Financial Statement

2021-22

Reliance Securities Limited

Independent Auditors' Report

To the Members of Reliance Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Securities Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022; and 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 of the financial statements in accordance with the Standards on Auditing 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The Key Audit Matter	**How the matter was addressed in our audit**
Marked Linked Debentures (MLD) The Company has non-convertible debentures (Marked Linked Debentures) of Rs. 6,54,108 thousands as at March 31, 2022. The rate of interest on which is linked to performance of specified indices over the period of the debentures. The terms and conditions of the Marked Linked Debentures are	We carried out following procedures in respect to Marked Linked Debentures : - held discussion with management and obtained understanding of valuation process including management's determination and approval of assumptions and data inputs.

detailed in note 18 of the financial statements. Further, Marked Linked Debentures is a key number in the balance sheet and will remain an important funding mechanism for continued growth. Therefore, in our view, Marked Linked Debentures is important to the readers understanding of the financial statements. As a result of these items we consider accounting for Marked Linked Debentures to be a key audit matter at March 31, 2022.	- evaluate the design and tested operating effectiveness of controls related to the data considered in the valuation, related calculations and Valuation reports provided by management's external expert. Based on our audit procedures, we noted no reportable matters regarding MLD classification and its valuation.
Provisions and contingent liabilities in relation to tax positions Refer note no. xx of the financial statement. The company has received various demands and show cause notices from the service tax department in respect of various matters. The management have made judgments relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. We therefore focused on this area as a result of uncertainty and potential material impact.	We have involved our tax experts to gain an understanding of the current status of the tax cases and monitored changes in the disputes by reading external opinions received by the Company if any, where relevant, to establish that the tax provisions had been appropriately adjusted to reflect the latest external developments. For legal, regulatory and tax matters our procedures included the following: • testing key controls surrounding litigation, regulatory and tax procedures; • performing substantive procedures on the underlying calculations supporting the provisions recorded; • where relevant, reading external legal opinions obtained by management; • discussing open matters with the litigation, regulatory, general counsel and tax teams; • assessing management's conclusions through understanding precedents set in similar cases; Based on the evidence obtained, while noting the inherent uncertainty with such legal, regulatory and tax matters, we determined the level of provisioning and disclosure of contingent liabilities as at March 31, 2022 to be appropriate.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Management Discussion & Analysis, Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon. The report containing other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management for the financial statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, change in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 and Board of Directors are 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.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 and Board of Directors' 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the statement of Change in equity 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 specified under section 133 of the Act read with relevant rules made thereunder'.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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, In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided for any remuneration to its directors during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 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. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in Note no. 39 of the financial statements;

   ii. The Company have derivative contracts as maintained in note 5 & 16 and gain/losses on those contracts as on March 31, 2022 has been recognised in the books of account. Further, there were no long-term 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 for the year ended March 31, 2022.

   iv. (a) The management has represented to us that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign 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 to us that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts no funds have been received by the company from any person(s) or entity(ies), 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 our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm Registration no**.** 107783W/W100593

Jigar T. Shah
Partner
Membership No.: 161851
UDIN: 22161851AKIFVY9564

Place: Mumbai
Date: April 20, 2022

Annexure A to Auditors' Report

Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report in the Independent Auditors' Report of even date to the members of Reliance Securities Limited on the financial statements for the year ended March 31, 2022

(i) In respect of its Property Plant and Equipment:

(a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its property, plant and equipment, on the basis of available information except for in some assets where company is in the process of tagging the assets.

(B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.

(b) The Company has a regular programme of physical verification of its property, plant and equipment, by which all property, plant and equipment are verified in a phased manner over a period of time. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies between the book records and the physical assets were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, we report that, the title deeds of all the immovable properties comprising of building other than self-constructed properties are held in the name of the Company.

(d) According to information and explanations given to us and books of accounts and records examined by us, Company during the year has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets, hence the requirements of the said clause i(d) of paragraph 3 of the Order is not applicable to the Company.

(e) According to information, explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) According to the information and explanations given to us, the Company does not hold any physical inventories. Thus, the reporting requirements under paragraph 3(ii)(a) of the order is not applicable to the Company.

(b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) According to information and explanations given to us and books of accounts and records examined by us, the Company has not given any loans or advances and guarantees or security to subsidiaries, joint ventures, associates and others. Hence, the reporting requirements under paragraph 3(iii)(a)(A) and (B) of the Order is not applicable.

(b) In our opinion and according to information and explanations given us and on the basis of our audit procedures, the terms and conditions of all loans made by the Company are not prejudicial to Company's interest. Company has not made any investments or provided any guarantees or given security and has not granted any advances in the nature of loans during the year.

(c) According to the books of accounts and records examined by us in respect of the loans, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments or receipts are generally regular except for loans given to various parties amounting to Rs. 14 crore (refer table of clause 3(iii) (d) below) on prudence basis, the Company has not provided interest from April 01, 2020 onwards.

(d) According to information and explanations given to us and books of accounts and records examined by us, the Company has renewed the loans granted to parties as on March 31, 2022. The details are as follows:

Sr. No.	**Name of the Parties**	**Aggregate amount of overdue of existing loan renewed (Rs. in Crore)**	**Percentage**
1	Reliance Digitech Limited	5.00	36%
2	Reliance Value Services Private Limited	1.00	7%
3	Reliance Alpha Services Private Limited	5.00	36%
4	Reliance Unicorn Enterprises Private Limited	3.00	21%
	Total	**14.00**	

(e) In our opinion and according to information and explanation given and records examined by us, the Company has granted loans repayable on demand to parties. The details are as follows:

(Rs. in Crore)

Particulars	**All Parties**	**Promoters**	**Related Parties**
Aggregate amount of loans/ advances in nature of loans - Repayable on demand (A)	14.00	-	-
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	**14.00**	**-**	**-**
Percentage of loans/ advances in nature of loans to the total loans	100%	-	-

(iv) The Company has not granted any loan or provided any guarantee or security in connection with any loan taken by parties covered under section 185 of the Act. Therefore, the provisions of section 185 and provision of section 186 except sub-section (1) of the Act is not applicable to the Company. In our opinion and information and explanations given to us, during the year, the Company has not made any investments through more than two layers of investment companies as mentioned in sub-section (1) of section 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning the directives issued by the

Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) According to information & explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act. Hence, the reporting requirements under paragraph 3(vi) of the order is not applicable to the Company.

(vii) Based on the records examined by us and according to the information and explanations given to us, in respect of statutory dues:

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable, with the appropriate authorities. There are no undisputed amounts payable in respect to such applicable statutory dues outstanding as at March 31, 2022 for a period of six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as at March 31, 2022 which have not been deposited on account of a dispute.

(viii) According to the information and explanations given to us and representation given by the management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) a) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of dues to debentures holders of Market linked debentures. The Company does not have any borrowings from banks, financial institutions and government.

b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

c) In our opinion, and according to the information and explanations given and records examined by us, the Company does not have any borrowings from banks, financial institutions and government. Hence, the reporting requirements under paragraph 3(ix)(c) of the Order is not applicable.

d) In our opinion, and according to the information and explanations given to us, funds raised on the short-term basis have not been utilized for long term purposes.

e) In our opinion, and according to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Hence, the reporting requirements under paragraph 3(ix)(e) and (f) of the Order is not applicable.

(x) (a) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans hence the reporting requirements under paragraph 3(ix) (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, partially or optionally convertible) as per section 42 and 62 of the Act, hence the reporting requirements under paragraph 3(ix)(b) of the Order is not applicable.

(xi) (a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act has been filed by us or by any other auditor in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information, explanations and representation given to us by the management, no whistle-blower complaints have been received during the year by the company.

(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)(a), (xii)(b) and (xii)(c) 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 section 177 and section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion, and according to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

(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) (a) According to information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) (a) and (b) of the Order is not applicable.

(b) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(c) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

(xvii) In our opinion, and according to the information and explanations provided to us, Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year.

(xix) According to the information and explanations 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, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) With respect to CSR contribution under section 135 of the Act:

(a) According to the information and explanations given to us and on the basis of our audit procedures, in respect of other than ongoing projects, there were no unspent amount that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section 5 of section 135 of the Act.

(b) According to the information and explanations given to us and on the basis of our audit procedures, in respect of ongoing projects there were no unspent amount that were required to be transferred to special account in compliance with provision of sub section 6 of section 135 of the Act.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm Registration no**.** 107783W/W100593

Jigar T. Shah
Partner
Membership No.: 161851
UDIN: 22161851AKIFVY9564

Place: Mumbai
Date: April 20, 2022

Annexure B to the Independent Auditor's Report on the financial statements of Reliance Securities Limited for year ended March 31, 2022

Report on the internal financial controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013
(Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' section of our report of even date) to the members of Reliance Securities Limited for the year ended March 31, 2022)

We have audited the Internal Financial Controls with reference to financial statements of **Reliance Securities Limited** (hereinafter referred to as "the Company") as of March 31, 2022 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 Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). 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 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 authorization 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 with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements 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.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm Registration no**.** 107783W/W100593

Jigar T. Shah
Partner
Membership No.: 161851
UDIN: 22161851AKIFVY9564

Place: Mumbai
Date: April 20, 2022

Reliance Securities Limited

Balance Sheet as at March 31, 2022

(₹ in Lakhs)

	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS				
Financial Assets				
(a)	Cash and cash equivalents	3	1,407	2,393
(b)	Bank balance other than (a) above	4	10,323	20,856
(c)	Derivative financial instruments	5	7	8
(d)	Receivables	6		
	(i) Trade receivables		2,293	1,954
	(ii) Other receivables		30	251
(e)	Loans	7	3,091	2,275
(f)	Investments	8	8,276	5,036
(g)	Other financial assets	9	51,254	38,129
			76,681	**70,902**
Non-financial Assets				
(a)	Inventories	10	3,472	1,657
(b)	Current tax assets (net)	11	333	1,026
(c)	Investment property	12	13	13
(d)	Property, plant and equipment	13	465	587
(e)	Goodwill	14 A	8	8
(f)	Other intangible assets	14 B	443	574
(g)	Other non-financial assets	15	1,029	440
			5,763	**4,305**
Total Assets			**82,444**	**75,207**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
(a)	Derivative financial instruments	16	12	246
(b)	Payables			
	(I) Trade payables	17A		
	(i) total outstanding dues of micro enterprises and small enterprises			
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		38,426	43,530
	(II) Other payables	17B		
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c)	Debt securities	18	4,649	7,587
(d)	Borrowings (other than debt securities)	19	2,639	2,839
(e)	Other financial liabilities	20	20,716	7,483
			66,442	**61,685**
Non-Financial Liabilities				
(a)	Provisions	21	1,394	307
(b)	Other non-financial liabilities	22	2,179	2,624
			3,574	**2,930**
EQUITY				
(a)	Equity share capital	23	21,000	21,000
(b)	Instruments entirely equity in nature	24A	2,500	2,500
(c)	Other equity	24B	(11,072)	(12,908)
			12,428	**10,592**
Total Liabilities and Equity			**82,444**	**75,207**
Significant accounting policies and notes to the financial statements		1 to 51		

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm registration No. 107783W/W100593

Sd/-
Jigar T. Shah
Partner
Membership No.: 161851
Date: April 20, 2022

For and on behalf of Board of Directors

Sd/-
Lav Chaturvedi
Executive Director & CEO
DIN : 02859336

Sd/-
Chetan Desai
Director
DIN : 03595319

Sd/-
Amit Agrawal
Chief Financial Officer

Sd/-
Vrunda Dhanesha
Company Secretary
M. No. A35255

Reliance Securities Limited

Statements of profit and loss for the year ended March 31, 2022 (₹ in Lakhs)

	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
A	**Revenue from operations**			
	Interest income	25	3,949	3,233
	Fees and commission income	26	10,266	12,431
	Net gain on fair value changes	27	19,281	11,191
	Total Revenue from operations		**33,496**	**26,855**
B	**Other Income**	28	102	197
C	**Total Income (A + B)**		**33,598**	**27,052**
	Expenses			
	Finance costs	29	1,288	2,460
	Fees and commission expense		2,237	2,479
	Employee Benefits Expenses	30	14,900	11,160
	Depreciation, amortization and impairment	12 ,13 & 14 B	413	603
	Others expenses	31	12,114	8,214
D	**Total Expenses**		**30,952**	**24,916**
(I)	Profit before exceptional items and tax (C-D)		2,646	2,136
(II)	Exceptional items		-	-
(III)	**Profit before tax (I -II)**		**2,646**	**2,136**
(IV)	Tax Expense:			
	(i) Current tax		796	-
	(ii) Deferred tax		-	844
	(iii) Taxes of earlier years (net)		32	(34)
(V)	**Profit for the year (III-IV)**		**1,818**	**1,326**
(VI)	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss :			
	Re-measurement of post retirement benefit obligation gain/(loss)		25	(4)
	Income tax relating to items that will not be reclassified to profit or loss		(6)	-
	Other Comprehensive Income/(Loss)		**19**	**(4)**
(VII)	**Total Comprehensive Income for the year**		**1,836**	**1,322**
	Earnings per equity share (Amount in ₹)			
	Basic		0.83	0.60
	Diluted		0.83	0.60
	Significant accounting policies and notes to the financial statements	1 to 51		

The accompanying notes form an integral part of the financial statements
As per our attached report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm registration No. 107783W/W100593

Sd/-
Jigar T. Shah
Partner
Membership No.: 161851
Date: April 20, 2022

For and on behalf of Board of Directors

Sd/-
Lav Chaturvedi
Executive Director & CEO
DIN : 02859336

Sd/-
Chetan Desai
Director
DIN : 03595319

Sd/-
Amit Agrawal
Chief Financial Officer

Sd/-
Vrunda Dhanesha
Company Secretary
M. No. A35255

Reliance Securities Limited
Statement of Cash Flows for the year ended March 31, 2022 (₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flows from operating activities		
Net Profit before tax as per statement of profit and loss	2,646	2,136
Adjustments for :		
Changes in Fair value of investments	(346)	(37)
Provision for Gratuity	63	62
Loss/(Profit) on sale/Discartment of Property, Plant & equipment	(5)	10
Excess provision/ Credit balance written back	(7)	(138)
Provision for doubtful debts/advances	(126)	281
Bad debts written off	1,372	222
Depreciation & amortisation expenses	413	603
Dividend accrue on preference shares	146	140
Interest on income tax refund	(66)	(44)
Interest expenses	1,142	2,320
Operating Profit Before working capital changes	**5,232**	**5,555**
Changes in assets and liabilities		
(Increase)/Decrease in trade receivables	(265)	2,095
(Increase)/Decrease in inventories	(1,815)	(1,596)
(Increase)/ Decrease in loans	(1,376)	2,142
(Increase)/ Decrease in other financial assets	(13,665)	(26,362)
(Increase)/ Decrease in other non financial assets	(589)	142
Increase/ (Decrease) in derivatives instruments (net)	(233)	(740)
Increase/ (Decrease) in trade payables	(5,098)	17,986
Increase/ (Decrease) in other financial liabilities	12,941	4,038
Increase/ (Decrease) in provision	1,049	10
Increase/ (Decrease) in other non-financial liabilities	(443)	(325)
Cash flows from / (used in) operating activities	**(4,262)**	**2,945**
Payment of taxes (net of refunds)	(75)	119
Net cash flows from / (used in) operating activities (A)	**(4,337)**	**3,064**
B. Cash flows from investing activities		
Purchase of property plant and equipement & intangible assets (including capital advance)	(162)	(278)
Sale of fixed assets	6	7
Purchase of investments	(10,300)	(5,000)
Sale of investments	7,406	29
(Investment)/ redemption of Fixed deposit	10,533	3,916
Net Cash flows from / (used in) from investment activities (B)	**7,483**	**(1,326)**
C. Cash flows from financing activities		
Proceeds from allotment of Marketlink debenture	200	-
Redemption of Market link Debenture	(3,725)	(219)
(Repayment to) / Borrowing from financial institutions and others (net)	(200)	(2,211)
Interest paid	(407)	(1,206)
Net Cash flows from / (used in) Financing activities (C)	**(4,132)**	**(3,636)**
Net increase / (decrease) in cash or cash equivalents (A+B+C)	**(986)**	**(1,898)**
Opening balance of cash and cash equivalents	**2,393**	**4,291**
Closing balance of cash and cash equivalents (refer note "a")	**1,407**	**2,393**

Reliance Securities Limited
Statement of Cash Flows for the year ended March 31, 2022 (₹ in Lakhs)

Notes :

a) **Cash and cash equivalents comprise**

Cash in hand	-	-
Bank overdraft	-	-
Balance with scheduled banks		
-in current accounts	1,372	2,393
-in cheque in hand	35	-
Total cash and cash equivalents	**1,407**	**2,393**

b) **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, 2022**	**As at March 31, 2021**
Cash and cash equivalents	1,407	2,393
Debt securities	(4,649)	(7,587)
Borrowings	(2,639)	(2,839)
Net debt	**(5,881)**	**(8,033)**

Particulars	**Cash and bank overdraft**	**Debt securities**	**Borrowings**	**Total**
Net debt as at March 31, 2021	**2,393**	**(7,587)**	**(2,839)**	**(8,033)**
Cash flows	(986)	3,525	348	2,887
Interest expense	-	(587)	(555)	(1,142)
Interest paid	-	-	407	407
Net debt as at March 31, 2022	**1,407**	**(4,649)**	**(2,639)**	**(5,881)**

c) 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.

d) The previous year's figures have been regrouped and reclassified wherever necessary.

The accompanying notes (1- 52) forms an integral part of the financial statements

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm registration No. 107783W/W100593

Sd/-
Jigar T. Shah
Partner
Membership No.: 161851
Date: April 20, 2022

For and on behalf of Board of Directors

Sd/-
Lav Chaturvedi
Executive Director & CEO
DIN : 02859336

Sd/-
Chetan Desai
Director
DIN : 03595319

Sd/-
Amit Agrawal
Chief Financial Officer

Sd/-
Vrunda Dhanesha
Company Secretary
M. No. A35255

Reliance Securities Limited
Financial statements for the year ended March 31, 2022

(₹ in Lakhs)

Statement of change in equity
a. Equity Shares

Particulars	No. of shares	Amount
Opening Balance as at April 1, 2021	21,00,00,000	21,000
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 1, 2021	21,00,00,000	21,000
Changes in equity share capital during the current year	-	-
Balance As at March 31, 2022	**21,00,00,000**	**21,000**
Balance as at April 1, 2020	21,00,00,000	21,000
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 1, 2020	21,00,00,000	21,000
Changes in equity share capital during the current year	-	-
Balance As at March 31, 2021	**21,00,00,000**	**21,000**

b. Instruments entirely equity in nature

Particulars	No. of shares	Amount
Balance as at April 1, 2021	2,50,00,000	2,500
Changes in equity share capital	-	-
Balance As at March 31, 2022	**2,50,00,000**	**2,500**
Balance as at April 1, 2020	**2,50,00,000**	**2,500**
Changes in equity share capital	-	-
Balance As at March 31, 2021	**2,50,00,000**	**2,500**

c. Other equity

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Capital reserve	Retained earnings	Debenture Redemption Reserve	Share based options outstanding account		
Balance as at April 1, 2021	**2,602**	**(15,948)**	**560**	**38**	**(160)**	**(12,908)**
Add:						
Changes in accounting policy or prior period errors	**-**	**-**	**-**	**-**	**-**	**-**
Restated balance as at April 1, 2021	**2,602**	**(15,948)**	**560**	**38**	**(160)**	**(12,908)**
Profit for the year	-	1,818	-	-	19	1,836
Balance As at March 31, 2022	**2,602**	**(14,130)**	**560**	**38**	**(141)**	**(11,072)**
Balance as at April 1, 2020	**2,602**	**(17,275)**	**560**	**38**	**(156)**	**(14,231)**
Add:						
Changes in accounting policy or prior period errors	**-**	**-**	**-**	**-**	**-**	**-**
Restated balance as at April 1, 2020	**2,602**	**(17,275)**	**560**	**38**	**(156)**	**(14,231)**
Profit for the year	**-**	1,326			(4)	**1,322**
Balance As at March 31, 2021	**2,602**	**(15,949)**	**560**	**38**	**(160)**	**(12,909)**

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm registration No. 107783W/W100593

Sd/-
Jigar T. Shah
Partner
Membership No.: 161851
Date: April 20, 2022

For and on behalf of Board of Directors

Sd/-
Lav Chaturvedi
Executive Director & CEO
DIN : 02859336

Sd/-
Chetan Desai
Director
DIN : 03595319

Sd/-
Amit Agrawal
Chief Financial Officer

Sd/-
Vrunda Dhanesha
Company Secretary
M. No. A35255

NOTES

1 Corporate Information

Reliance Securities Limited is a public limited company incorporated under the provisions of the Companies Act applicable in India on 17 June 2005 . The registered office of the company is located at '11th Floor, R-Tech IT Park, Nirlon Compond, Off Western Express Highway, Goregaon (East) Mumbai Maharashtra - 400063'. The company is licensed by the Securities and Exchange Board of India (SEBI) to operate as stock broker.

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.
• Defined benefit plans – plan assets measured at fair value.
• Share based payments

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 as described in note 35**.** 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.

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 is further detailed in note 36, 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 in the above areas is set out in note 35.

(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.

Market linked debentures (MLDs)

The company has issued certain non-convertible debentures, the rate of interest on which is linked to performance of specified indices over the period of the debentures. The company has opted to designate the entire hybrid contract at FVTPL as the embedded derivative significantly modifies the cash flows that otherwise would be required by the contract. Further, the embedded derivative is not closely related to the financial liability host contract. The company hedges its interest rate risk on MLD by taking positions in future & options based on specified indices. Any gain / loss on these hedge positions is recognized in Statement of Profit and Loss.

(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 simultaneous receives and consumes the 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 satisfied. These include brokerage fees which is charged per transaction executed.

(ii) Interest income

Interest income is recognized using the effective interest rate **(refer note 2.03)**

(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.

(iv) Infrastructure and resource management fees

Infrastructure and resource management service fees are recognized on accrual basis as per agreements.

(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 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 (As per Section 115BAA of The Income tax Act 1962) 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 substantially 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.

2.08 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.

2.09 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.

2.10 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.

2.11 Property, plant and equipment

Freehold land is carried at historical cost. All other 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**
Leasehold Improvements	Primary period of lease
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
Membership Rights of Bombay Stock Exchange	10 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.

Leases

The company's lease asset classes primarily consist of leases for buildings taken on lease for operating its branch offices. The company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
However there is no lease recognised as a low-value lease during the current year.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.
The lease liability is initially measured at amortized cost at the present value of the future lease payments.

2.12 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.

Goodwill on acquisition of subsidiaries is included in intangible assets.goodwill is not amortized but it is tested for impairment annually or more frequently if event or changes in circumstances indicate that it might be impaired and carried at cost.gains and losses on disposal of an entity include carrying amount of goodwill relating to entity sold.

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.

2.13 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de-recognized.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been considered as 60 years as prescribed in Part C of Schedule II to the Companies Act, 2013.

2.14 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.

2.15 Inventories

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

2.16 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.

2.17 Provisions, Contingent Liabilities and Contingent Asset

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 reliablity. 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.

2.18 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.

2.19 Dividends

Provision is made for the amount of any dividend accrue , being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

For all equity instruments (in the nature of equity) measured at amortized cost, interest expenses (refer note 24A) is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments over the expected life of the financial instrument. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument. Interest expense is included in finance cost in the statement of profit and 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 (Note 41).

(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.

2.21 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 Lakh & zero decimals (as per the requirement of Schedule III) unless otherwise stated.

2.22 Critical accounting estimates and judgements

The preparation of consolidated 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) Estimation of deferred tax
b) Estimated fair value of unlisted entities
c) Estimation of defined benefit obligation
d) Measurement of fair values and Expected Credit Loss (ECL)

2.23 Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, in "**Ind AS 103, IndAs 16, Ind AS 37, Ind AS 109 & Ind AS 116.**

Note 3 - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash equivalents		
Balance with banks in current accounts	1,372	2,393
Cheques on hand	35	-
Total	**1,407**	**2,393**

Note 4 - Bank balance other than cash and cash equivalents above

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposit accounts		
- Held as lien	3,410	3,407
- Held as margin money	6,933	16,676
- Held as security with Directorate of Enforcement	113	113
- Others	1,030	1,253
(Less): Impairment loss allowance	(1,163)	(593)
Total	**10,323**	**20,856**

In respect of balances with Banks in Fixed Deposit accounts above includes:

(a) Rs. 3,410 Lakh (March 31, 2021 - Rs.3,407 lakh) kept as deposit with bank for issuing of Bank Guarantee to meet the margin requirement at the stock exchanges.

(b) Rs. 6,933 Lakh (March 31, 2021 - Rs.16,676 Lakh) as collateral security deposit in favour of National Stock Exchange of India Limited placed as margin.

(c) Rs. 113 Lakh (March 31, 2021 - Rs.113 Lakh) kept as deposit with Directorate of Enforcement.

Note 5 - Derivative financial instruments

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the company has elected not to apply hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	Notional Value	Fair value of ass
Index linked derivatives		
As at march 31, 2022		
Options Purchased	1,420	7
Total	**1,420**	**7**

Particulars	Notional Value	Fair value of ass
Index linked derivatives		
As at March 31, 2021		
Options Purchased	1,082	8
Total	**1,082**	**8**

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are Market linked debentures.

The company's risk management strategy and how it is applied to manage risk are explained in Note 34

Reliance Securities Limited
Financial statements for the year ended March 31, 2022 (₹ in Lakhs)

Note 6 - Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Trade receivables		
(a) Secured		
Considered good	2,253	1,931
Receivables-Credit impaired	2,112	3,322
Less : Impairment loss allowance	(2,112)	(3,322)
(b) Unsecured		
Considered good	40	23
Receivables-Credit impaired	183	218
Less : Impairment loss allowance	(183)	(218)
Total (i)	**2,293**	**1,954**
(ii) Other receivables		
Unsecured considered good		
- Receivable - Related parties	27	247
- Receivable - Others	3	4
- Receivable from key managerial person	-	-
Total (ii)	30	251
Total (i+ii)	**2,323**	**2,205**

Reconciliation of impairment allowance on trade and other receivables:

Impairment allowance measured as per general approach	As at March 31, 2022	As at March 31, 2021
Impairment allowance	3,540	**3,630**
Add/(less): changes during the financial year	(1,245)	(90)
Impairment allowance	**2,295**	**3,540**

Reliance Securities Limited
Financial statements for the year ended March 31, 2022 (₹ in Lakhs)

Note 7 - Loans

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
At amortised cost		
(i) Inter corporate deposits	1400	1400
(ii) SEBI Margin Trade Funding	2,951	1,575
Total (A) - Gross	**4,351**	**2,975**
(Less): Impairment loss allowance	(1,260)	(700)
Total (A) - Net	**3,091**	**2,275**
Secured by intangible assets	2,951	1,575
Unsecured	1,400	1,400
(Less): Impairment loss allowance	(1,260)	(700)
Total (B) - Net	**3,091**	**2,275**
C		
(i) Public sector		
(ii) Others		
Related parties	-	-
Individual	2,947	1,570
HUF	5	5
Firm/AOP	-	-
Company	1,400	1,400
Total (C) - Gross	4,351	2,975
(Less): Impairment loss allowance	(1,260)	(700)
Total (C) - Net	**3,091**	**2,275**

Reconciliation of impairment allowance on Loans

Impairment allowance measured as per general approach	**(Amount in Lakh)**
Impairment allowance as at March 31, 2021	700
Add/(less): changes during the year	560
Impairment allowance as at March 31, 2022	**1260**

* Company has given inter-corporate loan on which interest was due on 31st March 2022 but comoany has not received any interest amount on such Inter corporae loans, considering the COVID 19 pendamic situation, management of the company has decided to make 90% estimated provision on the outstanding principle balance of Inter corporate loans i.e. Rs. 1260 Lacs.

Reliance Securities Limited
Trade Receivables aging schedule

(₹ in Lakhs)

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(1) Undisputed:						
(i) Trade receivables – considered good	1,453	182	378	-	310	2,323
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	1,249	187	458	-	400	2,294
Less: Impairement loss allowance	(1,249)	(187)	(458)	-	(400)	(2,294)
(2) Disputed:						
(i) Trade Receivables– considered good	-	-	-	-	-	-
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	-	-	-	-	-	-
Total	1,453	182	378	-	310	2,323

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(1) Undisputed:						
(i) Trade receivables – considered good	1,144	183	1	9	868	2,205
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	1,220	461	14	82	1,764	3,541
Less: Impairement loss allowance	(1,220)	(461)	(14)	(82)	(1,764)	(3,541)
(2) Disputed:						
(i) Trade Receivables– considered good	-	-	-	-	-	-
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	-	-	-	-	-	-
Total	1,144	183	1	9	868	2,205

Financial statements for the year ended March 31, 2022 (₹ in Lakhs)

Note 7.1 - Inter corporate Loan
Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the company's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are disclosed in note 36.

Internal rating grade	As at March 31, 2022			Total	As at March 31, 2021			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Performing								
High grade	1,400	-	-	1,400	1,400	-	-	1,400
Non- performing								
Individually impaired	(1,260)	-	-	(1,260)	(700)	-	-	(700)
Total	**140**	**-**	**-**	**140**	**700**	**-**	**-**	**700**

Analysis of changes in the gross carrying amount of inter corporate deposits

Particulars	As at March 31, 2022			Total	As at March 31, 2021			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Opening balance	1,400	-	-	1,400	3,550	-	-	3,550
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid	-	-	-	-	(2,150)	-	-	(2,150)
Closing balance	**1,400**	**-**	**-**	**1,400**	**1,400**	**-**	**-**	**1,400**

Reconciliation of ECL balance

Particulars	As at March 31, 2022			Total	As at March 31, 2021			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Opening balance	700	-	-	700	-	-	-	-
New assets originated or purchased	-	-	-	-	-	-	-	-
Existing assets	560	-	-	560	700	-	-	700
Assets derecognised or repaid	-	-	-	-	-	-	-	-
Closing balance	**1,260**	**-**	**-**	**1,260**	**700**	**-**	**-**	**700**

Note 7.2 - SEBI Margin Trade Funding
Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the company's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are disclosed in note 36.

Internal rating grade	As at March 31, 2022			Total	As at March 31, 2021			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Performing								
High grade	2,951	-	-	2,951	1,575	-	-	1,575
Standard grade	-	-	-	-	-	-	-	-
Sub-standard grade	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-
Non- performing								
Individually impaired	-	-	-	-	-	-	-	-
Total	**2,951**	**-**	**-**	**2,951**	**1,575**	**-**	**-**	**1,575**

Analysis of changes in the gross carrying amount of SEBI Margin trade funding

Particulars	As at March 31, 2022			Total	As at March 31, 2021			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Opening balance	1,575	-	-	1,575	1,567	-	-	1,567
New assets originated or purchased	1,376	-	-	1,376	8	-	-	8
Assets derecognised or repaid	-	-	-	-	-	-	-	-
Closing balance	**2,951**	**-**	**-**	**2,951**	**1,575**	**-**	**-**	**1,575**

Reconciliation of ECL balance

Particulars	As at March 31, 2022			Total	As at March 31, 2021			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Opening balance	-	-	-	-	-	-	-	-
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid	-	-	-	-	-	-	-	-
Closing balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Reliance Securities Limited
Financial statements for the year ended March 31, 2022

(₹ in Lakhs)

Note 8 - Investments

Particulars	At Amortised cost	At fair value through			Total
		Other Comprehensive income	Profit and loss	Subtotal	
As at March 31, 2022					
Investment in equity shares (Unquoted)					
1,90,000 Equity shares of Reliance Money Infrastructure Limited of ₹ 10 each.	-	-	19	19	19
Investment in mutual fund (Quoted) -					
Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	-	-	531	531	531
HDFC Low Duration Fund - Direct Plan - Growth	-	-	630	630	630
ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth	-	-	791	791	791
Kotak Savings Fund-Growth - Direct	-	-	523	523	523
HDFC Credit Risk Debt Fund - Growth Option - Direct Plan	-	-	537	537	537
ICICI Prudential Credit Risk Fund - Direct Plan - Growth	-	-	537	537	537
Axis Liquid Fund - Direct Plan - Growth Option	-	-	202	202	202
Kotak Low Duration Fund- Direct Plan- Growth Option	-	-	630	630	630
IDFC Cash Fund -Direct Plan-Growth	-	-	259	259	259
DSP Ultra Short Fund - Direct Plan - Growth	-	-	362	362	362
SBI MAGNUM ULTRA SHORT DURATION FUND - DIRECT PLAN - GROWTH	-	-	258	258	258
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option	-	-	1,002	1,002	1,002
BHARAT Bond FOF- April 2025- Direct Pan- Growth Option	-	-	254	254	254
ICICI Prudential Money Market Fund Option - Direct Plan - Growth	-	-	255	255	255
HDFC LIQUID FUND - DIRECT PLAN - GROWTH OPTION	-	-	501	501	501
ICICI PRUDENTIAL LIQUID FUND - DIRECT PLAN - GROWTH	-	-	501	501	501
SBI LIQUID FUND DIRECT GROWTH	-	-	501	501	501
				-	
Total - Gross	**-**	**-**	**8,295**	**8,295**	**8,295**
(i) Overseas Investments	**-**	**-**	**-**	**-**	**-**
(ii) Investments in India	**-**	**-**	**8,295**	**8,295**	**8,295**
(Less): Impairment loss allowance	-	-	(19)	(19)	(19)
Total - Net	**-**	**-**	**8,276**	**8,276**	**8,276**
As at March 31, 2021					
Investment in equity shares (Unquoted)					
1,90,000 Equity shares of Reliance Money Infrastructure Limited of ₹ 10 each.	-	-	19	19	19
Investment in mutual fund (Quoted) -					
Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	-	-	509	509	509
HDFC Low Duration Fund - Direct Plan - Growth	-	-	503	503	503
ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth	-	-	757	757	757
Kotak Savings Fund-Growth - Direct	-	-	504	504	504
HDFC Credit Risk Debt Fund - Growth Option - Direct Plan	-	-	353	353	353
ICICI Prudential Credit Risk Fund - Direct Plan - Growth	-	-	353	353	353
Axis Liquid Fund - Direct Plan - Growth Option	-	-	1,053	1,053	1,053
Kotak Low Duration Fund- Direct Plan- Growth Option	-	-	503	503	503
DSP Liquidity Fund - Direct Plan - Growth	-	-	251	251	251
IDFC Cash Fund -Direct Plan-Growth	-	-	251	251	251
Total	**-**	**-**	**5,036**	**5,036**	**5,036**
Total - Gross	**-**	**-**	**5,055**	**5,055**	**5,055**
(i) Overseas Investments					
(ii) Investments in India			**5,055**	**5,055**	**5,055**
(Less): Impairment loss allowance	-	-	(19)	(19)	(19)
Total - Net	**-**	**-**	**5,036**	**5,036**	**5,036**

Reliance Securities Limited
Financial statements for the year ended March 31, 2022

(₹ in Lakhs)

Note 9 - Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Deposit with tax authority	5	-
Deposit with vendor		
- Considered good	538	572
- Considered doubtful	65	94
Less: provision for doubtful advances	(65)	(94)
Deposit with exchange/clearing member for Margin	50,510	37,263
Deposit with Exchange for arbitration	107	91
Less: provision	(107)	(91)
Interest accrued on Fixed Deposit	86	217
Interest accrued on SEBI MTF loan	115	77
Total	**51,254**	**38,129**

Reliance Securities Limited
Financial statements for the year ended March 31, 2022

(₹ in Lakhs)

Note 10 - Inventories

Particulars	As at March 31, 2022		As at March 31, 2021	
	Quantity	Amount	Quantity	Amount
Valued at Market Price				
- Equity instruments				
Allcargo Logistics Limited	-	-	27,000	33
Apollo Pipes Limited	10,310	50	-	-
Axis Bank Limited	1,210	9	-	-
Bharat Petroleum Corporation Limited	-	-	22,500	96
Federal-Mogul Goetze (India) Limited.	13,558	36	-	-
Fortis Healthcare Limited	60,036	174	64,800	129
ICICI Bank Limited	5	-	5	0
Vodafone Idea Limited	-	-	2,61,000	24
IndusInd Bank Limited	20	-	-	-
Ircon International Limited		-	63,000	56
Jet Airways (India) Limited	7,584	6	7,584	7
Jindal Stainless (Hisar) Limited	-	-	27,000	34
Jubilant Foodworks Ltd.	50	1	50	1
Just Dial Limited	-	-	1,125	10
Kamdhenu Limited	42,003	97		-
Rossari Biotech Limited	-	-	4,500	47
SETFNIF50	300	1	300	0
Shilpa Medicare Limited	-	-	13,500	45
Strides Pharma Science Limited	-	-	4,500	38
Vedanta Limited	-	-	1,23,800	283
Yes Bank Limited	-	-	3,00,000	46
Dr. Lal Path Labs Ltd.	6,000	157	-	-
Bharti Airtel Limited	90	-	-	-
Total (A)		**531**		**850**
- Bonds/ Debenture instruments				
RELIANCE ASSET RECONSTRUCTION COMPANY LIMITED	-	-	750	758
RELIANCE CAPITAL LIMITED	195	49	195	49
TORUS FINANCIAL MKTS PVT LTD/B/001	7	70	-	-
TORUS FINANCIAL MKTS PVT LTD/B/001 & 02	7	69	-	-
TORUS FINANCIAL MKTS PVT LTD/B/001/11/111	9	88	-	-
TORUS FINANCIAL MKTS PVT LTD/B/002 TY-III	13	127	-	-
BHARAT BOND ETF	2,16,794	2,537	-	-
Total (B)		**2,941**		**807**
Total (A+B)		**3,472**		**1,657**
(i) Overseas Investments	-	-	-	-
(ii) Investments in India		3,472		1,657
Total (A+B)	**-**	**3,472**	**-**	**1,657**
Less: Allowance for Impairment loss				
Total	**-**	**3,472**	**-**	**1,657**

Reliance Securities Limited
Financial statements for the year ended March 31, 2022

(₹ in Lakhs)

Note 11 - Current tax assets (net)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Advance payment of tax and tax deducted at source (net of provision)	333	1,026
(Net of Provision ₹ 802 Lakh - March 31, 2022, ₹ Nil - March 31, 2021)		
Total	**333**	**1,026**

Note 12 - Investment property
Building

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Gross carrying amount		
Opening gross carrying amount / Deemed cost	**14**	**14**
Additions	-	-
Closing gross carrying amount	**14**	**14**
Accumulated depreciation		
Opening accumulated depreciation	**(1)**	**(1)**
Depreciation charge	**-**	**-**
Closing accumulated depreciation	**(1)**	**(1)**
Net carrying amount	**13**	**13**
Fair value of investment property	**14**	**14**

Note:
Investment property kept as collateral security against the market linked debentures (MLDs) outstanding as on that date.

Reliance Securities Limited
Financial statements for the year ended March 31, 2022

Note 13 - Property, plant and equipment

(₹ in Lakhs)

Particulars	Right of Use Asset	Leasehold Improvements	Office equipments	Furniture and fixtures	Data processing equipments	Total
As at March 31, 2022						
Gross block as at April 01 2021	**147**	**436**	**238**	**37**	**1,674**	**2,532**
Additions	**-**	**29**	**14**	**2**	**38**	**83**
Disposals	**-**	**-**	**(1)**	**-**	**(491)**	**(492)**
As at March 31, 2022	**147**	**465**	**251**	**39**	**1,221**	**2,123**
Accumulated depreciation as at April 01 2021	**(147)**	**(274)**	**(187)**	**(27)**	**(1,309)**	**(1,945)**
Depreciation charge for the year	**-**	**(48)**	**(25)**	**(3)**	**(128)**	**(203)**
Disposals	**-**	**-**	**1**	**-**	**491**	**492**
As at March 31, 2022	**(147)**	**(322)**	**(211)**	**(30)**	**(946)**	**(1,656)**
Net carrying amount As at March 31, 2022	**-**	**142**	**40**	**9**	**275**	**465**
As at March 31, 2021						
Gross block as at April 01 2020	147	527	225	26	1,651	2,576
Additions	-	124	27	14	32	197
Disposals	-	(215)	(14)	(3)	(9)	(241)
As at March 31, 2021	147	436	238	37	1,674	2,532
Accumulated depreciation as at April 01 2020	(93)	(440)	(165)	(18)	(1,108)	(1,824)
Depreciation charge for the year	(54)	(38)	(33)	(11)	(210)	(347)
Disposals	-	203	11	2	9	226
As at March 31, 2021	(147)	(274)	(187)	(27)	(1,309)	(1,945)
Net carrying amount As at March 31, 2021	-	162	51	10	365	587

Reliance Securities Limited
Financial statements for the year ended March 31, 2022

(₹ in Lakh)

Note 14 A - Goodwill

Particulars	Goodwill
As at March 31, 2022	
Gross block as at April 01, 2021	**8**
On account of business acquistion	**-**
Disposals	**-**
As at March 31, 2022	**8**
Accumulated amortisation as at April 01, 2021	**-**
Amortisation charge for the year	**-**
Disposals	**-**
As at March 31, 2022	**-**
Net carrying amount As at March 31, 2022	**8**
As at March 31, 2021	
Gross block as at April 01, 2020	-
On account of business acquistion	8
Disposals	-
As at March 31, 2021	8
Accumulated amortisation as at April 01, 2020	-
Amortisation charge for the year	
Disposals	-
As at March 31, 2021	-
Net carrying amount As at March 31, 2021	8

Note 14 B - Intangible assets

Particulars	Membership rights of Bombay Stock Exchange Limited	Software	Total
As at March 31, 2022			
Gross block as at April 01, 2021	**75**	**2,715**	**2,790**
Additions	-	79	**79**
Disposals	-	(629)	**(629)**
As at March 31, 2022	**75**	**2,165**	**2,240**
Accumulated amortisation as at April 01, 2021	**(75)**	**(2,141)**	**(2,216)**
Amortisation charge for the year	-	(210)	**(210)**
Impairment loss for the year	-	-	**-**
Disposals	-	629	**629**
As at March 31, 2022	**(75)**	**(1,722)**	**(1,797)**
Net carrying amount As at March 31, 2022	**-**	**443**	**443**
As at March 31, 2021			
Gross block as at April 01, 2020	75	2,530	2,605
Additions	-	185	185
Disposals	-	-	-
As at March 31, 2021	75	2,715	2,790
Accumulated amortisation as at April 01, 2020	(75)	(1,884)	(1,959)
Amortisation charge for the year	-	(257)	(257)
Impairment loss for the year	-	-	-
Disposals	-	-	-
As at March 31, 2021	(75)	(2,141)	(2,216)
Net carrying amount As at March 31, 2021	-	574	574

i) In respect of intangible assets it is other than internally generated

Note 15 - Other non-financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital advances - considered good	20	29
Service tax paid under protest		
- Considered good	-	-
- Considered doubtful	961	961
Less: Provision for doubtful	(961)	(961)
GST receivable	297	-
Advance to vendors		
- Considered good	198	58
Receivable from employees	6	7
Prepaid expenses	390	262
Other Receivable		
- Considered good	118	84
- Considered doubtful	10	10
Less: provision for doubtful	(10)	(10)
Total	**1,029**	**440**

Note 16 - Derivative financial instruments

(₹ in Lakhs)

The company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the company has elected not to apply hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	Notional amounts - Liabilities	Fair value of liabilities
As at March 31, 2022		
Premium received on options	4,253	12
Total	**4,253**	**12**

Particulars	Notional amounts - Liabilities	Fair value of liabilities
As at March 31, 2021		
Premium received on options	38,868	246
Total	**38,868**	**246**

The company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are Market linked debentures.

The company's risk management strategy and how it is applied to manage risk are explained in Note 34

Reliance Securities Limited
Financial statements for the year ended March 31, 2022

(₹ in Lakhs)

Note 17A - Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Total outstanding dues of micro enterprises and small enterprises		
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Due to margin money deposits	37,378	42,956
- Due to others	1,048	574
Total	**38,426**	**43,530**

Note 17B - Other Payables

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	**-**	**-**

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information received from suppliers regarding their status under the said act as available with the Group and relied upon by the auditors, is as follows:

According to the information available with the Company there are no dues (Previous year Rs Nil) payable to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2022.

Reliance Securities Limited

Trade Payables aging schedule

(₹ in Lakhs)

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	38,202	165	24	35	38,426
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**38,202**	**165**	**24**	**35**	**38,426**

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	43,468	23	32	7	43,530
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**43,468**	**23**	**32**	**7**	**43,530**

Reliance Securities Limited
Financial statements for the year ended March 31, 2022

(` in Lakhs)

Note 18 - Debt Securities

Particulars	As at March 31, 2022	As at March 31, 2021
At fair value through profit and loss - Secured		
- Market Linked Debenture (NCDs)	4,649	7,587
Total (A)	**4,649**	**7,587**
Debt securities in India	4,649	7,587
Debt securities outside India	-	-
Total (B)	**4,649**	**7,587**

Security clause in respect to debentures

NCDs amounting to Rs 4,649 Lakh (March 31, 2021 - Rs. 7,587 Lakh) are secured by way of first ranking mortgage over the Immovable property and second charge on the present and future book debts and receivables hypothecated in favour to Banks towards Working Capital facility and a first charge on present and future non-current assets and current assets of the company as specifically mentioned in the Trust deed and the asset cover thereof exceeds hundred per cent of the principal amount of the said debentures.

Maturity profile of Non Convertible Debentures are as set out below (Fair value):

Series	2022-23	2023-24	2026-27
RC190319/3	44	-	-
RC180731	3	-	-
RC180731/2	405	-	-
RC181214	-	393	-
RC181214/2	-	393	-
RC181214/3	-	393	-
RC181214/4	-	196	-
RC181214/5	-	393	-
RC181214/6	-	589	-
RC181221	-	759	-
RC190325	-	172	-
RC190325/2	-	310	-
RC210428	-	-	298
RC190329	-	-	189
RC190329/2	-	-	112
Total	**452**	**3 598**	**599**

Note 19 - Borrowings (Other than Debt Securities) (₹ in Lakhs)

Particulars	Nature (Secured/ unsecured)	Notes	As at March 31, 2022	As at March 31, 2021
At amortised cost				
Inter Corporate Deposit				
- From related parties	Unsecured	i	2,639	2,839
Total (A)			**2,639**	**2,839**
Borrowings in India			2,639	2,839
Borrowings outside India				
Total (B) to tally with (A)			**2,639**	**2,839**

Note:-

(i) Inter corporate deposit from related party - Reliance Capital Limited of Rs. 2,639 Lakh (Rs. 2,839 Lakh for March 31, 2021) carrrying interest rate of 12% p.a.

The Company has requested to Reliance Capital Limited (as per letter dated August 23,2021) for extenstion of ICD repayment which was due on September 7, 2021. Thus, the company got extension for the same for 1 year (i.e. upto Septemer 6, 2022)

(₹ in Lakhs)

Note 20 - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Book Overdraft	187	189
Deposits received from sub brokers	1,023	1,026
Payable to sub-brokers	-	22
Interest accrued	146	-
Payable to others	8,631	-
Provision for expenses	4,223	2,716
Employee Benefit payable	5,595	2,811
Payable to employees	76	30
Dividend payable on 0 % Compulsorily Convertible Preference Shares of ₹ 10 each	835	689
Total	**20,716**	**7,483**

Note 21 - Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	38	307
Provision against tax litigation matter	1,356	-
Total	**1,394**	**307**

Reconciliation of provisions other than employee payable

Particulars	Amount
As at March 31, 2021	**-**
Add: Additions during the year	1,356
Less: forfeited during the year	-
Less: Utilised during the year	-
As at March 31, 2022	**1,356**

Note 22 - Other non-financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Income received in advance	1,880	2,054
Statutory liabilities	263	545
Other payable		
- Related party	-	-
- Others	36	24
Total	**2,179**	**2,624**

Note 23 - Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of ₹ 10 each	22,00,00,000	22,000	22,00,00,000	22,000
Preference Shares of ₹ 10 each	18,00,00,000	18,000	18,00,00,000	18,000
Total	**40,00,00,000**	**40,000**	**40,00,00,000**	**40,000**

ISSUED, SUBSCRIBED AND PAID UP	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Opening Balance at the beginning of the reporting period - Equity Shares of ₹ 10 each fully paid up	21,00,00,000	21,000	21,00,00,000	21,000
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Changes in equity share capital during the current year	-	-	-	-
Closing balance at end of reporting period	**21,00,00,000**	**21,000**	**21,00,00,000**	**21,000**

Note:

1. Terms and rights attached to equity 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 entitled 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 2022 and March 31, 2021 are set out below;

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity Shares*				
Number of shares at the beginning	21,00,00,000	21,000	21,00,00,000	21,000
Add : Issued during the year/Period	-		-	
Number of shares at the end	**21,00,00,000**	**21,000**	**21,00,00,000**	**21,000**

*The company has allotted 1,600 Lakh , Equity Shares on right basis to Reliance Capital Limited on March 19, 2018, out of the proceeds of the issue, 250 Lakh 12 % Non-Convertible Cumulative Redeemable Preference Shares & 1,250 Lakh , 10% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up, which were allotted to Reliance Capital Limited have been redeemed.

3. The details of shareholder holding more than 5% and shares held by the holding/promoter/ultimate holding company as at March 31, 2022 and March 31, 2021 are set out below:

Equity shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Reliance Capital Limited (the holding company) and its nominees	21,00,00,000	100%	21,00,00,000	100%

4. During the financial year 2015-16, pursuant to approved by the board of directors on 2nd March 2016, a sum of ₹ 2,500 Lakh was capitalized from Capital Redemption Reserve account for issuance of 250 Lakh bonus shares of ₹ 10 each fully paid-up and these bonus shares were allotted by the Company on 30th March 2016. The said bonus shares were issued in the proportion of 1 equity share for every 1 equity share of ₹ 10 each held by the equity shareholders of the Company on 2nd March 2016 without payment being received in cash.

Note 24A - Instruments entirely equity in nature

Particulars	As at March 31, 2022	As at March 31, 2021
0% Compulsorily Convertible Preference Shares of Rs. 10 each	2,500	2,500
Total	**2,500**	**2,500**

Note:

1. Terms and Rights attached to 0% Compulsorily Convertible Preference Shares (CCPS)

(i) The CCPS holders shall be entitled to such rights and privileges as are available to them under the Companies Act, 2013.

(ii) The CCPS shall be compulsorily convertible into equity shares of the Company 10 years from the date of such variation at such price and on such terms and conditions as may be mutually agreed between the Company and the preference shareholder at the time of such conversion.

(iii) The yield payable on the CCPS modified from 12% to 6% p.a.(six per cent per annum) with effect from the date of allotment of the 0% Non- Convertible Non-Cumulative Compulsorily Redeemable Preference Shares (NCNCCRPS).

(iv) The conversion ratio of the CCPS shall be 2 fully paid equity shares of the Company for every 5 CCPS held. During the tenor of the CCPS, the Company has the option to convert the same (along with guaranteed yield accrued thereon till date) at any time into fully paid equity shares of the Company in the conversion ratio mentioned above.

(v) To the extent the Company has not exercised its option to convert the CCPS into equity shares during the tenor of the CCPS, and further if the Company has also not exercised its redemption option as stated below, the CCPS shall be compulsorily converted into fully paid equity shares (along with guaranteed yield accrued thereon till date) of the Company at the end of the tenor of the CCPS. For determining the number of equity shares to be issued against the guaranteed yield accrued till the date of conversion, the amount of yield accrued will be divided by Rs.25 (i.e. value per share). The issue price of equity shares on conversion would be Rs. 25/- per share comprising of a face value of Rs. 10/- each and a premium of Rs. 15/- per share.

(vi) The Company has a discretion to pay the yield on the CCPS in cash.

(₹ in Lakhs)

2. The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2022 and March 31, 2021 are set out below;

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
CCPS*				
Number of shares at the beginning	2,50,00,000	2,500	2,50,00,000	2,500
Add : Issued during the year	-		-	
Number of shares at the end	**2,50,00,000**	**2,500**	**2,50,00,000**	**2,500**

* The company had allotted 2,50,00,000 , 0 % Non-Convertible Non-Cumulative Compulsorily Redeemable Preference Shares (NCNCCRPS) to Reliance Financial Limited on October 29, 2015, The term of issue had been modified vide board meeting dated March 19, 2018 (as mentioned above) and the Preference Shares had became 0% Compulsorily Convertible Preference Shares (CCPS).

3. The details of shareholder holding more than 5% and shares held by the holding/ultimate holding company as at March 31,2022 and March 31, 2021 are set out below;

Particulars	As at March 31, 2022		As at March 31, 2021	
Equity shares	**No. of shares**	**%**	**No. of shares**	**%**
Reliance Financial Limited	2,50,00,000	100%	2,50,00,000	100%

(₹ in Lakhs)

Note 24B - Other equity

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
(i) Capital reserve	2,602	2602
(ii) Retained earnings	(14,131)	(15,948)
(iii) Other Comprehensive Income	(141)	(160)
(iv) Debenture Redemption Reserve	560	560
(v) Share based options outstanding account	38	38
Total	**(11,072)**	**(12,908)**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
(i) Capital reserve		
Opening Balances	2,602	2,602
Add: Transfer from Statement of Profit and Loss	-	-
Closing Balances	**2,602**	**2,602**
(ii) Retained earnings		
Opening Balances	(15,948)	(17,275)
Add : Profit for the year	1,818	1,326
Less : Transfer to Debenture Redemption Reserve	-	-
Closing Balances	**(14,130)**	**(15,949)**
(iii) Other Comprehensive Income		
Opening Balances	(160)	(156)
Add: Other comprehensive income for the year	19	(4)
Closing Balances	**(141)**	**(160)**
(iv) Debenture Redemption Reserve		
Opening Balances	#VALUE!	560
Add: Transfer from Statement of Profit and Loss	-	-
Closing Balances	**#VALUE!**	**560**
(v) Share based options outstanding account		
Opening Balances	38	38
Add: Stock options benefit from parent company during the year	-	-
Closing Balances	**38**	**38**

Nature and purpose of reserve

a) Capital reserve

Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase. The Company's capital reserve is mainly on account of business combination of Reliance Money Express Limited with Reliance Securities Limited.

b) Debenture redemption reserve

The company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

c) Retained earnings

Retained earnings represents accumulated deficit in statement of profit and loss.

d) Other comprehensive income

Other Comprehensive income represents actuarial gains / (losses) arising on recognition of defined benefit plans.

e) Share options outstanding account

The share options outstanding account is used to recognise the fair value of options issued to employees under share based payments arrangement scheme by the parent company over the vesting period.

(₹ in Lakhs)

Note 25 - Interest Income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial assets measured at amortised costs:		
Interest charged to clients	3,371	1,726
Interest on deposits with banks	578	1,507
Total	**3,949**	**3,233**

Note 26 - Fees and commission & Other operating Income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Brokerage, commission and fees	10,266	12,431
Total	**10,266**	**12,431**

Note 27 - Net gain on fair value changes

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On trading portfolio	19,281	11,191
(i) Investments (Mutual Fund)	346	37
(ii) Derivatives	18,692	10,604
(iii) Equity	165	151
(iv) Bonds	57	399
(v) Others (unlisted share)	21	-
Total Net gain/(loss) on fair value changes	**19,281**	**11,191**
Fair Value changes:		
Realised	19,129	11,040
Unrealised	152	151
Total Net gain/(loss) on fair value changes	**19,281**	**11,191**

Note 28 - Other Income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on income tax refund	66	44
Profit on sale of fixed asset	5	3
Liability written back	7	139
Miscellaneous income	24	11
Total	**102**	**197**

Note 29 - Finance Cost

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial liabilities measured at amortised cost:		
Inter corporate deposits	553	708
Bank overdrafts	2	11
Preference shares	146	140
On financial liabilities measured at FVTPL:		
Debentures	587	1,602
Total	**1,288**	**2,460**

Note 30 - Employee Benefits Expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, bonus and allowances	14,395	10,722
Contribution to provident fund and other funds	386	402
Staff welfare expenses	118	35
Total	**14,900**	**11,160**

Note 31 - Others expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent, Rates and taxes (net)	867	968
Insurance	151	178
Communication & networking charges	344	398
Marketing and advertisement	1,627	762
Legal and professional charges	2,441	1,551
Rates and taxes	1,397	52
Repair & maintenance	127	108
Postage and office couriers	78	42
Bad debts written-off (net)	1,372	222
Travelling and conveyance expenses	344	116
Bank charges	5	18
Loss on discartment of assets	(0)	12
Stock exchange expenses	392	585
Printing and stationery	32	43
Payment to auditors		
- As Statutory audit	13	13
- As other audit fee	3	3
- As other services	1	1
Membership and subscription	29	22
Miscellaneous expenses	4	9
Office administrative expenses	350	334
Software expenses	2,460	2,330
Electricity charges	158	144
Provision for doubtful debts/advances (net)	(116)	281
Seminar and training	31	13
CSR Expenditure	3	8
Total	**12,114**	**8,214**

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

Relationships during the year

(A) **Holding Company**
Reliance Capital Limited

(B) **Subsidiaries of Holding Company**

Reliance Capital Pension Fund Limited
Reliance General Insurance Company Limited
Reliance Nippon Life Insurance Company Limited
Reliance Health Insurance Limited
Reliance Commercial Finance Limited
Reliance Commodities Limited
Reliance Financial Limited
Reliance Wealth Management Limited
Reliance Money Solutions Private Limited
Reliance Money Precious Metals Private Limited
Reliance Exchangenext Limited
Reliance Corporate Advisory Services Limited
Quant Capital Private Limited
Quant Broking Private Limited
Quant Securities Private Limited
Quant Investment Services Private Limited
Gullfoss Enterprises Private Limited
Reliance Underwater Systems Private Limited

(C) **Associate Companies of Holding Company**
Ammolite Holdings Limited
Reliance Asset Reconstruction Company Limited
Global Wind Power Limited
Reinplast Advanced Composites Private Limited
Reliance Home Finance Limited

(D) **Key management personnel(KMP)**

Names	**Designation**
Mr. Lav Chaturvedi	Whole-time Director & Chief Executive officer
Mr. Amit Agrawal	Chief Financial Officer
Mr. Chetan Desai	Independent Director
Ms. Homai Daruwalla	Independent Director
Mr. Amit Bapna	Director (upto August 10, 2020)
Mr. Aman Gudral	Director (w.e.f. August 10, 2020)
Mr. Ashish Turakhia	Company Secretary(upto June 30, 2020)
Mr. Viral Sarvaiya	Company Secretary(w.e.f. July 25, 2020 to December 21, 2020)
Ms. Vrunda Dhanesha	Company Secretary(w.e.f. January 21, 2021)

(E) Key management personnel compensation

Particular	year ended 31st March 2022	year ended 31st March 2021
Short term employee benefits	436	272
Termination benefits	-	15
Total compensation	436	287

(excluding stock options)

(F) Transactions with related party

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	year ended 31st March 2022	year ended 31st March 2021	year ended 31st March 2022	year ended 31st March 2021	year ended 31st March 2022	year ended 31st March 2021
Unsecured loan Payable						
Reliance Capital Limited						
Opening balance	2,839	5,050	-	-	-	-
Repaid during the year	200	2,211	-	-	-	-
Closing balance payable	2,639	2,839	-	-	-	-
Reliance Financial Limited						
Taken during the year	-	-	57720	32,250	-	-
Repaid during the year	-	-	(57,720)	(32,250)	-	-

(Cont...)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	year ended 31st March 2022	year ended 31st March 2021	year ended 31st March 2022	year ended 31st March 2021	year ended 31st March 2022	year ended 31st March 2021
Redemption/Sale/Purchases of Bonds						
Reliance Capital Limited						
Investment in MLD as on Mar 31, 2022 (Cost - Rs 3,53,01,630)	-	-	-	-	-	-
Reliance Financial Limited						
Redemption of Reliance Finance Limited Market Linked Debenture (Face Value of Rs. 1,00,000 by 984 quantity	-	-	-	999	-	-
Redemption of MLD (Face Value of Rs. 1,00,000 by 595 quantity)	-	-	3,617	-	-	-
Sale of MLD (Face Value of Rs. 1,00,000 by 1 quantity)	-	-	-	11	-	-
Sale of Investments (Mutual Funds) 5321431 quantity	-	-	-	29	-	-
Reliance Asset Reconstruction Company Limited						
Purchase of MLD (Face Value of Rs. 1,00,000 by 1750 quantity)	-	-	-	1,750	-	-
Redemption of MLD Purchased (Face Value of Rs. 1,00,000 by 1000 quantity)	-	-	-	1,000	-	-
(Face Value of Rs. 1,00,000 by 770 quantity)			796			

(Cont...)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	year ended 31st March 2022	year ended 31st March 2021	year ended 31st March 2022	year ended 31st March 2021	year ended 31st March 2022	year ended 31st March 2021
Payments/expenditures						
Reliance Capital Limited						
Interest on inter corporate deposits	328	448	-	-	-	-
Reimbursement of Expenses						
- Management Fee	-	0	-	-	-	-
- Reimbursement of IT expenses	12	60	-	-	-	-
- Contractual Services	13	57	-	-	-	-
Reliance General Insurance Company Limited						
Medical Insurance	-	-	93	136	-	-
Other Insurance			12	20		
Reimbursement of Expenses	-	-		-	-	-
Contractual Services	-	-		1	-	-
Reliance Nippon Life Insurance Company Limited						
Insurance	-	-	27	28	-	-
Reliance Financial Limited						
Interest on inter corporate deposits	-	-	123	87	-	-
Dividend payable on Preference Shares	-	-	146	140	-	-
Reimbursement of Expenses	-	-	1,441	900	-	-
Reliance Infrastructure Limited						
Rent	-	-	-	123	-	-

(Cont..)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March
	2022	2021	2022	2021	2022	2021
Reliance Wealth Management Limited						
Purchase of Assets	-	-	-	19	-	-
Reliance Commodities Limited						
Reimbursement of Expenses	-	-	-	18	-	-
Lav Chaturvedi						
Reimbursement of Expenses	-	-	-	-	28	6
Chetan Desai						
Director Sitting Fee					5	4
Homai Daruwalla						
Director Sitting Fee	-	-	-	-	5	4
Amit Agrawal						
Reimbursement of expenses	-	-	-	-	1	0
Vrunda Dhanesha						
Filing Fee & other charges Rs. 3400/-	-	-	-	-	0	0

(Cont...)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March
	2022	2021	2022	2021	2022	2021
Receipts/Income						
Reliance Capital Limited						
Brokerage Income	302	184	-	-	-	-
MLD portfolio management services	-	600	-	-	-	-
Reliance General Insurance Company Limited						
Brokerage Income	-	-	6	6	-	-
Distribution Income- Receipts	-	-	14	19	-	-
Rental Income	-	-	1	8	-	-
Reliance Nippon Life Insurance Company Limited						
Distribution Fees	-	-	742	996	-	-
Brokerage Income	-	-	-	4	-	-
Reliance Health Insurance Limited						
Distribution Fees	-	-	-	1	-	-
Reliance Home Finance Limited						
Brokerage Income - Receipts	-	-	310	159	-	-
Rent Income			8	17		

(Cont...)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March
	2022	2021	2022	2021	2022	2021
Reliance Commodities Limited						
Brokerage Income (previous year Rs.53)	-	-	76	41	-	-
Reimbursement of Expenses - Receipts	-	-		8	-	-
IT Infrastructure and support Charges	-	-		83	-	-
Reimbursemnt of FD Interest	-	-	8	59	-	-
Reliance Financial Limited						
Brokerage Income	-	-	391	52	-	-
Reimbursement	-	-	21	24	-	-
Quant Capital Private Limited						
Rent Reimbursement	-		-	1	-	-
Quant Securities Private Limited						
Rent Reimbursement	-	-	-	1	-	-
Quant Investment Services Private Limited						
Rent Reimbursement	-	-	-	1	-	-
Quant Broking Private Limited						
Rent Reimbursement	-	-	-	1	-	-
Reliance Wealth Management Limited						

Brokerage Income (Rs. 13549/-)	-	-	0	7	-	-
Reimbursement of expenses - Rent	-	-	-	1	-	-

(Cont...)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March	year ended 31st March
	2022	2021	2022	2021	2022	2021
Reliance Corporate Advisory Services Limited						
Brokerage Income	-	-	-	2	-	-
Reliance Asset Reconstruction Company Limited						
Distribution Fees	-	-	-	-	-	-
Rental Income			94	36	-	-
Sale of Assets	-	-	-	4	-	-
Interest received on MLD	-	-	-	153	-	-
Reliance Commercial Finance Limited						
Brokerage Income	-	-	3	-	-	-
Rent Income	-	-	21	-	-	-
Priyanka Agrawal						
Brokerage Income Rs.26476/- (previous year Rs.35,451/-)	-	-	-	-	0	0
Geeta Agrawal						
Brokerage Income Nill (previous year Rs. 1,629/-)	-	-	-	-	-	0
Nina Kothari						
Brokerage Rs.Nil (previous year Rs. Rs.64,355/-)	-	-	-	-	-	1
Vaibhav Kabra						
Brokerage Rs. Nil (previous year Rs. 867/-)	-	-	-	-	-	0
Atul Tandon						
Brokerage Rs.15054/- (previous year Rs. Nil)	-	-	-	-	0	-

(Cont...)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	As at 31st March	As at 31st March	As at 31st March	As at 31st March	As at 31st March	As at 31st March
	2022	2021	2022	2021	2022	2021
Receivables and (payables)						
Reliance Capital Limited	6	(9,183)	-	-	-	-
Reliance Nippon Life Insurance Company Limited	-	-	12	139	-	-
Reliance General Insurance Company Limited	-	-	2	29	-	-
Reliance Home Finance Limited	-	-	-	(3,906)	-	-
Reliance Health Insurance Limited	-	-	-	-	-	-
Reliance Commodities Limited	-	-	-	(479)	-	-
Reliance Financial Limited	-	-	(4,119)	(3,388)	-	-
Reliance Wealth Management Limited	-	-	(1)	(1)	-	-
Reliance Commercial Finance Limited	-	-	1	2	-	-
Reliance Corporate Advisory Services Limited Rs. 6/-	-	-	0	0	-	-
Reliance Asset Reconstruction Company Limited	-	-	2	15	-	-
Reliance Infrastructure Limited	-	-	-	(94)	-	-
Lav Chaturvedi Rs. 86,314/-	-	-	-	-	1	1
Amit Agrawal Rs. 15,600/-	-	-	-	-	(0)	1
Vrunda Dhanesha Rs. 78,800/-	-	-	-	-	1	1
Priyanka Agrawal Rs. 916	-	-	-	-	(0)	(2)
Nina Kothari Rs. 2482/-	-		-	-	0	0
Atul Tandon Rs. 79/-	-	-	-	-	0	0
Nisha Chaturvedi Rs. 719/-	-	-	-	-	0	0

(Cont...)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Investments						
Reliance Capital Limited						
Investment in MLD as on Mar 31, 2022 (net)	49	49	-	-	-	-
Liability						
Preference Shares						
Reliance Financial Limited						
Face Value	-	-	2,500	2,500	-	-
Dividend accrual till date	-	-	835	689	-	-
Market Linked Debture						
Reliance Financial Limited (Fair value as on date)	-	-	44	12	-	-

(Cont...)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates		Key Management Personnel &	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
Purchase of Business from Reliance Commodities Limited						
Assets taken over	-	-	-	2,988	-	-
Liabilites taken over	-	-	-	2,743	-	-
Purchase Consideration	-	-	-	253	-	-
Goodwill on account of business acquisition	-	-	-	8	-	-

(G) *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.

Notes to the financial statements for the year ended March 31, 2022 (₹ in Lakhs)

33 Income tax

a) The components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are:

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Current tax	796	-
Adjustment in respect of current income tax of prior years	32	(34)
Deferred tax	-	844
Total	**828**	**810**

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 India's domestic tax rate for the years ended March 31, 2022 and March 31, 2021 is, as follows:

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Accounting profit before tax	2,646	2,136
Tax at India's statutory income tax rate of 25.168 % (previous year 25.168%)	**666**	**537**
Tax effect of the amount which are not taxable in calculating taxable income :		
Temporary difference on which no deferred tax recognised	129	616
Fair value of financial instruments	(52)	(132)
Set off of Earlier year losses	(545)	(1,062)
Adjustment for earlier year taxes	32	(34)
MAT Credit w/off	-	844
Income tax expense at effective tax rate	**828**	**810**
Effective tax rate	**31.30%**	**37.94%**
Accounting profit after tax	1,818	1,326

c) Deferred tax assets/liabilities

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

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Deferred tax liability :		
Fair valuation of investments	65	(28)
Gains recognised on futures	3	-
Total	**68**	**(28)**
Deferred tax asset :		
Unused tax losses for which no deferred tax asset has been recognised	-	135
Unabsorbed depreciation	-	667
Revenue recognition on advance brokerage plan	473	517
Expected credit loss recognised	-	891
Deprecation difference	(115)	161
Provision for DD & Expenses	2565	754
Provision for gratuity	10	77
Total	**2,932**	**3,202**
Net deferred tax liability \ (asset)	**(2,864)**	**(3,230)**

* Note: The company has deferred tax assets in the form of brought forward losses and disallowance under income tax. Deferred tax asset has not been recognised due to future benefit which will be flow to the company being can not be reliably measure.

The Company has decided to opt for Section 115BAA under Income Tax Act 1961. As per section 115BAA the company will pay tax at lower rate i.e. 22% under Normal computation of Income Tax.

Further in terms of new provision, the Company would be exempt from computing tax under 115JB i.e MAT. However the Company will have to forego the accumulated MAT credit. Since, the accumulated MAT credit was forming part of Deferred tax asset appearing in the Books, the same has been reversed in the previous year.

Notes to the financial statements for the year ended March 31, 2022 (Amount in Lakh)

34 Fair value measurements

a) Financial instruments by category

Particular	As at March 31, 2022		As at March 31, 2021	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Cash and cash equivalents	-	1,407	-	2,393
Bank balance other than cash and cash equivalents above	-	10,323		20,856
Derivative financial instruments	7	-	8	-
Receivables				
(I) Trade receivables	-	2,293	-	1,954
(II) Other receivables	-	30	-	251
Loans	-	3,091	-	2,275
Investments				
- equity instruments			-	
- Mutual Funds	8,276	-	5,036	-
- Debentures	-	-	-	-
- Preference shares	-	-	-	-
Other financial assets	-	51,254		38,129
Total Financial Assets	**8,283**	**68,398**	**5,044**	**65,859**
Financial Liabilities				
Derivative financial instruments	12		246	-
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 enterprises	-	38,426	-	43,530
(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	-	-	-	-
Debt Securities	4,649	-	7,587	-
Borrowings (Other than debt securities)	-	2,639	-	2,839
Other financial liabilities	835	19,881	689	6,795
Total Financial Liabilities	**5,496**	**60,946**	**8,522**	**53,164**

b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets measured at fair value at March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial Assets				
Derivative financial instruments	7	-	-	**7**
Investments				
- Mutual Funds-Credit ris fund & Liquid fund	8,276	-	-	**8,276**
- equity instruments	-	-	-	**-**
Total financial assets	**8,283**	**-**	**-**	**8,283**

Financial liabilities measured at fair value at March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Derivative financial instruments	12	-	-	**12**
Debt Securities	-	-	5,484	**5,484**
	12	-	**5,484**	**5,496**

Financial assets measured at fair value at March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial Assets				
Derivative financial instruments	8	-	-	**8**
Investments				
- Mutual Funds-Credit ris fund & Liquid fund	5,036	-	-	**5,036**
- equity instruments	-	-	-	**-**
Total financial assets	**5,044**	**-**	**-**	**5,044**

Notes to the financial statements for the year ended March 31, 2022 (Amount in Lakh)

Financial liabilities measured at fair value at March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Derivative financial instruments	246	-	-	**246**
Debt Securities	-	-	8,276	**8,276**
	246	-	**8,276**	**8,522**

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.

c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:
· Listed equity investments (other than subsidiaries and associates - Quoted bid price on stock exchange
· Mutual fund - net asset value of the scheme
· Debentures or bonds - based on market yield for instruments with similar risk / maturity, etc.
· Other financial instruments – discounted cash flow analysis.

d) Fair value measurements using significant unobservable inputs (level 3)
The following table presents the changes in Level 3 items for the year ended March 31, 2022 and previous year ended March 31, 2021

Particulars	Total
As at March 31, 2020	-
Additions	-
Disposals	-
Gains/(losses) recognised in statement of profit and loss	-
As at March 31, 2021	-
Additions	-
Disposals	-
Gains/(losses) recognised in statement of profit and loss	-
As at March 31, 2022	-

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

	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial assets				
Cash and cash equivalents	1,407	1,407	2,393	2,393
Bank balance other than cash and cash equivalents above	10,323	10,323	20,856	20,856
Receivables				
(I) Trade receivables	2,293	2,293	1,954	1,954
(II) Other receivables	30	30	251	251
Loans	3,091	3,091	2,275	2,275
Investments	-	-	-	-
Other financial assets	51,254	51,254	38,129	38,129
Total financial assets	**68,398**	**68,398**	**65,859**	**65,858**
Financial liabilities				
Trade payables	38,426	38,426	43,530	43,530
Borrowings (Other than debt securities)	2,639	2,639	2,839	2,839
Other financial liabilities	19,881	19,881	6,795	6,795
Total financial liabilities	**60,946**	**60,946**	**53,164**	**53,164**

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 deposits given to exchanges, deposits taken from sub-brokers 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 statements for the year ended March 31, 2022 (₹ in Lakhs)

35 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 purposes.

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, derivatives financial instruments, financial assets measured at amortised cost	Ageing analysis, credit ratings	Diversification of bank deposits, credit limits and regular monitoring
Liquidity risk	Debt securities, Borrowings (other than debts)	Rolling cash flow forecasts	Availability of committed credit lines, borrowing facilities, Asset liability measurement
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,(Which is uncovered, where colletral value is less than outstanding balance) outstanding for more than 7 days in case of broking business clients,outstanding for more than 90 days in case of commodity 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
Loss allowance as at March 31, 2020	**3,630**
changes in loss allowance	(90)
Loss allowance as at March 31, 2021	**3,540**
changes in loss allowance	(1,245)
Loss allowance as at March 31, 2022	**2,295**

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 full.

(₹ in Lakhs)

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 to the Company's reputation.

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 external regulatory requirements and maintaining debt financing plans.

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, 2022	As at March 31, 2021
Fix rate		
Short Term Loan	-	-
Floating rate		
Cash Credit Limit	-	-
Overdraft facilities	-	-
Loan against securities	-	-

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.

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, 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						
Cash and cash equivalents	1,407	-	-	-	-	**1,407**
Bank balance other than cash and cash equivalents above	-	6,241	3,998	59	25	**10,323**
Derivative financial instruments	-	7	-	-	-	**7**
Receivables						
(I) Trade receivables	-	2,293	-	-	-	**2,293**
(II) Other receivables	-	30	-	-	-	**30**
Loans	-	3,091	-	-	-	**3,091**
Investments	-	8,276	-	-	-	**8,276**
Other financial assets	-	50,711	538	5	-	**51,254**
Total financial assets	**1,407**	**70,649**	**4,536**	**64**	**25**	**76,682**
Financial liabilities						
Derivative financial instruments	-	12	-	-	-	**12**
Payables						
(I) Trade payables						**-**
(i) total outstanding dues of micro enterprises and small						**-**
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	38,426	-	-	-	**38,426**
(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						**-**
Debt securities	-	-	452	4,197	-	**4,649**
Borrowings (Other than debt securities)	-	-	2,639	-	-	**2,639**
Subordinated liabilities						**-**
Other financial liabilities	-	9,894	-	187	10,634	**20,715**
Total financial liabilities	**-**	**48,332**	**3,091**	**4,384**	**10,634**	**66,442**
Net	**1,407**	**22,318**	**1,445**	**(4,320)**	**(10,609)**	**10,240**

Notes to the financial statements for the year ended March 31, 2022 (₹ in Lakhs)

As at March 31, 2021

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						
Cash and cash equivalents	2,393	-	-	-	-	**2,393**
Bank balance other than cash and cash equivalents above	-	11,528	8,802	501	25	**20,856**
Derivative financial instruments	-	8	-	-		**8**
Receivables						
(I) Trade receivables	-	1,954	-	-	-	**1,954**
(II) Other receivables	-	251	-	-	-	**251**
Loans	-	-	2,275	-	-	**2,275**
Investments	-	5,036	-	-	-	**5,036**
Other financial assets	-	37,557	572	-	-	**38,129**
Total financial assets	**2,393**	**56,334**	**11,649**	**501**	**25**	**70,903**
Financial liabilities						
Derivative financial instruments	-	232	10	4	-	**246**
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 enterprises	-	43,530	-	-	-	**43,530**
(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	-	-	-	-	-	**-**
Debt securities	-	-	-	7,315	272	**7,587**
Borrowings (Other than debt securities)	-		2,839	-	-	**2,839**
Subordinated liabilities	-	-	-	-	-	**-**
Other financial liabilities	-	-	6,795	-	689	**7,483**
Total financial liabilities	**-**	**43,762**	**9,644**	**7,319**	**961**	**61,685**
Net	**2,393**	**12,573**	**2,005**	**(6,818)**	**(936)**	**9,218**

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 rates and equity prices.

Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cash flow interest rate risk. The company policy is to hedge its interest rate risk on MLD by taking positions in future & options based on specified indices.

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, 2022	As at March 31, 2021
Variable rate borrowing	4,649	7,587
Fixed rate borrowing	2,639	2,839
Total Borrowing	7,288	10,426

As at the end of the reporting period, the Company had the following futures and options contracts outstanding:

Particulars	As at March 31, 2022			As at March 31, 2021		
		Units			Units	
	No of contracts	Long	Short	No of contracts	Long	Short
Options						
Index option Long	173	6,625	-	3	7,800	-
Index option Short	468	-	(24,075)	42	-	(1,40,600)
Stock option Short	-	-	-	2	-	(2,107)
Futures						
Stock futures long	-	-	-	41	6,16,415	-
Stock futures short	-	-	-	7	-	(69,750)
Index future short	-	-	-	1	-	(6,300)
Index future long	12	500	-	1	4,600	
Net exposure in future & option contract		7,125	(24,075)		6,28,815	(2,18,757)

ii) Price risk Exposure

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss **(note no. 10)**.

To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

The majority of the company's equity investments are publicly traded.

iii) Financial liabilities designated at FVPL

The Company has issued certain non-convertible debentures, the rate of interest which is linked to performance of specified indices/stocks over the period of the debentures. The Company hedges its interest rate risk on MLD by taking positions in future & options based on specified indices/stocks. The company designated the entire hybrid contract as a financial liability at fair value through profit or loss.

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 two year to equity stock holders of the company.

Notes to the financial statements for the year ended March 31, 2022 (Amount in Lakh)

36 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.

Particulars	**As at March 31, 2022**			**As at March 31, 2021**		
	Within 12 months	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Financial assets						
Cash and cash equivalents	1,407	-	1,407	2,393	-	2,393
Bank balance other than cash and cash equivalents above	10,239	84	10,323	20,330	526	20,856
Derivative financial instruments	7	-	7	8	-	8
Receivables						
(I) Trade receivables	2,293	-	2,293	1,954	-	1,954
(II) Other receivables	30	-	30	251	-	251
Loans	3,091	-	3,091	2,275	-	2,275
Investments	8,276	-	8,276	5,036		5,036
Other financial assets	51,249	5	51,254	38,129	-	38,129
Non-financial assets						
Inventories	3,472	-	3,472	1,657	-	1,657
Current tax assets (Net)	-	333	333	-	1,026	1,026
Deferred tax assets (Net)	-	-	-	-	-	-
Investment property	-	13	13	-	13	13
Property, plant and equipment	-	465	465	-	587	587
Goodwill	-	8	8		8	8
Other intangible assets	-	443	443	-	574	574
Other non-financial assets	1,009	20	1,029	411	29	440
Total assets	**81,073**	**1,371**	**82,444**	**72,445**	**2,763**	**75,209**

Particulars	**As at March 31, 2022**			**As at March 31, 2021**		
	Within 12 months	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Financial liabilities						
Derivative financial instruments						
Payables						
(I) Trade payables	12	-	12	242	4	246
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	38,426	-	38,426	43,530	-	43,530
(II) Other payables						
(i) total outstanding dues of	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro	-	-	-	-	-	-
Debt securities	451	4,198	4,649	-	7,587	7,587
Borrowings (Other than debt securities)	2,639	-	2,639	2,839	-	2,839
Subordinated liabilities	-	-	-	-		-
Other financial liabilities	9,894	10,821	20,715	6,794	689	7,483
Non-financial Liabilities						
Provisions	38	1,356	1,394	307	-	307
Other non-financial liabilities	2,179	-	2,179	2,624	-	2,624
Total liabilities	**53,640**	**16,375**	**70,015**	**56,335**	**8,280**	**64,615**
Net	**27,433**	**(15,004)**	**12,429**	**16,110**	**(5,517)**	**10,594**

Notes to the financial statements for the year ended March 31, 2022 (₹ in Lakhs)

37 Segment reporting

The Company has reported segment wise information as per IND AS 108 "Operating Segment", notified under the Companies (Indian Accounting Standards) Rules, 2015. The operations of the Company are conducted within India, there is no separate reportable geographical segment and the Company reported the following business segments:

(i) Broking Activities: Broking activities includes Broking services to clients, research and advisory services and distribution of financial product distribution, depository services, etc.

(ii) Proprietary trading : Proprietary Trading activities includes the trading in securities by the Company in its own name.

(iii) Certain assets and liabilities, which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated"

Particulars	Year ended March 31 2022	Year ended March 31 2021
Segment Revenue		
a. Broking activity	14,251	15,815
b. Proprietary trading	19,281	11,192
c. Unallocated	66	45
Total	**33,598**	**27,052**
Segment Results		
a. Broking activity	(6,133)	(5,073)
b. Proprietary trading	10,131	7,256
c. Unallocated	(1,352)	(47)
Total	**2,646**	**2,136**
Segment Assets		
a. Broking activity	60,097	63,322
b. Proprietary trading	21,876	10,684
c. Unallocated	471	1,202
Total	**82,444**	**75,208**
Segment Liabilities		
a. Broking activity	67,591	59,766
b. Proprietary trading	1,069	4,850
c. Unallocated	1,356	-
Total	**70,016**	**64,616**

a) Segment assets includes financial and non financial assets and are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment. Unallocated assets include deferred tax asset current tax assets and unsplit portion of property plant and equipment, intangible assets and investment property as per accuracy level of splitting decided by the management.

b) Segment liabilities includes financial and non financial labilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

Notes to the financial statements for the year ended March 31, 2022 (₹ in Lakhs)

38 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, 2022	As at March 31, 2021
Employer's Contribution to Provident Fund (Included in 'Contribution to provident and other funds' under Employee Benefits Expense) - refer note no. 30	285	303

B. Defined Benefit Plans:

Gratuity:

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.

	Gratuity Benefits	
I. Change in present value of obligation:	**As at March 31, 2022**	**As at March 31, 2021**
Present value of obligations at the beginning of the year	**413**	**437**
Interest Cost	23	29
Current Service Cost	46	57
Benefit Paid	(103)	(106)
Actuarial (gain)/loss on obligations	(27)	(0)
Liability for Transferred In / (out)	6	(3)
Present value of obligations at the end of the year	**360**	**413**

II. Change in the fair value of Plan Assets :	As at March 31, 2022	As at March 31, 2021
Fair Value of Plan Assets at the beginning of the year	**107**	**207**
Expected Return on Plan Assets	6	14
Contributions	307	-
Benefit Paid	(103)	(106)
Actuarial gain/(loss) on Plan Assets	(2)	(4)
Assets Transferred In/(out)	6	(3)
Fair Value of Plan Assets at the end of the year	**321**	**107**

III. Reconciliation of present value of obligation and fair value of assets :	As at March 31, 2022	As at March 31, 2021
Liability at the end of the year	360	413
Fair value of plan assets at the end of the year	321	107
(Asset) / Liability Recognised in the Balance Sheet	**38**	**307**

IV. Expenses recognised during the year :	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Service Cost	46	57
Interest Cost	23	29
Expected Return on Plan Assets	(6)	(14)
Net Actuarial (Gain)/Loss recognised	(25)	4
Expense Recognised in statement of profit and loss	38	76

Amount recorded in Other comprehensive Income (OCI)	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurements during the year due to -changes in financial assumptions Experience Adjustment on Plan Liability (Gain)/Loss	(27)	(0)
Actuarial Gain /(Loss) due to Plan Asset	(2)	(4)
Amount recognised in OCI during the year (Gain)/Loss	**(25)**	**4**

V. Investment details :

Total value of investments for employees gratuity fund scheme is managed by insurance company.

VI. Assumptions :	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Discount Rate (per annum)	6.41%	5.58%
Rate of Return on Plan Assets	6.41%	5.58%
Salary Escalation	6.00%	6.00%
Rate of Employee Turnover	For service 4 years and below 36.00% p.a & For service 5 years and above 5.00% p.a.	For service 4 years and below 45.00% p.a & For service 5 years and above 8.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality(2012-14)	Indian Assured Lives Mortality(2006-08)

VII. - Particulars of amounts for the year and previous years	**Gratuity for the year ended March 31,**				
	2022	**2021**	**2020**	**2019**	**2018**
Present value of obligations at the beginning of the year	360	413	437	448	342
Fair value of plan assets at the end of the year	321	107	207	336	250
Excess of Obligation Over Plan Asset	38	307	231	112	92
Experience Adjustment on Plan Liability (Gain)/Loss	(27)	(0)	74	56	45
Actuarial Gain /(Loss) due to Plan Asset	(2)	(4)	4	4	(11)

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:

Particulars			Impact on defined benefit obligation			
	Change in assumption		**Increase in assumption**		**Decrease in assumption**	
	For the year ended March 31, 2022	**For the year ended March 31, 2021**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**	For the year ended March 31, 2022	**For the year ended March 31, 2021**
Discount Rate	1.00%	1.00%	(33)	(32)	38	36
Salary growth rate	1.00%	1.00%	38	36	(34)	(32)
Employee Turnover	1.00%	1.00%	1	(2)	(1)	2

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)	For the year ended March 31, 2022	For the year ended March 31, 2021
Insurer managed funds	100.00%	100.00%
Total	**100.00%**	**100.00%**

(E) 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 insurer.

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.

(F) 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 are 81 Lakh
The weighted average duration of the defined benefit obligation is 10 years (2020 – 13).
The expected maturity analysis of undiscounted post employment benefit plan (gratuity) is as follows :

Particulars	Less than a year	Between 1-2 years	Between 3-5 years	Over 5 years	Total
March 31, 2022					
Defined benefit obligation (gratuity)	18	20	60	659	756
March 31, 2021					
Defined benefit obligation (gratuity)	31	31	92	553	707

39 **Contingent liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Claims not acknowledged as debts in respect of: i. Guarantees given by scheduled banks		
ii. Guarantees given by scheduled banks on behalf of the company to Unique Identification Authority of India	25	25
A. Service Tax Demand received from service tax authorities alleging non payment of service tax		
(a) Service tax demanded on services provided to Western Union Financial Services, INC (WU) on the ground that the ultimate beneficiary of service are located in India. Thus liable to service tax under Business Auxiliary Services. (Period 2005-06 to September 2010)	4768	4115
(b) Service tax demanded on services provided to Western Union Financial Services, INC (WU) on the ground that RMEL as an agent provided service on behalf of WU and is liable to service tax under Business Auxiliary Services (Period October 2014 to September 2015)	1215	920
(c) Service tax demanded on delay payment interest collected from the Customers	2324	1899
(d) VAT demand denying the Input Credit ineligible under Rule 53(6) of MVAT Rules	161	-
(e) AY 2020-21 - Incorrect calculation of Interest	14	-
(f) Service tax demanded on difference of Income reported in ITR vis-à-vis STR	1012	850
B. Other Legal Matters; Demand raised for various legal matters from respective forum/court.	975	831

In reference to note No. A (a) - Other claim, identical issue has been decided in favor of Company by Hon'ble Bombay High Court. The Issue is industrywide. The Management is of the opinion that the services are in nature of export and hence not liable to service tax. Accordingly, no provision for the same has been made in the financial statements.

In reference to note No. A (b) - Other claim, the SCN has been issued alleging that the Money transfer services provided post introduction of negative list regime falls under intermediary servives and is liable to service tax. The Issue has been decided against the assessee in identical matter. Accordingly, provision of rs. 1,150 lakh. is created in the financial statements.

In reference to note No. A (c) - Other claim, the SCN has been issued alleging that the Delay payment interest collected is liable to service tax. The Issue is industrywide. The Management is of the opinion that the amount collected is in nature of interest being covered under negative list service tax and hence not liable to service tax. Accordingly, no provision for the same has been made in the financial statements.

In reference to note No. A (d) - Other claim, the order is passed against the Company. The matter is technically weak on merits. Thus a provision of rs. 161 lakh. is created in financial statements.

In reference to note No. A (f) - Other claim, the SCN has been issued without appreciating the law and reconciliation of Income The demand is thus untenable. The Management is of the opinion that the service tax has been correctly paid and this no additional service tax is payable. although on conservative basis companies has provided of Rs. 46 Lakh provision is created in the financial statements.

40 **Capital commitments**

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances)	38	10

41 **Earnings per share (EPS)**

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

Particulars	As at March 31, 2022	As at March 31, 2021
Net profit after tax available for equity shareholders (Rs.)	1,818	1,326
Weighted average number of shares for computation of Basic EPS	2,200	2,200

(₹ in Lakhs)

Basic EPS	**0.83**	**0.60**
Weighted average number of shares for computation of Diluted EPS	2,200	2,200
Diluted EPS	**0.83**	**0.60**

b) **The reconciliation between the basic and the diluted earnings per share is as follows:**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Basic earnings per share	0.83	0.60
Diluted earnings per share	0.83	0.60

42 **Operating lease commitments**

The Company have taken office branches under operating leases, which expire between 2022 to 2027 (Previous Year: 2020 to 2027). The committed lease rentals in the future are:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-

43 **Auditor's Remunerations** **(` in Lakhs)**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
As Auditors		
- Audit Fees	13	13
Other Services		
- Certification	1	1
- Others	3	3
Total	**17**	**17**

44 **Foreign currency transactions**

Details of foreign currency transactions are as follows:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Expenditure incurred in foreign currency*	-	-
Income earned in foreign currency*	-	-

*During the year the company had no unhedged foreign currency exposures

45 Disclosure of loans / advances and investments in its own shares pursuant to Regulation 53 of the Securities and Exchange Board of India (Listing Obligation And Disclosure Requirements) Regulations, 2015.

Particulars	**Outstanding balance**	
	As at March 31, 2022	**As at March 31, 2021**
i) Loans and advances in the nature of loans to subsidiaries	-	-
ii) Loans and advances in the nature of loans to associates	-	-
iii) Loans and advances in the nature of loans to firms / companies in which directors are interested	-	-
iv) Investments by loanee in the shares of parent company and subsidiary company when the company has made a loan or advance in the nature of loan.	-	-
* Loans and advances does not include investment in Bonds and debentures		

46 Securities received from clients as collateral are held by the Company in its own name in a fiduciary capacity.

47 The Company has been unable to obtain Bank Confirmation for the year ended 31-Mar-2022 for certain Fixed Deposit Receipts (FDRs) amounting to Rs. 7.54 crore from a Scheduled Commercial Bank (Bank), which includes "Client Margin" FDRs amounting to Rs. 5.70 Crore.
The Bank has adjusted said FDRs against amounts due and payable by the parent company (Reliance Capital Limited) to the Bank. The Company has obtained legal advise / opinion from a reputed law firm confirming that the action of the Bank to adjust "Client Margin" FDRs can be challenged as being illegal and untenable in law. The regulatory provisions from SEBI also support this position. The Company has also initiated necessary actions against the Bank for said adjustments for Client Margin FDRs,but there is no positive update on the matter and following pridudence accounting practices, company has done a 100% provision against the said FDRs.

48 **Leases**

a) **Accounting Policy**

The company's lease asset classes primarily consist of leases for buildings taken on lease for operating its branch offices. The company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
However there is no lease recognised as a low-value lease during the current year.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.
The lease liability is initially measured at amortized cost at the present value of the future lease payments.

There is no any finance lease active as on March 31,2022.

b) Changes in carrying value of right of use assets for the year ended March 2022 :

Particulars	As at March 31, 2022	As at March 31, 2021
Reclassified on account of adoption of Ind AS 116	-	54
Additions	-	-
Deletions	-	-
Depreciation	-	54
Balance as on March 31, 2022	-	-

c) **Interest Expense on lease liability and movement in lease liabilities for the year ended March 2022 :**

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as on April 01, 2021	-	60
Additions	-	-
Interest expense	-	4
Payment of lease liabilities	-	64
Balance as on March 31, 2022	**-**	**-**

d) Total Cash outflow on account of lease liabilities for the period ended March 31, 2022 amounts to Rs. NIL (Rs. 64 lacs for March 31, 2021)

e) Expense pertaining to short term leases (i.e having lease period of less than 12 months) :-

Particulars	As at March 31, 2022	As at March 31, 2021
Operating lease payments, which are minimum lease payments, recognised in the Statement of Profit and Loss	915	1,000

f) **Maturity Analysis of Lease Liabilities as on March 31, 2022**

Particulars	As at March 31, 2022	As at March 31, 2021
Not later than one month	-	-
Later than one month and not later than three months	-	-
Later than three months and not later than one year	-	-
Later than one year and not later than five years	-	-

49 The Board of Directors of the Company have given consent at their Meeting held on March 19, 2018, to acquire the business undertaking of the Reliance Commodities Limited pertaining to Commodities broking business including all related assets and properties, employees, investments, contracts, debts and liabilities on slump sales basis. Accordingly, the Company has entered into Business Transfer Agreement dated August 24, 2018 with the Reliance Commodities Limited to acquire Commodities broking business for a consideration of Rs. 253 lakhs .

Accordingly the MCX & NCDEX (" the exchanges") vide their letter dated August 5, 2020 & August 20, 2020 respectively have approved the transaction. The accounting impact of the same has been given in the books of the Company w.e.f September 1, 2020. Assets amounting to Rs. 2,988 lakhs and corresponding liabilities amounting to Rs. 2,743 lakhs has been transferred pertaining to Commodity Business. The company has paid Rs. 253 lakhs as consideration for this transaction. Goodwill of Rs. 8 lakhs has been recognised in Financial Statements.

50 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

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 completion 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.

(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 Layers) Rules, 2017.

(xi) Ratios

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Debt-Equity Ratio,	0.60	0.98
Debt Service Coverage Ratio,	0.90	0.95
Interest services coverage ratio	3.05	1.87
Asset Cover Ratio	8.77	3.56
Bad debts to account receivable ratio(%)	0.59	0.10
Total debts to total assets ratio	0.09	0.14
Debtors turnover	0.07	0.12
Return on Equity Ratio	0.15	0.13
Net profit ratio	5.41%	4.90%

Revenue growth along with higher efficiency in working capital improvement has resulted in improvement in ratios.

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

(xiii) 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,

(xiv) 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,

(xv) Details in respect of CSR Activities

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
(a) amount required to be spent during the year	3	8
(b) amount of expenditure incurred,	3	8
(c) shortfall at the end of the year,	Nil	Nil
(d) total of previous years shortfall,	Nil	Nil
(e) reason for shortfall,	Nil	Nil
(f) nature of CSR activities,	Promoting education including special education and employment enhancing vocation skills etc.	
(g) details of related party transactions,	Nil	Nil
(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.	Nil	Nil

(xvi) Details pertaining to Crypto Currency or Virtual Currency

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
(a) profit or loss on transactions involving Crypto currency or Virtual Currency,	Nil	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		

51 Previous year figures have been regrouped/ rearranged wherever necessary.

The accompanying notes (1 to 51) forms an integral part of the financial statements

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm registration No. 107783W/W100593

Sd/-
Jigar T. Shah
Partner
Membership No.: 161851

Place : Mumbai
Date: April 20, 2022

For and on behalf of Board of Directors

Sd/-
Lav Chaturvedi
Executive Director & CEO
DIN : 02859336

Sd/-
Chetan Desai
Director
DIN : 03595319

Sd/-
Amit Agrawal
Chief Financial Officer

Sd/-
Vrunda Dhanesha
Company Secretary
M. No. A35255