tax, service tax, provident fund and other material statutory dues were in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any disputes.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not borrowed money from any financial institutions, bank and government, thus the provision of clause 3(ix)(a) of this Order does not apply to the company.

(b) The Company is not a declared wilful defaulter by any bank or financial institution or other lender;

(c) The Company has not obtained any term loan during the year;

(d) There were no funds raised on short term basis during the year;

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates & joint ventures;

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;

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.

(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) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) Subsequent to sub-clause (a), no report under sec143(12) of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) There has been no instance of whistle-blower complaints received by the company during the year under audit.

xii. In our opinion, company is not a Nidhi company and, therefore clause 3(xii) of the order is not applicable.

xiii. Based upon the audit procedures performed and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial statements as required by the applicable accounting standards;

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, determining the nature, timing & extent of our audit procedures.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year under review, therefore clause 3(xv) of the order is not applicable

xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Thus clause 3(xvi) of the Order is not applicable.

xvii. Based upon the audit procedures performed and according to the information and explanations given to us, the company has not incurred cash losses in the financial year under audit, however, there were cash losses of Rs. 61.88 lacs in the immediately preceding financial year;

xviii. There has been no resignation of statutory auditors of the Company in the previous year.

xix. According to the information and explanation given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that no material uncertainty exists as on the date of audit report that the 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 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. The Company does not attract the provision of sec 135 of the Companies Act, 2013, thus, clause (xx) of the Order is not applicable.

For Gupta Rustagi & Co.,

Chartered Accountants

Firm Registration No.128701W

Place - Mumbai

Date - 05th May, 2023

Sd/-

Niraj Gupta
Partner
Membership No. 100808

Annexure A referred to in paragraph 2(f) under heading Report on Other Legal and Regulatory Requirements of our Report of even date to the members of Reliance Commodities Limited on the financial statements of the Company for the year ended 31st March, 2023

Report on the Internal Financial Controls 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 ('the Company') as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, 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 authorizations of management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023 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.

For Gupta Rustagi & Co.,

Chartered Accountants

Firm Registration No.128701W

Place: Mumbai

Date: 05th May, 2023

Sd/-

Niraj Gupta
Partner
Membership No. 100808

Reliance Commodities Limited
Balance Sheet as at March 31, 2023

(₹ in Thousands)

	Particulars	Note No.	As at March 31, 2023	As at March 31,2022
ASSETS				
Financial Assets				
(a)	Cash and cash equivalents	3	1,599	2,845
(b)	Derivative Financial Instrument	4	1,048	-
(c)	Investments	5	41,081	20
(c)	Other Financial assets	6	13,419	40,534
Non-financial Assets				
(a)	Current tax assets (net)	7	96	785
(b)	Deferred tax Assets (net)	8	4,417	7,691
(c)	Other Non Financial assets	9	2,208	1,950
Total Assets			**63,868**	**53,825**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
(a)	Payables			
	(I) Trade payables	10		
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		144	161
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b)	Derivative Financial Instrument	11	638	-
(c)	Other financial liabilities	12	81	81
Non-Financial Liabilities				
(a)	Provisions	13	4	20
(b)	Other Non Financial liabilities	14	272	1,193
EQUITY				
(a)	Equity Share capital	15	30,000	30,000
(b)	Other Equity	16	32,729	22,370
Total Liabilities and Equity			**63,868**	**53,825**

Significant accounting policies and notes to the financial statements — 1 to 36

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For Gupta Rustagi & Co.
Chartered Accountants
Firm registration No. 128701W

Sd/-
Niraj Gupta
Partner
Membership No: 100808
Place : Mumbai
Date: 05th May,2023

For and on behalf of the Board of Directors

Sd/-
Sanjay Sharma
Director
DIN:09592199

Sd/-
Arun Kumar
Director
DIN:05282842

Reliance Commodities Limited
Statement of profit and loss for the year ended March 31, 2023

(₹ in Thousands)

	Particulars	Note No.	Year Ended March 31,2023	Year Ended March 31,2022
A	**Revenue from operations**			
	Interest Income	17	1,372	1,348
	Other Operating Income	18	2,159	-
	Net gain on fair value changes	19	15,622	-
	Total Revenue from operations		19,153	1,348
B	**Other Income**	20	1,049	49
C	**Total Income (A + B)**		**20,202**	**1,397**
	Expenses			
	Operating Expenses	21	517	-
	Finance costs	22	2,129	3,311
	Net loss on fair value changes	23	-	1,891
	Employee benefits expenses	24	386	1,527
	Others expenses	25	3,189	5,243
D	**Total Expenses**		**6,221**	**11,972**
(I)	Profit / (loss) before exceptional items and tax (C-D)		13,981	(10,575)
(II)	Exceptional items		-	-
(III)	Profit/(loss) before tax (I -II)		13,981	(10,575)
	Profit/ (loss) for the period before tax		13,981	(10,575)
(IV)	Tax Expense:			
	(1) Current Tax		226	-
	(2) Deferred Tax		3,274	(2,493)
	(3) Taxes of earlier years		122	(1,099)
(V)	**Total tax expense/(credit)**		**3,622**	**(3,592)**
	Profit/(loss) for the period after tax		**10,359**	**(6,983)**
(VI)	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss :			
	Re-measurement of post retirement benefit obligation gain/(loss)		-	(9)
	Tax on above			
	Other Comprehensive Income		**-**	**(9)**
(VII	**Total Comprehensive Income for the period**		**10,359**	**(6,992)**
	Earnings per equity share (amount in ₹**)**			
	Basic & Diluted			
	Continuing Operations		3.45	(2.33)
	Continuing & Discontinuing Operations		3.45	(2.33)
Signif notes	Significant accounting policies and notes to the financial statements	1 to 36		

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For Gupta Rustagi & Co.
Chartered Accountants
Firm registration No. 128701W

For and on behalf of the Board of Directors

Sd/-
Niraj Gupta
Partner
Membership No: 100808
Place : Mumbai
Date: 05th May,2023

Sd/-
Sanjay Sharma
Director
DIN:09592199

Sd/-
Arun Kumar
Director
DIN:05282842

Reliance Commodities Limited
Statement of cash flow for Year ended March 31, 2023

(₹ in Thousands)

Particulars	As at March 31, 2023	As at March 31,2022
A. Cash flows from operating activities		
Profit/ (loss) for the year from continuing operations before tax	13,981	(10,575)
Adjustments for :		
Net gain/ (loss) on fair value changes on Investments	(1,911)	1,125
Excess provision/ credit balance written back	-	(49)
Interest on income tax refund	(49)	-
Finance cost	2,129	3,311
Operating profit before working capital changes	**14,150**	**(6,188)**
Changes in current operating assets		
(Increase)/ Decrease in other financial assets	27,115	13,518
(Increase)/ Decrease in other non-financial assets	(258)	(812)
Changes in current operating liabilities		
Increase/ (Decrease) in trade payables	(17)	(6,146)
Increase/ (Decrease) in provision	(16)	(58)
Increase/ (Decrease) in other financial liabilities	-	5
Increase/ (Decrease) in Other non-financial liabilities	(921)	(160)
Cash flows generated from / (used in) operating activities	**40,053**	**159**
Payment of taxes (net of refunds)	390	4,708
Net cash flows generated from / (used in) operating activities (A)	**40,443**	**4,867**
B. Cash flows from investing activities		
Purchase of investments	(39,150)	(10,125)
Sale of investments	-	9,000
Net Cash flows generated from / (used in) from Investment activities (E	**(39,150)**	**(1,125)**
C. Cash flows from financing activities		
Settlement on Derivative Financial Instruments	(410)	-
Interest paid	(2,129)	(3,311)
Net cash flows generated from / (used in) financing activities (C)	**(2,539)**	**(3,311)**
Net increase / (decrease) in cash or cash equivalents (A+B+C)	**(1,246)**	**431**
Opening balance of cash and cash equivalents	2,845	2,414
Less: Cash and Cash Equivalent on sale of undertaking	-	-
Closing balance of cash and cash equivalents	**1,599**	**2,845**
Cash and cash equivalents comprise		
Bank overdraft	**-**	**-**
Balance with scheduled banks		
-in current accounts	1,599	2,845
Total cash and cash equivalents	**1,599**	**2,845**

Reliance Commodities Limited
Statement of cash flow for Year ended March 31, 2023

(₹ in Thousands)

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	1,599	2,845
Debt securities	-	-
Borrowings	-	-
Net debt	**1,599**	**2,845**

Particulars	Cash and bank Balance	Borrowings	Total
Net debt as at April 1, 2022	2,845	-	2,845
Cash flows	(1,246)	-	(1,246)
Interest expense	-	2,129	2,129
Interest paid	-	(2,129)	(2,129)
Net debt as at March 31,2023	**1,599**	**-**	**1,599**

Particulars	Cash and bank Balance	Borrowings	Total
Net debt as at April 1, 2021	2,414	-	2,414
Cash flows	431	-	431
Interest expense	-	3,311	3,311
Interest paid	-	(3,311)	(3,311)
Net debt as at March 31, 2022	**2,845**	**-**	**2,845**

Notes :

1. The above Statement of Cash Flows has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.
2 Figures in brackets indicate cash outflow.
3. The previous year's figures have been regrouped and reclassified wherever necessary.

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For Gupta Rustagi & Co.
Chartered Accountants
Firm registration No. 128701W

For and on behalf of the Board of Directors

Sd/-
Niraj Gupta
Partner
Membership No: 100808
Place : Mumbai
Date: 05th May,2023

Sd/-
Sanjay Sharma
Director
DIN:09592199

Sd/-
Arun Kumar
Director
DIN:05282842

Reliance Commodities Limited
Statement of changes in equity for the year ended March 31, 2023

(₹ in thousand)

A. Equity share capital

Particulars	No. of shares	Amount
As at April 01, 2022	**30,00,000**	**30,000**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01,2022	-	-
Changes in equity share capital during the current year	-	-
As at March 31, 2023	**30,00,000**	**30,000**

Particulars	No. of shares	Amount
As at April 01, 2021	**30,00,000**	**30,000**
Changes in Equity Share Capital due to prior period errors		
Restated balance as at April 01,2021	-	-
Changes in equity share capital during the current year	-	-
As at March 31, 2022	**30,00,000**	**30,000**

B.Other equity

Particulars	Reserves and surplus		Total
	Retained earnings	Other comprehensive income	
As at April 01, 2022	**22,505**	**(135)**	**22,370**
Profit for the year	10,359	-	**10,359**
As at March 31, 2023	**32,864**	**(135)**	**32,729**

Particulars	Reserves and surplus		Total
	Retained earnings	Other comprehensive income	
As at April 01, 2021	**29,488**	**(126)**	**29,362**
Total Comprehensive income for the income	(6,983)	(9)	**(6,992)**
As at March 31, 2022	**22,505**	**(135)**	**22,370**

As per our attached report of even date

For Gupta Rustagi & Co.
Chartered Accountants
Firm registration No. 128701W

Sd/-
Niraj Gupta
Partner
Membership No: 100808
Place : Mumbai
Date: 05th May,2023

For and on behalf of the Board of Directors

Sd/-
Sanjay Sharma
Director
DIN:09592199

Sd/-
Arun Kumar
Director
DIN:05282842

NOTES

1 Corporate Information

Reliance Commodities Limited is a public limited company incorporated under the provisions of the Companies Act applicable in India on 8 July 2005 . The registered office of the Company is located at 11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway, Goregaon (East) Mumbai -400063 . The Company is licensed by Securities and Exchange Board of India to operate as commodity broker.These financial statement of the Company for the year ended March 31, 2023 were authorised for issue by the board of directors on May 05th, 2023. Pursuant to the provision of the section of the Companies Act, 2013 (the 'Act') the Central Government, Income tax authorities, Securities and Exchange Board of India, other statutory regulatory body and under section 131 of the Act, the board of directors of the Company have powers to amend / re-open the standalone financial statements approved by the board / adopted by the members of the Company.

2 Significant Accounting Policies

2.01 Basis of preparation of financial statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act, to the extent notified and applicable as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:
• Certain financial assets and liabilities (including derivatives instruments) are measured at fair value.
• Assets held for sale – measured at fair value less cost to sell;
• Defined benefit plans – plan assets measured at fair value.

(iii) Current - non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out under Ind AS and in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

(iv) functional and presentation currency

Items included in financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

2.02 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

(a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.

(b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

2.03 Financial assets

(i) Classification and subsequent measurement

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:
• Fair value through profit or loss (FVPL);
• Fair value through other comprehensive income (FVOCI); or
• Amortised cost

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables.

Classification and subsequent measurement of debt instruments depend on:

(i) the Company's business model for managing the asset; and

(ii) the cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured**.** Interest income from these financial assets is recognized using the effective interest rate method.

Fair value through other comprehensive income: Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Fair value option for financial assets: The company may also irrevocably designate financial assets at fair value through profit or loss if doing so significantly reduces or eliminates an accounting mismatch created by assets and liabilities being measured on different bases.

Trade receivables are measured at transaction price.

Business model: The business model reflects how the company manages the assets in order to generate cash flows. That is, whether the company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the company in determining the business model for a company of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Company reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

a) Purchased financial assets, for which the original credit-adjusted effective interest rate is applied to the amortized cost of the financial asset.

b) Financial assets, that are subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortized cost (i.e. net of the expected credit loss provision).

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortized cost before any impairment allowance) or to the amortized cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Company subsequently measures all equity investments at fair value.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/loss on fair value changes in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Gains and losses on equity investments at FVPL are included in the statement of profit or loss.

(ii) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

• An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

• The time value of money; and

• Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL , which also sets out key sensitivities of the ECL to changes in these elements.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL detailed information about the judgements and estimates made by the company.

(iii) Derecognition of financial instruments

'Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the company transfers substantially all the risks and rewards of ownership, or (ii) the company neither transfers nor retains substantially all the risks and rewards of ownership and the company has not retained control. The company directly reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

2.04 Financial Liabilities

(i) Classification and subsequent measurement

In both the current and prior period, financial liabilities are classified as subsequently measured at amortized cost, except for:

• Financial liabilities at fair value through profit or loss: this classification is applied to derivatives, financial liabilities held for trading and other financial liabilities designated as such at initial recognition. Gains or losses on financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the credit risk of the liability are also presented in profit or loss; and

• Financial liabilities arising from the transfer of financial assets which did not qualify for de-recognition, whereby a financial liability is recognized for the consideration received for the transfer. In subsequent periods, the Company recognizes any expense incurred on the financial liability.

(ii) Derecognition

Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires.

The exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability.

2.05 Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The method of recognizing the resulting fair value gain or loss depends on whether the derivative is designated and qualifies as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives that are not designated as hedges

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

2.06 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:
• Identification of contract(s) with customers;
• Identification of the separate performance obligations in the contract;
• Determination of transaction price;
• Allocation of transaction price to the separate performance obligations; and
• Recognition of revenue when (or as) each performance obligation is satisfied.

(i) Brokerage fee income

Revenue recognition for brokerage fees can be divided into the following two categories:

a) Brokerage fees – over time - Fees earned for the provision of services are recognized over time as the customer simultaneously receives and consumes tł benefits, as the services are rendered. These include brokerage fees which is fixed at inception irrespective of number of transaction executed. The revenue for such contracts is recognized over the term of the contract.

b) Brokerage fees – point in time - Revenue from contract with customer is recognized point in time as performance obligation is satisfied. These incluc brokerage fees which is charged per transaction executed.

(ii) Interest income
Interest income is recognized using the effective interest rate

(ii) Dividend income
Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

(iii) Delay payment interest
Delay payment interest is recognised on an accrual basis.

(v) Income from trading in derivatives
Derivatives are initially recognized at fair value at the date the derivative contracts are entered into, and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit and loss immediately. Other payments made in connection with the acquisition of derivatives are recognized in the statement of profit and loss.

2.07 Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due and the amount is billable.

2.08 Income Tax
The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.
Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.
Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.09 Leases
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.10 Impairment of assets
Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.11 Cash and cash equivalents
Cash and cash equivalents includes cash at banks and on hand, cheques on hand, short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.12 Cash flow statement
Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of noncash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.13 Property, plant and equipment
All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives & residual value
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

The estimated useful lives for the different types of assets are:

Assets	**Useful Life**
Office Equipments	5 years
Furniture and Fixtures	10 years
Data Processing Equipments	
(i) Servers and networks	6 years
(ii) End user devices (desktops, laptops, etc.)	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

Assets costing up to Rs. 5,000 are fully depreciated at the time of acquisition.

2.14 Intangible Assets
Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development. The Company amortizes intangible assets on a straight-line basis over the useful lives of the assets commencing from the month in which the asset is first put to use. The Company provides pro-rata depreciation from the day the asset is put to use.

The estimated useful lives for the below assets are:

Assets	**Useful Life**
Software	6 Years

Assets costing up to Rs. 5,000 are fully depreciated at the time of acquisition.

2.15 Off-setting financial instruments
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.16 Inventories
Financial instruments held as inventory are measured at fair value through profit or loss.

2.17 Borrowing costs
General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.
Other borrowing costs are expensed in the period in which they are incurred.

2.18 Provisions, Contingent liabilities and contingent assets
Provisions
Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events. Contingent liability is not recognised as it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with reliability. Contingent Liabilities are not recognised but are disclosed in the financial statements.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. A contingent asset is not recognised however disclosed in the financial statements, if any.

2.19 Employee benefits

(i) Short-term obligations:
Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-employment obligations
The Company operates the following post-employment schemes:
(a) Gratuity; and
(b) Provident fund.

Defined Benefits plans
Gratuity Obligations
The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in other equity in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans
Provident fund
The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.
(iii) Other long term employee benefit obligation:

Leave encashment
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit or loss.

2.20 Earnings per share

(a) Basic earnings per share
"Earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial Year, adjusted for bonus element in equity shares issued during the Year.

(b) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.21 Foreign currency translations
Initial recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.
Subsequent recognition

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction.
Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in profit or loss in the year in which they arise.

2.22 Functional and presentation currency
The financial statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off upto to the nearest Thousands & zero decimals unless otherwise stated.

2.23 Critical accounting estimates and judgements

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit or loss. The actual amounts realised may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

a) Recognition of deferred tax -Note 8
b) Estimation of defined benefit obligation-Note 29
c) Measurement of fair values and Expected Credit Loss (ECL)-Note 31

2.24 Standard 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.

- Ind AS 101 – First-time Adoption of Indian Accounting Standards
- Ind AS 102 – Share-based Payment
- Ind AS 103 – Business Combinations
- Ind AS 107 – Financial Instruments Disclosures
- Ind AS 109 – Financial Instruments
- Ind AS 115 – Revenue from Contracts with Customers
- Ind AS 1 – Presentation of Financial Statements
- Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12 – Income Taxes
- Ind AS 34 - Interim Financial Reporting

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

(₹ in Thousands)

Note 3 - Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31,2022
Cash and Cash equivalents		
Balance with banks in current accounts	1,599	2,845
Total	**1,599**	**2,845**

Note 4 - Derivative Financial Instrument

Particulars	As at March 31, 2023	As at March 31,2022
Premium Paid On Options (Notional Value : Rs.1,27,500)	1,048	-
Total	**1,048**	**-**

(₹ in Thousands)

Note 5 - Investments

Particulars	As at March 31, 2023				
	Amortised cost	At Fair value			Total
		Through OCI	Through P/L	Subtotal	
Mutual funds (quoted)	-	-	41,061	41,061	41,061
National savings certificate (quoted)	20	-	-	-	20
Total – Gross (A)	20	-	41,061	41,061	41,081
(i) Overseas Investments	-	-	-	-	-
(ii) Investments in India	20	-	41,061	41,061	41,081
Total (B)	20	-	41,061	41,061	41,081
Less: Allowance for Impairment loss (C)	-	-	-	-	-
Total – Net D= (A)- (C)	**20**	**-**	**41,061**	**41,061**	**41,081**

Particulars	As at March 31, 2022				
	Amortised cost	At Fair value			Total
		Through OCI	Through P/L	Subtotal	
Mutual funds (quoted)	-	-	-	-	-
National savings certificate (quoted)	20	-	-	-	20
Total – Gross (A)	20	-	-	-	20
(i) Overseas Investments	-	-	-	-	-
(ii) Investments in India	20	-	-	-	20
Total (B)	20	-	-	-	20
Less: Allowance for Impairment loss (C)	-	-	-	-	-
Total – Net D= (A)- (C)	**20**	**-**	**-**	**-**	**20**

Mutual Funds :
Market value of investments in quoted mutual funds represents the repurchase price of the units issued by the mutual funds. These units of mutual funds are invested in growth scheme of various funds.

Mutual funds	**Units**	**As at March 31, 2023**	**Units**	**As at March 31, 2022**
SBI LIQUID FUND DIRECT GROWTH	5,915	20,840	-	-
SBI INDEX FUND DIRECT PLAN GROWTH	9,70,646	10,110	-	-
ADITYA BIRLA SUN LIFE	9,64,040	10,111	-	-
Total		41,061		-

(₹ in Thousands)

Note 6 - Other Financial Assets

Particulars	As at March 31, 2023	As at March 31,2022
Deposits with exchanges & vendor	75	77
Less:Provision for Doubtful Deposit	(75)	-
Margin receivable	13,181	40,219
Others receivable	238	238
Total	**13,419**	**40,534**

Note 7 - Current Tax (net)

Particulars	As at March 31, 2023	As at March 31,2022
Advance payment of tax and tax deducted at source (net of Provisions CY : Rs.226 PY : Nil)	96	785
Total	**96**	**785**

Note 8 - Deferred tax assets/(liabilities) (net)

Particulars	As at March 31, 2023	As at March 31,2022
Brought forward losses	4,624	7,592
Provision for gratuity	1	5
Provision for Expenses	60	94
Provision for doubtful debts	19	-
Unrealised Gain on Mutual Fund & Derivatives	(286)	-
Total	**4,417**	**7,691**

(₹ in Thousands)

Note 9 - Other Non Financial Assets

Particulars	**As at March 31, 2023**	**As at March 31,2022**
Advance to vendors - considered good	7	-
Goods and service tax input	2,171	1,927
Prepaid expenses	30	23
Total	**2,208**	**1,950**

Note 10 - Trade Payables

Particulars	**As at March 31, 2023**	**As at March 31,2022**
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises -		
- Due to others - Margin money deposits	-	-
- Due to related parties	-	-
- Other payable	144	161
Total	**144**	**161**

Note 11 - Derivative Financial Instrument

Particulars	**As at March 31, 2023**	**As at March 31,2022**
Premium Received on Options (Notional Value : Rs.1,14,260)	638	-
Total	**638**	**-**

Note 12 - Other financial liabilities

Particulars	**As at March 31, 2023**	**As at March 31,2022**
Other payable	81	81
Total	**81**	**81**

Note 13 - Provisions

Particulars	**As at March 31, 2023**	**As at March 31,2022**
Provision for gratuity	4	20
Total	**4**	**20**

(₹ in Thousands)

Note 14 - Other non-financial liabilities

Particulars	As at March 31, 2023	As at March 31,2022
Provison for expenses	237	374
Statutory liabilities	33	819
Payable to employees	2	-
Total	**272**	**1,193**

(₹ in Thousands)

Note 15 - Equtiy Share Capital

Particular	As at March 31, 2023		As at March 31,2022	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of ₹10 each	50,00,000	50,000	50,00,000	50,000
TOTAL	**50,00,000**	**50,000**	**50,00,000**	**50,000**
Issued, Subscribed and Paid up				
Equity Shares of ₹10 each fully paid up	30,00,000	30,000	30,00,000	30,000
TOTAL	**30,00,000**	**30,000**	**30,00,000**	**30,000**

Note:-

1. Terms and Rights attached to shares

- Equity Shares:

The company has only one class of equity share having a par value of ₹ 10/- per share. Each holder of equity share is entitle to one vote per share.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining asset of the company after distribution of all preferential amount.

2. The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2023 & March 31,2022 are set out below:

Particular	As at March 31, 2023		As at March 31,2022	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Equity Shares				
Shares at the beginning	30,00,000	30,000	30,00,000	30,000
Shares at the end	30,00,000	30,000	30,00,000	30,000

3. The details of shareholder holding more than 5% and shares held by the holding/ultimate holding company as at March 31,2023,& March 31, 2022 are set out below:

Particular	As at March 31, 2023		As at March 31,2022	
	No. of shares	%	No. of shares	%
Equity shares				
Reliance Capital Limited (holding company) and its nominees	30,00,000	100%	30,00,000	100%

(₹ in Thousands)

Note 16 - Other equity

Particulars	As at March 31, 2023	As at March 31,2022
Reserves and surplus		
(i) Retained earnings	32,864	22,505
(ii) Other comprehensive income	(135)	(135)
Total Other equity	**32,729**	**22,370**

Particulars	As at March 31, 2023	As at March 31,2022
(i) Retained earnings		
Opening Balances	22,505	29,488
Add : Profit/(Loss) for the period	10,359	(6,983)
Closing Balances	**32,864**	**22,505**
(ii) Other comprehensive income		
Opening Balances	(135)	(126)
Add: Other comprehensive income for the period	-	(9)
Closing Balances	**(135)**	**(135)**
Closing Balances (i+ii)	**32,729**	**22,370**

(₹ in Thousands)

Note 17 - Interest Income

Particulars	Year Ended March 31,2023	Year Ended March 31,2022
On financial assets measured at amortised costs:		
Interest on deposits with banks	1,276	1,348
Interest on inter corporate loans	96	-
Total	**1,372**	**1,348**

Note 18 - Other operating Income

Particulars	Year Ended March 31,2023	Year Ended March 31,2022
Distribution and related income	2,159	-
Total	**2,159**	**-**

Note 19 - Net gain on fair value changes

Particulars	Year Ended March 31,2023	Year Ended March 31,2022
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
(i) Derivatives	13,934	-
(ii) Equity	(223)	-
On Investments		
(i) Mutual funds	1,911	-
Total Net gain on fair value changes	**15,622**	**-**
Fair Value changes:		
Realised	14,561	-
Unrealised	1,061	-
Total Net gain on fair value changes	**15,622**	**-**

Note 20 - Other Income

Particulars	Year Ended March 31,2023	Year Ended March 31,2022
Interest on Income tax refund	49	-
liability written back	-	49
Refund of Penalties & Fines	1,000	-
Total	**1,049**	**49**

(₹ in Thousands)

Note 21 - Operating Expenses

Particulars	Year Ended March 31,2023	Year Ended March 31,2022
Business Management Charges	517	-
Total	**517**	**-**

Note 22 - Finance Cost

Particulars	Year Ended March 31,2023	Year Ended March 31,2022
On financial liabilities measured at amortised cost:		
- Inter corporate deposits	2,129	3,311
Total	**2,129**	**3,311**

Note 23 - Net loss on fair value changes

Particulars	Year Ended March 31,2023	Year Ended March 31,2022
Net loss on financial instruments at fair value through profit or loss	-	1,891
Total Net loss on fair value changes	**-**	**1,891**
Fair Value changes:		
Realised	-	1,891
Total Net loss on fair value changes	**-**	**1,891**

Note 24 - Employee Benefits Expenses

Particulars	Year Ended March 31,2023	Year Ended March 31,2022
Salaries, bonus and allowances	364	1,450
Contribution to provident fund and other funds	22	74
Staff welfare expenses	-	3
Total	**386**	**1,527**

(₹ in Thousands)

Note 25 - Other Expenses

Particulars	**Year Ended March 31,2023**	**Year Ended March 31,2022**
Insurance expense	79	30
Communication expense	1	-
Marketing and advertisement	123	-
Contractual Services	2,400	2,200
Legal and professional charges	153	682
Rates And Taxes	140	31
Provision For Doubtful Deposit	75	-
Travelling and conveyance expenses	16	28
Bank charges	-	1
Printing and stationery	-	5
Payment To Auditors		
- as Statutory audit	200	200
Membership and subscription	-	61
Miscellaneous expenses	2	5
Software expenses	-	2,000
Total	**3,189**	**5,243**

Notes to the financial statement for the year ended March 31, 2023 (₹ in thousand)

26 Auditor's Remunerations

Particulars	As at March 31, 2023	As at March 31,2022
As Auditors		
- Audit Fees	200	200
Total	**200**	**200**

27 Earnings per share

The basic earnings per share has been calculated based on the following:

Particulars	As at March 31, 2023	As at March 31,2022
Profit/ (loss) for the year after tax	**10,359**	**(6,983)**
Weighted average number of Equity Shares outstanding during the year (Nos.)	30,00,000	30,00,000
Basic & Diluted EPS of Rs. 10 each (₹)	3.45	(2.33)
Nominal value per equity share	10	10

31 Financial risk management

A The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments are used for hedging

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade and other receivables, Investments, financial assets measured at amortised cost	Ageing analysis, credit ratings	Diversification of bank deposits, credit limits and regular
Liquidity risk	Borrowings	Rolling cash flow forecasts	Availability of committed credit lines, borrowing facilities, Asset liability measurement
Market exchange - Interest rate	Long term borrowings at variable rate	Sensitivity analysis	
Market risk - Security prices	Investment in equity securities	Sensitivity analysis	Portfolio diversification

a) Credit risk management

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company.

The Company is also exposed to other credit risks arising from investments in debt securities.

Credit risk is the single largest risk for the Company's business; management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralised in a credit risk management team which reports regularly to the Board of Directors.

Expected credit loss measurement

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence & goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach that "Trade receivables outstanding for more than 90 days in case of broking business clients and outstanding for more than 180 days in case of third party distribution business clients" for the purpose of computation of expected credit loss for trade receivables and other receivables. An impairment analysis is performed at each reporting date on an individual basis for all parties. The Company evaluates the concentration of risk with respect to trade receivables as low.

Credit risk on cash and cash equivalents and other deposits with banks and exchanges are limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low.

Loss allowance

Reconciliation of loss allowance provision:

	Trade receivables	**Others Assets**
Loss allowance as on March 31, 2021	**-**	**-**
changes in loss allowance	-	-
Loss allowance as on March 31, 2022	**-**	**-**
changes in loss allowance	-	-
Loss allowance as on March 31, 2023	**-**	**-**

Write-off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Company's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering

(₹ in thousand)

28 Income tax

a) The components of income tax expense for the years ended March 31, 2023 and March 31, 2022 are:

Particulars	**Year Ended March 31,2023**	**Year Ended March 31,2022**
Current tax	226	-
Deferred tax	3,274	(2,493)
Adjustment in respect of current income tax of prior years	122	(1,099)
Total	**3,622**	**(3,592)**

b) Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation

Particulars	**Year Ended March 31,2023**	**Year Ended March 31,2022**
Accounting profit before tax	13,981	(10,575)
Tax at India's statutory income tax rate of 25.17 % (previous year 25.17%)	**3,519**	**(2,662)**
Tax effect of the amount which are not taxable in calculating taxable income :		
Other permanent difference	-	(43)
Tax on short term capital gain & Other sources	(18)	-
Deferred tax assets not created	-	211
Adjustment in respect of current income tax of prior years	122	(1,099)
		-
Income tax expense at effective tax rate	**3,622**	**(3,593)**
Effective tax rate	**25.91%**	**33.97%**
Accounting profit after tax	10,359	(6,982)

Note:-

The company has adopted new tax regime as prescribed under Section 115BAA which has been inserted in the Income Tax Act,1961 to give the benefit of a reduced corporate tax rate for the domestic companies. Section 115BAA states that domestic companies have the option to pay tax at a rate of 22% plus sc of 10% and cess of 4%. The Effective Tax rate being 25.17% for the FY 2022-23 (AY 2023-24) provided the companies adhere to certain conditions specified.

29 Employee Benefits

The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans:
The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particular	**As at March 31, 2023**	**As at March 31,2022**
Employer's Contribution to Provident Fund (Included in 'Contribution to provident and other funds' under Employee Benefits Expense)	16	55

B. Defined Benefit Plans:
Gratuity and Leave Encashment
The employees' gratuity fund scheme managed by a Trust (Reliance Securities Limited Employees Gratuity Assurance Scheme) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

	Gratuity Benefits (Funded)	
I. Change in present value of obligation:	**As at March 31, 2023**	**As at March 31,2022**
Present value of obligations at the beginning of the year	-	**99**
Interest Cost	-	3
Current Service Cost	-	8
Benefit Paid	-	-
Actuarial (gain)/loss on obligations	-	(9)
Liability for Transferred In / (out)	-	-
Present value of obligations at the end of the year	-	**121**

II. Change in the fair value of Plan Assets :	**As at March 31, 2023**	**As at March 31,2022**
Fair Value of Plan Assets at the beginning of the year	**-**	**29**
Expected Return on Plan Assets	-	3
Contributions	-	69
Benefit Paid	-	-
Actuarial gain/(loss) on Plan Assets	-	-
Assets Transferred In/(out)	-	-
Fair Value of Plan Assets at the end of the year	**-**	**101**

III. Reconciliation of present value of obligation and fair value of assets :	**As at March 31, 2023**	**As at March 31,2022**
Liability at the end of the year	-	121
Fair value of plan assets at the end of the year	-	101
(Asset) / Liability Recognised in the Balance Sheet	**-**	**20**

IV. Expenses recognised during the year :	**As at March 31, 2023**	**As at March 31,2022**
Current Service Cost	-	8
Interest Cost	-	2
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/Loss recognised	-	-
Expense Recognised in statement of profit and loss	-	10

Amount recorded in Other comprehensive Income (OCI)	**As at March 31, 2023**	**As at March 31,2022**
Remeasurements during the year due to		
-Changes in financial assumptions		
Actuarial Gain /(Loss) on obligation for the period	-	(9)
Actuarial Gain /(Loss) due to Plan Asset	-	-
Amount recognised in OCI during the year	-	(9)

V. Investment details :		
Total value of investments for employees gratuity fund scheme is managed by insurance company		
VI. Assumptions for Gratuity liability :	**As at March 31, 2023**	**As at March 31,2022**
Discount Rate (per annum)	-	6.86%
Rate of Return on Plan Assets	-	6.86%
Salary Escalation	-	6.00%
Rate of Employee Turnover	-	For service 4 years and below 16.00% p.a. & For service 5 years and above 2.00% p.a.
Mortality Rate During Employment		Indian Assured Lives Mortality(2006-08)

VII. - Particulars of amounts for the year and previous years	**Gratuity for the year ended March 31,**				
	2023	**2022**	**2021**	**2020**	**2019**
Present value of obligations at the beginning of the year	-	121	99	1,585	1,640
Fair value of plan assets at the end of the year	-	101	29	575	1,995
Excess of Obligation Over Plan Asset	-	20	70	1,010	(355)
Experience Adjustment on Plan Liability (Gain)/Loss	-	(9)	(9)	19	227
Actuarial Gain /(Loss) due to Plan Asset	-	-	(10)	7	(58)

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

C. Sensitivity analysis:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

			Impact on defined benefit obligation			
	Change in assumption		**Increase in assumption**		**Decrease in assumption**	
Particulars	**As at March 31, 2023**	**As at March 31,2022**	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2023**	**As at March 31, 2022**
Discount Rate	-	-	-	(9)	-	10
Salary growth rate	-	-	-	10	-	(9)
Employee Turnover	-	-	-	-	-	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used un preparing the sensitivity analysis did not change compared to the prior year.

(D) Major Category of Plan Asset as a % of total Plan Assets

Category of Assets (% Allocation)	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2023**	**As at March 31, 2022**
	%		**(Amount)**	
Insurer managed funds	0.00%	100.00%	-	101
Total	**0.00%**	**100.00%**	**-**	**101**

(F) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The gratuity fund is administered through Reliance Nippon Life Insurance Ltd. (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investments is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the

The gratuity fund is administered through insurer under its Group Gratuity Scheme. Unique advantage of this scheme is that contribution made by the Company and interest credited by insurer are irreversible. This ensures higher level of safety for the total corpus and consistency in future contribution. The total corpus comprising of money contributed by the Company and the interest credited by insurer is available for claim settlements to 100% subject to availability of funds. On the exit of the employees due to retirement/death/resignation the gratuity trust makes a claim on insurer which is then paid to the employees after receipt of such claim. The investment risk in this case is not borne by the Company.

(G) Defined benefit liability and employer contribution

The Company generally eliminates the deficit in the defined benefit gratuity plan with in next one year.

Expected contribution to the post employment benefit plan (Gratuity) for the year ending March 31, 2023 -Nil

The weighted average duration of the defined benefit obligation is 11 years (,2020-14,2019- 14 years, 2018 – 15 years, 2017 - 15 years).

The expected maturity analysis of undiscounted post employment benefit plan (gratuity) is as follows :

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Defined benefit obligation (gratuity)	-	-	-	-	-
March 31, 2022					
Defined benefit obligation (gratuity)	2	2	9	193	206

Reliance Securities Limited
Notes to the financial statement for the year ended March 31, 2023

(₹ in thousand)

30 Fair value measurement

a) Financial instruments by category

Particular	As at March 31, 2023			As at March 31,2022		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Cash and cash equivalents	-	-	1,599	-	-	2,845
Derivative Financial Instrument	1,048	-	-	-	-	-
Investments	41,061	-	20	-	-	20
Other Financial assets	-	-	13,419	-	-	40,534
Total financial assets	**42,109**	**-**	**15,038**	**-**	**-**	**43,399**
Financial liabilities						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	144	-	-	161
(II) Other payables			-			-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Derivative Financial Instrument	638	-	-	-	-	-
Other financial liabilities	-		81	-		81
Total financial liabilities	**638**	**-**	**225**	**-**	**-**	**242**

Notes to the financial statement for the year ended March 31, 2023 (₹ in thousand)

30 Fair value measurement (continued)

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between levels 1, 2 and 3 during the year. For transfers in and out of level 3 measurements see (iii) below.

b) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2023		As at March 31,2022	
	Carrying Value	**Fair value**	**Carrying Value**	**Fair value**
Financial assets				
Cash and cash equivalents	1,599	1,599	2,845	2,845
Other Financial assets	13,419	13,419	40,534	40,534
Total financial assets	**15,018**	**15,018**	**43,379**	**43,379**
Financial liabilities				
(I) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	144	144	161	161
(II) Other payables				
(i) total outstanding dues of micro enterprises and small	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
Other financial liabilities	81	81	81	81
Total financial liabilities	**225**	**225**	**242**	**242**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, Trade receivables, cash and cash equivalents, bank deposits and trade payables. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the financial statement for the year ended March 31, 2023 (₹ in thousand)

b) Liquidity risk and funding management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and

i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Expiring within one year	As at March 31, 2023	As at March 31,2022
Floating rate		
Overdraft facilities	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.

ii) Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the company's financial assets and liabilities as at March 31. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at March 31, 2023

Contractual maturities of assets and liabilities	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial assets						
(a) Cash and cash equivalents	1,599	-	-	-	-	**1,599**
(b) Derivative Financial Instrument	-	1,048	-	-	-	**1,048**
(c) Investments	-	41,061	-	-	20	**41,081**
(d) Other Financial assets	-	13,181	238	-	-	**13,419**
Total financial assets	**1,599**	**55,290**	**238**	**-**	**20**	**57,147**
Financial liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	**-**
(ii) total outstanding dues of creditors other than micro enterprises and small	-	144	-	-	-	**144**
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	**-**
(ii) total outstanding dues of creditors other than micro enterprises and small	-	-	-	-	-	**-**
Derivative Financial Instrument	-	638	-	-	-	**638**
Other financial liabilities	-	-	81	-	-	**81**
Total financial liabilities	**-**	**782**	**81**	**-**	**-**	**863**
Net	**1,599**	**54,508**	**156**	**-**	**20**	**56,283**

Notes to the financial statement for the year ended March 31, 2023 (₹ in thousand)

As at March 31, 2022

Contractual maturities of assets and liabilities	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial assets						
(a) Cash and cash equivalents	2,845	-	-	-	-	**2,845**
(b) Investments	-	-	-	20	-	**20**
(c) Other Financial assets	-	-	40,534	-	-	**40,534**
Total financial assets	**2,845**	**-**	**40,534**	**20**	**-**	**43,399**
Financial liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	**-**
(ii) total outstanding dues of creditors other than micro enterprises and small	-	-	161	-	-	**161**
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	**-**
(ii) total outstanding dues of creditors other than micro enterprises and small	-	-	-	-	-	**-**
Borrowings	-	-	-	-	-	**-**
Other financial liabilities	-	-	81	-	-	**81**
Total financial liabilities	**-**	**-**	**242**	**-**	**-**	**242**
Net	**2,845**	**-**	**40,292**	**20**	**-**	**43,157**

c) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest

Cash flow and fair value interest rate risk

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

i) Interest rate risk exposure

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

Particulars	As at March 31, 2023	As at March 31,2022
Fixed rate borrowing	-	-
Total Borrowing	**-**	**-**

B Capital management

Risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital and accumulated profits. The Company avails borrowings only for day to day working capital requirement for daily core business operations.
The company has not paid dividend in last three year to equity stock holders of the

32 **Disclosure in accordance with Ind-AS 24 Related party transactions**

I. List of Related Parties and their relationship

(A) Parties by whom control exists during the year

Reliance Capital Limited*	Holding Company

(B) Subsidiaries & Associate Companies of Holding Company

Reliance General Insurance Company Limited	Fellow subsidiary
Reliance Nippon Life Insurance Company Limited	Fellow subsidiary
Reliance Securities Limited	Fellow subsidiary
Reliance Financial Limited	Fellow subsidiary

(C) Key management personnel

Directors of the Company*	Mr. Sanjay Sharma (w.e.f. April 15, 2022) Mr. Amit Agrawal (till April 15, 2022) Ms. Asha Garg (till 1 November 2022) Mr. Niraj Kumar Anand (w.e.f October 06,2022) Mr. Arun Shivaraman Kumar

Note : * No transaction taken place during the year ended March 31,2023.

Notes to the financial statement for the year ended March 31, 2023 (₹ in thousand)

II. Transactions with related parties during the year:

Nature of Transaction	Holding company		Fellow Subsidiaries	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Bond Transactions				
Reliance Financial Limited				
Purchase of Bonds (Face Value of Rs. 1,00,000 by 450 quantity)	-	-	-	10,125
Unsecured loan (Inter Corporate Deposit)				
Reliance Financial Limited				
Opening balance	-	-	-	-
Taken during the year	-	-	6,75,500	81,79,700
Repaid during the year	-	-	(6,75,500)	(81,79,700)
Closing balance	-	-	-	-
Maximum outstanding during the year	-	-	77,700	1,91,500
Reliance Financial Limited				
Opening balance	-	-	-	-
Given during the period	-	-	2,21,800	-
Repaid during the period	-	-	(2,21,800)	-
Closing balance	-	-	-	-
Maximum outstanding during the year	-	-	39,000	-

Nature of Transaction	Holding company		Fellow Subsidiaries	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Receipts/Income				
Interest Income on ICD				
Reliance Financial Limited	-	-	96	-
Reimbursement of FD Income				
Reliance Securities Limited	-	-	-	813
Payments/expenditures				
Interest on Inter Corporate Deposits				
Reliance Financial Limited	-	-	2,129	3,311
Quant Capital Private Limited	-	-		-
Insurance				
Reliance General Insurance Company Limited	-	-	82	73
Management Fees				
Reliance Financial Limited	-	-	517	-
Brokerage Expenses				
Reliance Securities Limited	-	-	125	7,598
Receivable / (Payable)				
Reliance Securities Limited (Net)	-	-	13,176	40,219

(F) ***Terms & conditions***

All transactions were made on normal commercial terms and conditions.
All outstanding balances are unsecured and are repayable in cash.

The remuneration to key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

33 Additional notes as per revised schedule III amended effective from April 01, 2021

I Details of Immovable Properties whose title deeds are not held in name of the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company (also indicate if in dispute)
NIL						

II Revaluation of Intangible assets and/or PPE (including Right-of-Use Assset) and Fair Value of Investment Property

The Company has not revalued its Intangible assets and PPE (including Right-of-Use Assset) during the year. The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

III Loans or Advances granted to promoters, directors, KMPs and the related parties

No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

IV Capital Work-in-progress: i) CWIP Ageing Schedule ii) CWIP copmletion schedule

CWIP aging schedule

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total*
Projects in progress	NIL				
Projects temporarily suspended					

*Total shall tally with CWIP amount in the balance sheet

CWIP completion schedule

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years
NIL				

V Intangible assets under development:

(i) Intangible assets under development aging schedule

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total*
Projects in progress	NIL				
Projects temporarily suspended					

* Total shall tally with the amount of Intangible assets under development in the balance sheet.

(ii) Intangible assets under development completion schedule **

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years
NIL				

**Details of projects where activity has been suspended shall be given separately.

VI The company does not have any benami property under the Benami Transactions (Prohibition) Act, 1988)

VII The company does not have any borrowings from banks or financial institution on security of current assets and accordingly, no question of willfull defaulter applicable to the company during the year.

VIII Information in respect of transactions with companies struck off under section 248 of companies Act, 2013.

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
NIL			

IX No cases of charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

X The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of

XI The company doesn't not have any arrangement in terms of section 230 to 237 of companies act 2013

XII The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities/Intermediaries during the year.

XIII The company has 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.

XIV Details in respect of CSR Activities

Particulars	(₹ thousands)
(a) amount required to be spent during the year	Nil
(b) amount of expenditure incurred	
(c) shortfall at the end of the year	
(d) total of previous years shortfall	
(e) reason for shortfall	
(f) nature of CSR activities	
(g) details of related party transactions	
(h) If provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	

XV Details pertaining to Crypto Currency or Virtual Currency

Particulars	(₹ thousands)
(a) profit or loss on transactions involving Crypto currency or Virtual Currency	Nil
(b) amount of currency held	
(c) deposits or advances from any person for the purpose of trading or investing in Crypto Currency or virtual currency	

(XVI) Key Financial Ratios

I.Return on Equity Ratio

Particulars	As at March 31, 2023	As at March 31,2022	Variance
Net profit (A)	10,359	(6,992)	
Shareholder equity (B)	62,729	52,370	
Return on Equity (A/B)	0.17	(0.13)	224%

II.Net capital turnover ratio

Particulars	As at March 31, 2023	As at March 31,2022	Variance
Total Revenue from operation (A)	19,153	1,348	
Shareholder equity (B)	62,729	52,370	
Net capital turnover ratio (A/B)	0.31	0.03	1086%

III.Net profit ratio

Particulars	As at March 31, 2023	As at March 31,2022	Variance
Net profit (A)	10,359	(6,992)	
Total Revenue from operation (B)	19,153	1,348	
Net profit ratio (A/B)	0.54	-5.19	90%

Reason for Variance (if more than 25%)

Revenue Growth has resulted in improvement in ratios.

34 The Company is into prop trading activitiy, As the Company is engaged only in one business segment and there are no geographical segments, the Balance Sheet for the year ended March 31, 2023, and Statement of Profit and Loss for the year ended March 31, 2023 pertain to one business segment and related activities as per Ind AS 108 on Operating Segment"

35 On account of inadequate average net profits of immediately preceding 3 years, the Company is not required to pay any amount towards corporate social responsibility as defined under section 135 of Companies Act 2013.

36 Previous period figures have been regrouped/ rearranged wherever necessary.

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For Gupta Rustagi & Co.
Chartered Accountants
Firm registration No. 128701W

Sd/-
Niraj Gupta
Partner
Membership No: 100808
Place : Mumbai
Date: 05th May,2023

For and on behalf of the Board of Directors

Sd/-
Sanjay Sharma
Director
DIN:09592199

Sd/-
Arun Kumar
Director
DIN:05282842