

Financial Statement

2019-20

Reliance Corporate Advisory Services Limited

M. S. Sethi & Associates

Chartered Accountants

Manoj Sethi

B.Com., F.C.A.

191-R, Cavel Cross Lane No.9

2nd Floor, Dr. Viegas Street

Kalbadevi, Mumbai - 400 002

Tel. 9324517501

Independent Auditors' Report

To The Members of

Reliance Corporate Advisory Services Limited

Opinion

1. We have audited the accompanying financial statements of **Reliance Corporate Advisory Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "the financial statements").
2. 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 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, 2020, and its Loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Management's Responsibility for the Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Other Information

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's report and shareholders' information included in the annual 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 material misstatement therein; we are required to report that fact. We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
9. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the 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 Indian Accounting Standards prescribed under section 133 of the Act;
- e) On the basis of the written representations received from the Directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a Director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”;
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any managerial remuneration to directors during the year.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) There were no pending litigations which would impact financial position of the Company.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and protection fund by the Company during the year ended March 31, 2020.

For M. S. Sethi & Associates

Chartered Accountants
Firm Regn.No.109407W

Sd/-

Manoj Sethi

Proprietor
Membership No.039784

Place: Mumbai

Date: May 05, 2020

UDIN: 20039784AAAANC2899

ANNEXURE A TO THE AUDITORS' REPORT

Referred to in our Report of even date on Accounts of **Reliance Corporate Advisory Services Limited** for the year ended March 31, 2020

- i) The Company has no fixed assets hence clause 3(i) of the Order is not applicable.
- ii) As explained to us, there is no inventory hence clause 3(ii) of the Order is not applicable.
- iii) In our opinion and according to the information and explanations given to us, the Company has granted unsecured loans to companies covered in the register maintained pursuant to section 189 of the Act. According to the information and explanations given to us, the repayment of loan is on demand and the terms and conditions are not prima facie, prejudicial to the interest of the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with provisions of section 185 and 186 of the Act, with respect to the loans and investments made
- v) According to information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) According to the information and explanations given to us, no cost records have been prescribed by the Central Government of India under section 148(1) of the Act.
- vii) (a) Based on our examination of the books and records, the Company has generally been regular in depositing with appropriate authority undisputed statutory dues including provident fund, income-tax, duty of customs, cess and other statutory dues, wherever applicable, during the year. Further no undisputed amounts payable in respect of provident fund, income tax, duty of customs, Goods and Service Tax, Cess and other statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(b) As per the information and explanations given to us, there are no disputed statutory dues pending to be deposited with the respective authorities by the Company.
- viii) The Company has not raised any funds from financial institutions or banks or by issue of debentures during the year, hence, question of repayment of dues to them does not arise.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) The Company has not paid any managerial remuneration. Hence paragraph 3(xi) of the Order is not applicable.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M. S. Sethi & Associates
Chartered Accountants
Firm Registration No. 109407W

Sd/-
Manoj Sethi
Proprietor
Membership No. 039784

Place: Mumbai
Date: May 05, 2020

ANNEXURE B TO THE AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Reliance Corporate Advisory Services Limited** of even date)

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

We have audited the internal financial controls over financial reporting of **Reliance Corporate Advisory Services Limited** ("the Company") as of March 31, 2020 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 March 31, 2020, 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 issued by ICAI.

For M. S. Sethi & Associates

Chartered Accountants

Firm Registration No. 109407W

Sd/-

Manoj Sethi

Proprietor

Membership No. 039784

Place: Mumbai

Date: May 05, 2020

Reliance Corporate Advisory Services Limited
Balance Sheet as at March 31, 2020

Amount in Rs.

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Financial assets			
Cash and cash equivalents	3	9 62 405	4 43 48 519
Loans & Advances	4	915 71 50 000	19 57 00 000
Investments	5	994 31 07 358	668 64 80 682
Other financial assets	6	91 27 18 490	61 28 786
Non-financial assets			
Income tax assets (Net)	7	2 59 87 395	48 92 139
Other non-financial assets	8	1 73 76 059	60 37 160
TOTAL ASSETS		2005 73 01 706	694 35 87 286
EQUITY AND LIABILITIES			
Liabilities			
Financial liabilities			
Borrowings	9	1436 05 22 233	-
Other financial liabilities	10	109 35 02 584	1 10 249
Non-financial Liabilities			
Other non-financial liabilities	11	1 81 145	78 500
Equity			
Equity share capital	12	1235 65 00 000	1235 65 00 000
Other equity	13	(775 34 04 256)	(541 31 01 463)
Total equity		460 30 95 744	694 33 98 537
TOTAL EQUITY AND LIABILITIES		2005 73 01 706	694 35 87 286

The accompanying notes are integral part of these financial statements.
As per our Report of even date

For and on behalf of the Board

For M.S.Sethi & Associates
Chartered Accountants
Firm Registration No. : 109407W

Yogesh Vijay Deshpande
Director

Madan Mohan Chaturvedi
Director

Manoj Sethi
Proprietor
Membership No : 039784

Varun Agarwal
Chief Financial Officer

Sonal Dhanji Katariya
Company Secretary

Place : Mumbai
Date: May 05, 2020

Place: Mumbai
Date: May 05, 2020

Reliance Corporate Advisory Services Limited
Statement of Profit and Loss for the year ended March 31, 2020

Amount in Rs.

Particulars	Note No.	2019-20	2018-19
Revenue			
Revenue from Operations	14	40 08 75 000	1 12 47 000
Other income	15	26 34 36 382	5 69 85 594
Total revenue		66 43 11 382	6 82 32 594
Expenses			
Cost of goods purchased		40 08 75 000	-
Fair value changes	16	135 22 37 827	-
Finance costs	17	124 38 78 093	18 22 488
Others expenses	18	76 23 254	10 15 468
Total expenses		300 46 14 174	28 37 956
Profit / (loss) before tax		(234 03 02 792)	6 53 94 638
Income tax expense:	19		
- Current tax		-	-
- Deferred tax		-	-
Profit / (loss) for the year		(234 03 02 792)	6 53 94 638
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(234 03 02 792)	6 53 94 638
Earnings per equity share face value of Rs. 10 each fully paid-up	20		
- Basic (Rs.)		(1.89)	0.053
- Diluted (Rs.)		(1.89)	0.053

The accompanying notes are integral part of these financial statements.

As per our Report of even date

For M.S.Sethi & Associates

Chartered Accountants

Firm Registration No. : 109407W

Yogesh Vijay Deshpande
Director

Madan Mohan Chaturvedi
Director

Manoj Sethi

Proprietor

Membership No : 039784

Varun Agarwal
Chief Financial Officer

Sonal Dhanji Katariya
Company Secretary

Place : Mumbai

Date: May 05, 2020

Place: Mumbai

Date: May 05, 2020

Reliance Corporate Advisory Services Limited
Statement of changes in equity for the year ended March 31, 2020

12 Equity share capital (Refer Note-11)

	Quantity	Amount in Rs.
As at April 01, 2018	123 56 50 000	1235 65 00 000
Changes in equity share capital	-	-
As at March 31, 2019	123 56 50 000	1235 65 00 000
Changes in equity share capital	-	-
As at March 31, 2020	123 56 50 000	1235 65 00 000

13 Other equity (Refer Note-12)

	Reserves and surplus	Other comprehensive income	Total other equity
	Securities premium	Retained Earnings	
Balance as at April 1, 2018		(547 84 96 102)	(547 84 96 102)
Surplus/(deficit) in the Statement of Profit and Loss	-	6 53 94 638	6 53 94 638
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	6 53 94 638	6 53 94 638
Balance as at March 31, 2019	-	(541 31 01 463)	(541 31 01 463)
Surplus/(deficit) in the Statement of Profit and Loss	-	(234 03 02 792)	(234 03 02 792)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(234 03 02 792)	(234 03 02 792)
Balance as at March 31, 2020		(775 34 04 256)	(775 34 04 256)

The accompanying notes are integral part of these financial statements.
As per our Report of even date

For and on behalf of the Board

For M.S.Sethi & Associates
Chartered Accountants
Firm Registration No. : 109407W

Yogesh Vijay Deshpande
Director

Madan Mohan Chaturvedi
Director

Manoj Sethi
Proprietor
Membership No : 039784

Varun Agarwal
Chief Financial Officer

Sonal Dhanji Katariya
Company Secretary

Place : Mumbai
Date: May 05, 2020

Place: Mumbai
Date: May 05, 2020

Reliance Corporate Advisory Services Limited
Cash flow Statement for the year ended March 31, 2020

Amount in Rs.

Particulars	For the year ended 2019-20	For the year ended 2018-19
Cash flows from operating activities		
Profit/(Loss) before tax:	(234 03 02 792)	6 53 94 638
Adjusted for:		
Interest income	(25 96 34 315)	(73 13 612)
Net gain on fair value changes	135 22 37 827	(4 55 56 134)
Stale cheques written back	-	(67 184)
Interest expense	118 63 78 093	18 22 488
Operating profit before working capital changes	(6 13 21 187)	1 42 80 196
Adjusted for:		
Other non-financial assets	(1 13 38 899)	11 16 612
Other financial assets	(187 15 29 571)	30 400
Loans given	(896 14 50 000)	(19 57 00 000)
Other financial liability	109 34 94 980	(2 18 36 577)
Cash generated in operations	(981 21 44 677)	(20 21 09 369)
Taxes paid (net)	(2 10 95 256)	(11 81 204)
Net Cash used in operating activities	(983 32 39 933)	(20 32 90 573)
Cash flows from investing activities		
Purchase of investment measured at FVTPL	(553 41 80 951)	(20 90 97 960)
Interest received	3 79 77 050	22 76 712
Sale of Investments measured at FVTPL	92 55 35 485	45 36 97 607
Net cash inflow / (outflow) from investing activities	(457 06 68 416)	24 68 76 359
Cash flows from financing activities		
Proceeds from borrowings	1566 89 72 235	-
Repayment of borrowings	(130 84 50 000)	-
Interest paid	-	(18 22 488)
Net cash from financing activities	1436 05 22 235	(18 22 488)
Net increase / (decrease) in Cash and Bank Balances	(4 33 86 114)	4 17 63 299
Add : Cash and cash equivalents at beginning of the year	4 43 48 519	25 85 219
Cash and cash equivalents at end of the year	9 62 405	4 43 48 519

As per our Report of even date

For M.S.Sethi & Associates

Chartered Accountants

Firm Registration No. : 109407W

For and on behalf of the Board

Director

Yogesh Vijay Deshpande

Director

Madan Mohan Chaturvedi

Manoj Sethi

Proprietor

Membership No : 039784

Varun Agarwal

Chief Financial Officer

Sonal Dhanji Katariya

Company Secretary

Place: Mumbai

Date: May 05, 2020

Place: Mumbai

Date: May 05, 2020

Note 1 : Background

Reliance Corporate Advisory Services Limited is incorporated to promote either on its own or in association with one or more entities to acquire, purchase or otherwise obtain the membership or trading rights and clearing membership in any Stock Exchanges which will be recognised under the applicable laws for the time being in force. The Company also deals in trading of goods, commodities and finance activity.

Note 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Note 2.01 Basis of preparation

(i) The financial statements have been prepared on a historical cost basis, except for the assets and liabilities that require measurement at fair value in accordance with Ind AS.

(iii) These financial statements are presented in Indian Rupees which is functional currency of the Company. All amounts are rounded off to the nearest rupee, unless stated otherwise.

Note 2.02 Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Note 2.03 Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known/ materialised. Estimates and underlying assets are reviewed on periodical basis. Revisions to accounting estimates are recognised prospectively.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgement in applying the accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Note 2.04 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, 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.

Note 2.05 Financial Instruments

A. Financial Assets

i) Classification

The company classifies its financial assets in the following measurement categories:

1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

2) those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Statement of Profit or Loss are expensed in the Statement of Profit and Loss.

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

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

b) Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). 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 which are recognised in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses) Interest income from these financial assets is included in other income using the effective interest rate method.

c) Fair value through statement of profit or loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Statement of Profit or Loss. Interest income from these financial assets is included in other income.

iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

iv) Derecognition of Financial Assets

A financial asset is derecognized only when

1) The company has transferred the rights to receive cash flows from the financial asset; or

2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. Financial Liabilities

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Note 2.06 Borrowings

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

Note 2.07 Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

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 are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

Note 2.08 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivables.

i) Management fees

Management fees is recognised on accrual basis in accordance with agreement with clients.

ii) Interest income

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

iii) Income from investments

Profit / (Loss) earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on weighted average basis.

iv) Dividend income

Dividend income is recognised when the right to receive payment is established. average basis.

v) Trading in commodities

Sale is recognised at the rate prevalent on the trade date.

Note 2.09 Income Taxes

(i) 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. 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.

(ii) 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 consolidated financial statements. However, deferred tax liabilities are not recognised 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 realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

(iii) 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.

(iv) Current and deferred tax is recognised in the Statement of Profit and 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.

Note 2.10 Earnings Per Share

In determining Earnings per Share, the Company considers net profit after tax and includes post tax effect of any exceptional item. Number of shares used in computing basic earnings per share is the weighted average number of the shares, outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any except when result will be anti - dilutive. Dilutive potential equity Shares are deemed converted as at the beginning of the period, unless issued at a later date.

Reliance Corporate Advisory Services Limited
Notes to Financial Statement for the year ended March 31, 2020

	Amount in Rs.	
	As at March 31, 2020	As at March 31, 2019
3 Cash and cash equivalents		
Balances with banks:		
In current accounts	9 62 405	4 43 48 519
Total	9 62 405	4 43 48 519

	As at March 31, 2020	As at March 31, 2019
4 Loans & Advances		
At amortised cost		
-Related Party (refer note no.25)	359 58 50 000	1 77 00 000
-Others	556 13 00 000	17 80 00 000
Total (A) - Gross	915 71 50 000	19 57 00 000
(Less): Impairment loss allowance	-	-
Total (A) - Net	915 71 50 000	19 57 00 000
Unsecured	915 71 50 000	19 57 00 000
Total (B) - Gross	915 71 50 000	19 57 00 000
(Less): Impairment loss allowance	-	-
Total (B) - Net	915 71 50 000	19 57 00 000
Loans in India		
- Public sector	-	-
- Others	915 71 50 000	19 57 00 000
Total (C) - Gross	915 71 50 000	19 57 00 000
(Less): Impairment loss allowance	-	-
Total (C) - Net	915 71 50 000	19 57 00 000

Reliance Corporate Advisory Services Limited
Notes to Financial Statement for the year ended March 31, 2020

	Amount in Rs.				
	Face Value / Issue Price Rs.	Quantity As at March 31, 2020	Quantity As at March 31, 2019	Value As at March 31, 2020	Value As at March 31, 2019
Other Investments :-					
5 Investments					
a) Investment in Equity Shares :-					
i) Quoted, fully paid-up at FVTPL					
Kinetic Engineering Limited	10	5 99 700	5 99 700	73 76 310	2 35 08 240
Mangalore Chemical & Fertilisers Limited	10	32 45 158	32 45 158	7 86 95 082	13 33 75 994
Ventura Textiles Limited	10	3 21 875	3 21 875	16 89 844	13 90 500
Total				8 77 61 235	15 82 74 734
ii) Unquoted, fully paid-up - Subsidiary & Fellow Subsidiary Company					
Reliance Underwater Systems Private Limited	10	1 39 999	-	13 99 990	-
Reliance Capital Pension Fund Limited	10	42 50 000	42 50 000	4 54 86 501	4 90 02 500
ii) Unquoted, Fully Paid Up - Others					
All Green Energy India Private Limited	1	10	10	-	-
Awidit Systems Private Limited	10	10	10	1 54 545	1 54 545
BLR Logistics Private Limited	10	15 90 200	15 90 200	18 51 31 084	18 51 31 084
Business Broadcast News Holdings Limited	10	14 68 109	14 68 109	7 91 98 118	7 91 98 118
Billionloans Financial Services Private Limited	10	2 63 250	2 63 250	5 21 28 714	5 21 28 714
Fairwinds Asset Managers Limited	10	9 950	9 950	-	-
Gradatim IT Ventures (India) Private Limited	10	64	64	1 849	1 849
iMonitor Solutions India Private Limited	10	10	10	1 235	1 235
Kit Automotive & Tubular Products Limited	10	5 25 000	5 25 000	10 41 28 500	10 41 28 500
Naffa Innovations Private Limited	10	10	10	8 01 650	8 01 650
Indian Commodity Exchange Limited	10	16 66 667	16 66 667	1 63 83 337	5 54 49 685
Paytm E-Commerce Private Limited	10	7 924	7 924	79 240	79 240
Reliance Money Infrastructure Limited	10	5 000	5 000	50 000	50 000
The Catholic Syrian Bank Limited	10	6 33 334	6 33 334	7 60 00 080	7 60 00 080
Wellspring Healthcare Private Limited	5	10	10	7 243	7 243
Total				43 80 65 515	55 31 31 943
b) Unquoted, fully paid-up Preference Shares					
All Green Energy India Private Limited Compulsorily Convertible Preference Shares Series - A		1 60 115		-	-
Awidit Systems Private Limited- Seed fund 1% cumulative participating fully convertible preference shares		2 576		3 98 10 921	3 98 10 921
Gradatim IT Ventures (India) Private Limited 5% Fully Compulsorily Convertible Participating Preference Shares	10	6 37 191	6 37 191	1 84 06 151	1 84 06 151
Grover Zampa Vineyards Limited 0% Convertible Preference Shares	10	6 93 093	6 93 093	5 01 71 481	5 01 71 481
iMonitor Solutions India Private Limited Series A CCPS	10	2 35 990	2 35 990	2 91 42 405	2 91 42 405
Microfirm Capital Private Limited - 8% Series XII	10	-	1 25 000	-	34 66 45 674
Microfirm Capital Private Limited - 10% Series XIV	10	19 300	1 25 000	5 06 87 497	32 82 86 898
Naffa Innovations Private Limited Series A CuC Preference Shares	10	2 095	2 095	16 79 45 675	16 79 45 675
Reliance Big Entertainment Private Limited-13% Non Cumulative Redeemable Preference Share (Series II)	1	136 00 00 000	136 00 00 000	-	136 00 00 000
Wellspring Healthcare Private Limited Preference Shares	50	12 215	12 215	88 46 958	88 46 958
Total				36 50 11 088	234 92 56 163
c) Investments in debentures or bonds					
Unquoted, fully paid-up at amortised cost					
0% Non-Convertible Debentures Fairwinds Asset Managers Limited	1 000	3 50 259	3 50 259	8 04 27 253	8 04 27 253
0% Grover Zampa Vineyards Limited Fully Convertible Debenture	100	9 96 371	9 96 371	7 48 74 032	7 48 74 032
Galax Minerals Private Limited - Non Marketable Optionally Convertible Debentures	1 000	5 00 000	5 00 000	16 83 82 648	16 83 82 648
Kartavya Financial Advisory Services Private Limited -Optionally Convertible Debentures	1 00 000	2 500	2 500	13 76 22 984	13 76 22 984
KRG Polychem Private Limited - Non-Convertible Debentures	10 00 000	210	-	21 00 00 000	-
Mahima Stock Private Limited Optionally Convertible Debentures	1 00 000	2 500	2 500	13 76 22 984	13 76 22 984
Media Capital Company India Private Limited Optional Convertible Debenture 19 Jan 2021	1 000	14 50 000	14 50 000	91 85 11 625	91 85 11 625
Meru Minerals Private Limited - Non Marketable Optionally Convertible Debentures	1 000	18 50 000	18 50 000	62 30 15 796	62 30 15 796
Monsoon Studios Private Limited .0001%OCD28Mar2031	1 000	15 90 000	15 90 000	4 67 75 337	4 67 75 337
Monsoon Studios Private Limited Secured,0.001% Redeemable, Optionally convertible, Private Placed Debenture 28 March 2026	1 000	10 90 000	10 90 000	37 04 78 818	37 04 78 818
Paidia Conconnection Private Limited - Non Marketable Optionally Convertible Debentures	1 000	20 00 000	20 00 000	67 35 30 590	67 35 30 590
Reliance Power 13.71% Non-Convertible Debentures	10 00 000	2 500	-	250 00 00 000	-
Reliance Home Finance 14% Non-Convertible Debentures	5 00 000	1 631	-	81 55 00 000	-
Reliance Commercial Finance 14% Non-Convertible Debentures	10 00 000	2 000	-	200 00 00 000	-
Shine Star Build-Cap Private Limited 0% NCD M-06 Feb 2021	200	15 00 000	15 00 000	9 03 46 383	9 03 46 383
Total				884 70 88 448	332 15 88 448
(d) Investment in units of Seed/Equity fund					
Unquoted, fully paid-up					
Ankur Capital Fund	1000	3 000	3 000	2 91 38 768	2 92 87 340
Exfinity Technology Fund - Series II	200000	50	50	2 95 29 990	2 20 29 990
Paragon partners Growth Fund-I	100	-	9 02 132	-	7 18 56 801
Indian Receivable Trust 2019 Series 5	1000400	132	132	9 96 25 823	13 20 52 763
Total				15 82 94 581	25 52 26 894
Grand Total				994 31 07 358	668 64 80 682

Reliance Corporate Advisory Services Limited
Notes to Financial Statement for the year ended March 31, 2020

	Amount in Rs.	
	As at March 31, 2020	As at March 31, 2019
6 Other financial assets		
(Unsecured, Considered good)		
Interest accrued on loans	61 47 99 629	61 01 886
Interest accrued on debentures	29 79 18 861	26 900
Total	91 27 18 490	61 28 786
7 Income tax assets		
Income tax paid in advance	2 59 87 395	48 92 139
Total	2 59 87 395	48 92 139
8 Other non-financial asset		
(Unsecured, Considered good)		
Other Receivables	1 20 250	-
Balance with Goods and Service tax authorities	1 72 55 809	60 37 161
Total	1 73 76 059	60 37 161
9 Borrowings (other than debt securities)		
At amortised cost		
Inter-Corporate Deposits (unsecured)		
- From related companies (refer note no.25)	1436 05 22 233	-
Total	1436 05 22 233	-
10 Other financial liabilities		
Interest on loans (unsecured)	109 33 17 684	-
Other payables	1 84 900	1 10 250
Total		
11 Other non-financial liabilities		
Statutory dues	1 81 145	78 500
Total	1 81 145	78 500

Reliance Corporate Advisory Services Limited
Notes to Financial Statement for the year ended March 31, 2020

				Amount in Rs.	
		As at March 31, 2020		As at March 31, 2019	
		Quantity	Value	Quantity	Value
12	Equity share capital				
	Authorised				
	Equity shares of Rs. 10 each	124 30 00 000	1243 00 00 000	124 30 00 000	1243 00 00 000
	Issued, subscribed & paid-up				
	Equity shares of Rs. 10 each fully paid up	123 56 50 000	1235 65 00 000	123 56 50 000	1235 65 00 000
		123 56 50 000	1235 65 00 000	123 56 50 000	1235 65 00 000

a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year.

a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:				
	As at March 31, 2020		As at March 31, 2019	
	Qty	Amount	Qty	Amount
Outstanding at the beginning of the year	123 56 50 000	1235 65 00 000	123 56 50 000	1235 65 00 000
Shares issued / bought back during the year	-	-	-	-
Outstanding at the end of the year	123 56 50 000	1235 65 00 000	123 56 50 000	1235 65 00 000

b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) The details of shareholders, holding more than 5% and shares held by the holding/ultimate holding company.

		As at March 31, 2020	As at March 31, 2019
Name of the holder		Qty	Qty
Reliance Capital Limited		121 80 00 000 98.57%	121 80 00 000 98.57%

13 Reserves and Surplus

Surplus/(deficit) in the Statement of Profit and Loss

Opening balance	(541 31 01 463)	(547 84 96 102)
Net profit for the year / (loss)	(234 03 02 792)	6 53 94 638
Closing balance	(775 34 04 256)	(541 31 01 463)

Reliance Corporate Advisory Services Limited
Notes to Financial Statement for the year ended March 31, 2020

Amount in Rs.

	2019-20	2018-19
14 Revenue from Operations		
Sale of gold coins	40 08 75 000	-
Advisory Fees	-	1 12 47 000
Total	40 08 75 000	1 12 47 000

	2019-20	2018-19
15 Other income		
Dividend income	32 64 458	34 70 158
Other income from investments	2 19 039	12 11 726
Interest income from loans	25 96 34 315	61 01 886
Interest on income tax refund	3 18 570	2 465
Other income from investment in funds	-	5 76 041
Fair value changes and Profit on sale of investments (net)	-	4 55 56 134
Credit balance written back	-	67 184
Total	26 34 36 382	5 69 85 594

	2019-20	2018-19
16 Fair value change		
Realised (gain)/ loss - net	(12 08 58 018)	-
Unrealised (gain)/ loss - net	147 30 95 845	-
Total		

	2019-20	2018-19
17 Finance cost		
On financial liabilities measured at amortised cost:		
Inter corporate deposits	118 63 78 093	18 22 488
Processing fees	5 75 00 000	-
Total	124 38 78 093	18 22 488

	2019-20	2018-19
18 Other expenses		
Bank charges	4 234	38 122
Rates and taxes	46 400	22 400
Legal & Professional Fees	14 16 860	8 84 946
Business Promotion Expenses	50 85 760	-
Directors' sitting fees	20 000	40 000
Payments to auditors [refer note (a) below]	50 000	30 000
Donation	10 00 000	-
Total	76 23 254	10 15 468

a) Breakup of Auditors' remuneration

Particulars	2019-20	2018-19
Audit fees	50 000	30 000
Total	50 000	30 000

19 Income tax

a) The components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are:

Amount in Rs.		
Particulars	2019-20	2018-19
Current tax	-	-
Adjustment in respect of current income tax of prior years	-	-
Deferred tax	-	-
Total	-	-

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 between the tax expense and the accounting profit multiplied by domestic tax rate.

Particulars	2019-20	2018-19
Accounting profit before tax	(234 03 02 792)	6 53 94 638
Statutory income tax rate	27.82%	27.82%
Tax at India's statutory income tax rate	(65 10 72 237)	1 81 92 788
Tax effect of the amount which are not taxable in calculating taxable income :		
- Provision for Doubtful debts	-	(18 691)
- Reduction in opening deferred tax asset resulting from reduction in tax rate	-	-
- Increase in opening deferred tax asset resulting from increase in tax rate	-	-
- Deferred Tax asset not recognised in books on current year loss	-	-
- 1/5th of the transition amount restricted to the current year's profit	65 10 72 237	(1 81 74 098)
Income tax expense at effective tax rate	-	-
Effective tax rate	0%	0%

c) Deferred tax assets/liabilities

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities / assets:

Particulars	As at April 1, 2018	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2019
Deferred tax liability :				
Property, plant and equipment	-	-	-	-
	-	-	-	-
Deferred tax asset :				
Expenses allowable for tax purpose when paid	-	-	-	-
Impairment allowance for financial assets	-	-	-	-
Tax losses and unabsorbed depreciation	23 43 673	-	-	-
	23 43 673	-	-	7 36 17 068
Net deferred tax (asset) / liability	(23 43 673)	-	-	(7 36 17 068)

Particulars	As at April 1, 2019	Charged/ (credited) to OCI	
Deferred tax liability :			
Property, plant and equipment	-	-	-
	-	-	-
Deferred tax asset :			
Expenses allowable for tax purpose when paid	-	-	-
Impairment allowance for financial assets	-	-	-
Tax losses and unabsorbed depreciation	7 36 17 068	-	-
	7 36 17 068	-	7 36 17 068
Net deferred tax (asset) / liability	(7 36 17 068)	-	(7 36 17 068)

20 Earnings per share (EPS)

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

Particulars	2019-20	2018-19
Net profit after tax available for equity shareholders	(234 03 02 792)	6 53 94 638
Weighted average number of equity shares	123 56 50 000	123 56 50 000
Earnings per equity share (Basic and Diluted) as restated	(1.89)	0.053

Note: Since there are no Potential Anti Dilutive Equity Shares, the Basic EPS and Diluted EPS are same.

21 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Amount in Rs.

Particulars	As at March 31, 2020			As at March 31, 2019		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	9 62 405	-	9 62 405	4 43 48 519	-	4 43 48 519
Loans	915 71 50 000	-	915 71 50 000	19 56 69 600	30 400	19 57 00 000
Investments	-	994 31 07 358	994 31 07 358	-	668 64 80 682	668 64 80 682
Other financial assets	91 27 18 490	-	91 27 18 490	61 28 786	-	61 28 786
Non-financial assets						
Income tax assets (Net)	2 59 87 395	-	2 59 87 395	48 92 139	-	48 92 139
Other non-financial assets	1 73 76 059	-	1 73 76 059	60 37 160	-	60 37 160
Total assets	1011 41 94 348	994 31 07 358	2005 73 01 706	25 70 76 204	668 65 11 082	694 35 87 286
LIABILITIES						
Financial liabilities						
Borrowings	1436 05 22 233	-	1436 05 22 233	-	-	-
Other financial liabilities	109 35 02 584	-	109 35 02 584	1 10 249	-	1 10 249
Non-financial Liabilities						
Other non-financial liabilities	1 81 145	-	1 81 145	78 500	-	78 500
Total liabilities	1545 42 05 962		1545 42 05 962	1 88 749		1 88 749

22 Fair value measurement

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in current transaction between the willing parties, other than in a forced or liquidation sale.

The following methods and assumptions have been used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments.
Financial Instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rate and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy:

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial instruments by category

Particulars	March 31, 2019				
	FVOCI		FVTPL	FVOCI	Amortised cost
Financial assets					
Investments	994 31 07 358	-	-	668 64 80 682	-
Loans	-	-	915 71 50 000	-	19 57 00 000
Other financial assets	91 27 18 490	-	-	61 28 786	-
Cash and cash equivalents	9 62 405	-	-	4,43,48,519.46	-
Total financial assets	1085 67 88 252	-	915 71 50 000	673 69 57 987	19 57 00 000
Financial liabilities					
Borrowings	-	-	1436 05 22 233	-	-
Other Financial Liabilities	109 35 02 584	-	-	1 10 249	-
Non-financial Liabilities					
Other non-financial liabilities	1 81 145	-	-	78 500	-
Total liabilities	1,09,36,83,729	-	14,36,05,22,233	1,88,749	-

As at March 31, 2020

Assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Fair value - recurring fair value measurements				
'- Financial Investments at FVTPL (Listed equity shares)	8 77 61 235	-	-	8 77 61 235
'- Financial Investments at FVTPL	-	985 53 46 122	-	985 53 46 122
At amortised cost				
Loans	-	-	915 71 50 000	915 71 50 000
Other financial assets	-	-	91 27 18 490	91 27 18 490
Cash and cash equivalents	-	9 62 405	-	9 62 405
Total financial assets	8 77 61 235	985 63 08 527	1006 98 68 490	2001 39 38 252
Financial liabilities				
At amortised cost				
Borrowings	-	-	1436 05 22 233	1436 05 22 233
Other Financial Liabilities	-	-	109 35 02 584	109 35 02 584
Other non-financial liabilities	-	-	1 81 145	1 81 145
Total liabilities	-	-	1545 42 05 962	1545 42 05 962

As at March 31, 2019

Assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Fair value - recurring fair value measurements				
'- Financial Investments at FVTPL (Listed equity shares)	15 82 74 734	-	-	15 82 74 734
'- Financial Investments at FVTPL	-	652 82 05 948	-	652 82 05 948
At amortised cost				
Loans	-	-	19 57 00 000	19 57 00 000
Other financial assets	-	-	61 28 786	61 28 786
Cash and cash equivalents	-	4 43 48 519	-	4 43 48 519
Total financial assets	15 82 74 734	657 25 54 467	20 18 28 786	693 26 57 987
Financial liabilities				
At amortised cost				
Borrowings	-	-	-	-
Other Financial Liabilities	-	-	1 10 249	1 10 249
Other non-financial liabilities	-	-	78 500	78 500
Total liabilities	-	-	1 88 749	1 88 749

23 Financial Risk Management

The Company's business activities expose it to financial risks, namely liquidity risk, credit risks and Market risk. The Company's management identifies and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The activities are designed to protect the Company's financial investments, while maximising returns.

Credit risk management:

The Company is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents, carried at amortised cost or fair value through profit & loss, as well as credit exposures to trade/non-trade customers including outstanding receivables.

The Company manages credit risk from cash and cash equivalents by ensuring only high rated banks/financial institutions are accepted for banking relationship.

Liquidity risk management:

Liquidity risk is the risk that the Company will face difficulty in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due. For doing this, the Company maintained a cautious funding strategy, with a positive cash balance throughout the year.

Market Risk Management :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of price risk and interest rate risk. Financial instruments affected by market risk include FVTPL investments. The price risk arises due to uncertainties about the future market values of these investments. To manage its price risk arising from investments in equity securities, the Company invests only in accordance with the limits set by the Company.

Sensitivity analysis

As an estimation of the approximate impact of price risk and interest rate risk exposure, with respect to equity instruments and borrowings respectively, the company has calculated the impact as follows :

Particulars	Impact on other components of equity	
	As at 31 March, 2020	As at 31 March, 2019
<u>For equity instruments</u>		
Price increase by 5%	2 85 65 663	3 80 20 459
Price decrease by 5%	(2 85 65 663)	(3 80 20 459)
<u>For Loans</u>		
Price increase by 5%	27 80 65 000	89 00 000
Price decrease by 5%	(27 80 65 000)	(89 00 000)
<u>For borrowings instruments</u>		
Price increase by 5%	71 80 26 112	-
Price decrease by 5%	(71 80 26 112)	

24 Capital management

Capital of the Company, for the purpose of capital management, includes issued capital, securities premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise shareholders value and ensure that the minimum capital requirement as per the statutory requirement are adequately met.

Reliance Corporate Advisory Services Limited
Notes to Financial Statement for the year ended March 31, 2020

25 Related party transactions

As per Ind AS 24 "Related Party Disclosure", the Companies' related parties and transactions with them in the ordinary course of business are below.

A. List of Related Parties and their relationship:

- i) Holding Company
 Reliance Capital Limited
- ii) Key managerial personnel
 Ms. Sonal Katariya - Company Secretary and Manager
 Mr. Varun Agarwal - Chief Financial Officer

B. Subsidiary

Reliance Underwater Systems Private Limited (wef August 16, 2019)

Fellow Subsidiaries

Reliance Capital Pension Fund Limited
 Nippon Life India Trustee Limited (ceased wef September 27, 2019)
 Reliance General Insurance Company Limited
 Reliance Nippon Life Insurance Company Limited
 Reliance Commercial Finance Limited
 Reliance Health Insurance Limited
 Reliance Home Finance Limited (ceased wef March 5, 2020)
 Reliance Securities Limited
 Reliance Wealth Management Limited
 Reliance Exchangenext Limited
 Reliance Commodities Limited
 Reliance Financial Limited
 Reliance Money Precious Metals Private Limited
 Reliance Money Solutions Private Limited
 Nippon Life India AIF Trustee Private Limited (ceased wef September 27, 2019)
 Quant Capital Private Limited
 Quant Broking Private Limited
 Quant Securities Private Limited
 Quant Investment Services Private Limited
 Gullfoss Enterprise Private Limited

Associates of Holding company

Reliance Asset Reconstruction Company Limited

C. Transactions during the year and closing balance.

	Amount in Rs.					
	Reliance Capital Limited	Reliance Exchangenext Limited	Reliance Asset Reconstruction Company Limited	Reliance Commercial Finance Limited	Reliance Home Finance Limited	Total
Balance of Equity Shares held as at						
March 31, 2020	1218 00 00 000	-	17 65 00 000	-	-	1235 65 00 000
March 31 2019	(1218 00 00 000)	(-)	(17 65 00 000)	(-)	(-)	(1235 65 00 000)
Unsecured Loans						
Received during						
2019-20	1541 82 72 235	-	-	-	-	1541 82 72 235
2018-19	(-)	(-)	(-)	(-)	(-)	(-)
Repaid during						
2019-20	122 26 50 000	-	-	-	-	122 26 50 000
2018-19	(-)	(-)	(-)	(-)	(-)	(-)
Balance as at						
March 31, 2020	1419 56 22 235	-	-	-	-	1419 56 22 235
March 31 2019	(-)	(-)	(-)	(-)	(-)	(-)
Investments						
Balance as at (Gross)						
March 31, 2020	-	4 90 02 500	-	200 00 00 000	81 55 00 000	286 45 02 500
March 31 2019	(-)	(4 90 02 500)	(-)	(-)	(-)	(4 90 02 500)
Unsecured Loans						
Repaid during						
2019-20	-	-	10 00 00 000	-	-	10 00 00 000
2018-19	(-)	(-)	(-)	(-)	(-)	(-)
Balance as at						
March 31, 2020	-	-	45 00 00 000	-	-	45 00 00 000
March 31 2019	(-)	(-)	(-)	(-)	(-)	(-)
Unsecured Advance Given						
Given during						
2019-20	-	-	82 00 00 000	-	-	82 00 00 000
2018-19	-	-	(1 77 00 000)	(-)	(-)	(1 77 00 000)
Balance as at						
March 31, 2020	-	-	2 59 00 00 000	-	-	2 59 00 00 000
March 31 2019	-	-	(1 77 00 000)	(-)	(-)	(1 77 00 000)
Income from operations						
Income						
Interest on ICD						
2019-20	-	-	2 92 78 688	-	-	2 92 78 688
2018-19	(-)	(-)	(-)	(-)	(-)	(-)
Expenses						
Interest on ICD						
2019-20	107 78 77 484	-	-	-	-	107 78 77 484
2018-19	(-)	(-)	(-)	(-)	(-)	(-)

Notes :

- Figures in Bracket represent previous year figures.
- Expenses incurred towards public utility services such as telephone and electricity charges have not been considered for related party transaction.
- The above discloses transactions entered during the period of existence of related party relationship. The balances and transactions are not disclosed before existence of related party relationship and after cessation of related party relationship.

Reliance Corporate Advisory Services Limited
Notes to Financial Statement for the year ended March 31, 2020

26 Previous year

The figures of the previous year have been regrouped & reclassified wherever necessary.

27 Segment information

The Company's reportable business segments are as under:

Amount in Rs.

Particulars	Trading Activity	Financing & Investment Activity	Unallocated	Total
Segment Revenue				
Income	40 08 75 000	26 31 17 812	3 18 570	66 43 11 382
Previous year	(-)	(5 69 15 945)	(69 649)	(5 69 85 594)
Segment Expenses				
Direct	40 08 75 000	259 61 15 920	76 23 254	300 46 14 174
Previous year	(-)	(18 22 488)	(10 15 468)	(28 37 956)
Segment Results	-	(233 29 98 108)	(73 04 684)	(234 03 02 792)
Previous year	(-)	(5 50 93 457)	9 45 819	(5 41 47 638)
Income Tax	-	-	-	-
Previous year	(-)	(-)	(-)	(-)
Net Profit/(Loss)	-	(233 29 98 108)	(73 04 684)	(234 03 02 792)
Previous year	(-)	(5 50 93 457)	9 45 819	(5 41 47 638)
Other information				
Carrying amount of segment assets	-	2001 39 38 252	4 33 63 454	2005 73 01 706
Previous year	(-)		(1 09 29 299)	
Segment Liabilities	-	1545 40 24 817	1 81 145	1545 42 05 962
Previous year	(-)	(1 10 249)	(78 500)	(1 88 749)

28 The management has identified enterprise which has provided goods and services to the company and which qualify under the definition of medium, micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. At any point of time during the year there is no liability due for payment to such micro, small and medium enterprises.

29 The financial statements are authorised for issue by the Company's Board of Directors on May 05, 2020

As per our Report of even date

For M.S.Sethi & Associates

Chartered Accountants
Firm Registration No. : 109407W

Yogesh Vijay Deshpande
Director

Madan Mohan Chaturvedi
Director

Manoj Sethi
Proprietor
Membership Number : 039784

Varun Agarwal
Chief Financial Officer

Sonal Dhanji Katariya
Company Secretary

Place: Mumbai
Date: May 05, 2020

Place: Mumbai
Date: May 05, 2020