

Financial Statement
2021-22
Reliance Exchangenext Limited

Bakliwal & Co.

CHARTERED ACCOUNTANTS

Independent Auditors' Report

To The Members of
Reliance Exchangnext Limited

Opinion

We have audited the accompanying financial statements of **Reliance Exchangnext 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 Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other comprehensive income, the changes 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 (SAs) as specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matter

The Company has Investments of Rs. 960,799,932. We are unable to comment on the realisability of the said Investments. This assessment involves significant management judgment and estimates on the valuation methodology and various assumptions used in determination of fair value by independent valuation experts/ management. However no provision has been made for the above. Our opinion is not modified in this respect.

We draw attention to Note 26 of the financial statements which refers to the ongoing exercise of valuation of all assets held by the Company at Holding Company level (Reliance Capital Limited) which is under Corporate Insolvency Resolution Process ("CIRP") under the provisions of the Insolvency & Bankruptcy Code, 2016 ("IBC"). As per the provisions of IBC, the fair value and liquidation value of the assets of the company as on the insolvency commencement date is required to be determined. In compliance with the same, the Administrator has appointed 2 registered valuers and the said exercise is currently underway.

We draw your attention to Note 17 to the financial statements regarding Investments made by the Company in Indian Commodity Exchange Limited and petition filed by MMTC Limited in Company Law Board against this investment, outcome of the petition is awaited from National Company Law Tribunal.

Management's Responsibility for the Financial Statements

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

prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's report and shareholders' information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement therein; we are required to report that fact. We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in "Annexure 1" a statement on the matters specified in paragraph 3 and 4 of the Order.
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 it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
 - e) On the basis of the written representations received from the Directors as on 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 2";
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any managerial remuneration to directors during the year.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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- (i) There were no pending litigations which would impact financial position of the Company.
- (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and protection fund by the Company during the year ended March 31, 2022.
- (iv) (a) Management has represented to us that, to the best of its 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 entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented to us that, to the best of its 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 entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) Based on 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 **Bakliwal & Co.**
Chartered Accountants
Regn.No.130381W

Ankur Jain
Partner
Membership No: 197643

Place: Mumbai
Date : 07.05.2022
UDIN: 22197643AISMCD9727

ANNEXURE A TO THE AUDITORS' REPORT

Referred to in our Report of even date to the members of **Reliance Exchangenext Limited** for the year ended March 31, 2022

- i) The Company has no Property, Plant and Equipment hence clause 3(i) of the Order is not applicable.
- ii) (a) As explained to us, there is no inventory hence clause 3(ii) of the Order is not applicable.
(b) According to the information and explanations given to us, the Company has not been sanctioned any working capital limits from any bank or financial institution, Hence provisions of clause 3 (ii)(b) of the Order is not applicable.
- iii) According to the information and explanations given to us, the Company has not granted any loans secured/unsecured or investments or advances or guarantees or security to companies, firms, Limited Liability Partnership or other parties during the year. Accordingly, provisions of clauses (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of paragraph 3 of the Order are not applicable.
- iv) Based on the information and explanations given to us, in respect of loans, investments, guarantees and securities, the Company has complied with provisions of section 185 and 186 of the Act, to the extent applicable.
- v) In our opinion and according to information and explanations given to us, the Company has not accepted any deposit which is deemed to be deposit from the public hence clause 3(v) of the Order is not applicable.
- vi) According to the information and explanations given to us, the Central Government has not prescribed for maintenance of cost records under sub section (1) of Section 148 of the Act in respect of activities carried on by the Company. Hence provisions of clause 3 (vi) of the Order are not applicable.
- vii) (a) Based on our examination of the books and records, the Company has generally been regular in depositing with appropriate authority undisputed statutory dues including Provident Fund, Income-tax, Duty of Customs, Goods and Service Tax, Cess and other statutory dues, wherever applicable, during the year. Further no undisputed amounts payable in respect of Provident Fund, Income Tax, Duty of Customs, Goods and Service Tax, Cess and other statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) As per the information and explanations given to us, there are no disputed statutory dues pending to be deposited with the respective authorities by the Company.
- viii) As per the information and explanations given to us and based on our examinations of the records of the Company, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- ix) (a) According to the information and explanations given to us and based on examination of the records of the Company, the Company has defaulted in repayment of loans or borrowings to

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financial institution for the following instances in repayment of principal and interest amount. The Company did not have any loans or borrowings from government during the year.

Amount in Rs.			
Name of Lender	FY	Principal	
		Amount Rs.	No. of Days default
Reliance Capital Limited	2020-21	483 Lakhs	180
		Interest	
	2019-20	58.11 Lakhs	184
	2020-21	57.96 Lakhs	Remains unpaid till date

- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and based on examination of the records of the Company, we report that during the year Company has not obtained any term loans.
- (d) According to the information and explanations given to us and based on an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) (a) 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 clause 3(x) (a) of the Order is not applicable
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or debentures during the year hence clause 3(x) (b) of the Order is not applicable.
- xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (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 auditors 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 and explanations given to us, no whistle-blower complaints have been received during the year by the Company.

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- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv) (a) According to the information and explanations given to us, in our opinion the Company has an internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit report of the Company issued for the year 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 them. Accordingly, clause 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act, 1934.

(c) 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.

(d) In our opinion, and according to the information and explanations provided to us, the Group does not have any Core Investment Company (CIC).
- (xvii) The Company has incurred cash losses in the current year and in the immediately preceding year.
- (xviii) There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause 3 (xviii) of the Order are not applicable to the Company.
- (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.

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(xx) According to information and explanations given to us, and based on our examination of the financial statements of the Company, the CSR requirement is not applicable to the Company in view of losses incurred by the Company. Accordingly, clause 3(xx)(a) and (xx)(b) of the Order is not applicable

For **Bakliwal & Co.**
Chartered Accountants
Regn.No.130381W

Ankur Jain
Partner
Membership No: 197643
UDIN: 22197643AJSMCD9727
Place: Mumbai
Date: 07.05.2022

ANNEXURE 2 TO THE AUDITORS' REPORT

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

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

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

Auditor's Responsibility

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being

Bakliwal & Co.

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made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Bakliwal & Co.**
Chartered Accountants
Regn.No.130381W

Ankur Jain
Partner
Membership No: 197643

Place: Mumbai
Date: 07.05.2022
UDIN: **21197643AISMCD9727**

Reliance Exchangenext Limited

Balance Sheet as at March 31, 2022

			Amount in Rs.
Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial assets			
Cash and cash equivalents	3	39 270	1 58 205
Investments	4	96 07 99 932	96 07 99 932
Non-financial assets			
Other non-financial assets	5	16 37 143	16 21 603
Total Assets		96 24 76 345	96 25 79 740
EQUITY AND LIABILITIES			
Liabilities			
Financial liabilities			
Borrowings	6	4 83 00 000	4 83 00 000
Other financial liabilities	7	20 42 20 384	20 39 75 279
Equity			
Equity share capital	8	42 26 00 000	42 26 00 000
Other equity	9	28 73 55 961	28 77 04 461
Total equity		70 99 55 961	71 03 04 461
Total Liabilities and Equity		96 24 76 345	96 25 79 740
Significant Accounting Policies	2	-	-

The accompanying notes are integral part of these financial statements.

As per our Report of even date
For Bakliwal & Co
Chartered Accountants
Firm Registration No. : 130381W

For and on behalf of the Board of Directors of
Reliance Exchangenext Limited

Ankur Jain
Partner
Membership No.: 197643

Atul Tandon
Director
DIN 00030091

Yogesh Deshpande
Director
DIN 01585511

Chief Financial Officer

Ishan Shah
Company Secretary &
Manager

Place : Mumbai
Date : May 07,2022

Reliance Exchangenext Limited

Statement of Profit and Loss for the year ended March 31, 2022

Amount in Rs.

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations		-	-
Total income		-	-
Expenses			
Finance costs	10	-	35 23 093
Net loss on fair value changes	11	-	5 52 44 500
Other expenses	12	3 48 500	92 854
Total expenses		3 48 500	5 88 60 447
Profit / (Loss) before tax		(3 48 500)	(5 88 60 447)
Income tax expense:			
- Current tax		-	-
- Tax related to earlier years		-	28 434
- Deferred tax		-	-
Profit / (Loss) for the year		(3 48 500)	(5 88 88 881)
Other comprehensive income			
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(3 48 500)	(5 88 88 881)
Earnings per share face value of Rs. 10 each fully paid-up			
- Basic (Rs.)	14	(0.01)	(1.39)
- Diluted (Rs.)	14	(0.01)	(1.39)

Significant Accounting Policies

2

The accompanying notes are integral part of these financial statements.

As per our Report of even date

For Bakliwal & Co

Chartered Accountants

Firm Registration No. : 130381W

For and on behalf of the Board of Directors of

Reliance Exchangenext Limited

Ankur Jain

Partner

Membership No.: 197643

Atul Tandon

Director

DIN 00030091

Yogesh Deshpande

Director

DIN 01585511

Chief Financial Officer

Ishan Shah

Company Secretary & Manager

Place : Mumbai

Date : May 07,2022

Reliance Exchangenext Limited
Cash Flow Statement for the year ended March 31, 2022

	Amount in Rs.	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit / (Loss) before tax:	(3 48 500)	(5 88 88 881)
Adjusted for:		
Net gain/loss on fair value changes	-	5 52 44 500
Interest expense	-	35 23 093
Operating profit before working capital changes	(3 48 500)	(1 21 288)
Adjusted for:		
Other non-financial assets	(15 540)	14 739
Other liabilities	2 45 105	17 21 86 650
Cash generated in operations	(1 18 935)	17 20 80 101
Taxes paid (net)	-	-
Net Cash generated / (used) in operating activities	(1 18 935)	17 20 80 101
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	-	(14 73 00 000)
Interest paid	-	(2 50 13 961)
Net cash from financing activities	-	(17 23 13 961)
Net Increase / (Decrease) in Cash and Bank Balances	(1 18 935)	(2 33 860)
Add : Cash and cash equivalents at beginning of the year	1 58 205	3 92 065
Cash and cash equivalents at end of the year	39 270	1 58 205

Significant Accounting Policies refer note no. 2

The accompanying notes are integral part of these financial statements.

As per our Report of even date

For Bakliwal & Co

Chartered Accountants

Firm Registration No. : 130381W

Ankur Jain

Partner

Membership No.: 197643

Place : Mumbai

Date : May 07,2022

For and on behalf of the Board of Directors of
Reliance Exchangenext Limited

Atul Tandon

Director

DIN 00030091

Yogesh Deshpande

Director

DIN 01585511

Chief Financial Officer

Ishan Shah

Company Secretary &
Manager

Reliance Exchangenext Limited

Statement of Changes in Equity for the Year ended March 31,2022

Amount in Rs.

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Number	Amount	Number	Amount
A Equity share capital (Refer Note - 8)				
Balance at the beginning of the Year	4 22 60 000	42 26 00 000	4 22 60 000	42 26 00 000
Issued during the year	-	-	-	-
Balance at the end of the Year	4 22 60 000	42 26 00 000	4 22 60 000	42 26 00 000
B Other equity (Refer Note - 9)				
	Securities premium	Retained Earnings	Other comprehensi ve income	Total other equity
Balance as at April 01, 2020	62 10 00 000	(27 44 06 658)	-	34 65 93 342
Surplus/(deficit) in the statement of profit and loss	-	(5 88 88 881)	-	(5 88 88 881)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	(5 88 88 881)	-	(5 88 88 881)
Balance as at March 31, 2021	62 10 00 000	(33 32 95 539)	-	28 77 04 461
Balance as at April 01, 2021	62 10 00 000	(33 32 95 539)	-	28 77 04 461
Surplus/(deficit) in the statement of profit and loss	-	(3 48 500)	-	(3 48 500)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	(3 48 500)	-	(3 48 500)
Balance as at March 31, 2022	62 10 00 000	(33 36 44 039)	-	28 73 55 961

Significant Accounting Policies refer note no. 2

The accompanying notes are integral part of these financial statements.

As per our Report of even date
For Bakliwal & Co
Chartered Accountants
Firm Registration No. : 130381W

For and on behalf of the Board of Directors of
Reliance Exchangenext Limited

Atul Tandon
Director
DIN 00030091

Yogesh Deshpande
Director
DIN 01585511

Ankur Jain
Partner
Membership No.: 197643

Chief Financial Officer

Ishan Shah
Company Secretary &
Manager

Mumbai
Date : May 07,2022

Reliance Exchangenext Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 1 : Background

Reliance Exchangenext Limited ("the Company") has been incorporated on July 7, 2000 with the Registrar of Companies (RoC), Maharashtra, Mumbai. The Company's main object is to promote either on its own or in association with one or more entities to acquire, purchase or otherwise obtain the membership or trading rights and clearing membership in any Stock Exchange which will be recognised under the provisions of Securities Contracts (Regulation) Act, 1956; Forward Contracts (Regulation) Act, 1952; Securities and Exchange Board of India Act, 1992; Reserve Bank of India Act, 1948 and other applicable laws for the time being in force including the Rules framed under the respective legislations.

Note 2: Significant Accounting Policies

Note 2.01 Basis of preparation

- (i) The financial statements have been prepared on a historical cost basis, except for the assets and liabilities that require measurement at fair value in accordance with Ind AS.
- (ii) The financial statements of the company are in accordance with Indian Accounting Standards as IND AS is applicable to Reliance Capital Limited, the Holding Company.
- (iii) These financial statements are presented in Indian Rupees which is functional currency of the Company. All amounts are rounded off to the nearest rupee, unless stated otherwise.

Note 2.02 Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Financial Statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to the Financial Statement.

Note 2.03 Use of Estimates

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

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

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

Critical Estimates and Judgements

(i) Estimation of current tax expense and payable

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Note 2.04 Cash and cash equivalents

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

Note 2.05 Financial Instruments

A. Financial Assets

i) Classification

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

- 1) those to be measured subsequently at fair value (either through other comprehensive income, or through the statement of profit and loss), and
- 2) those measured at amortised cost.

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

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

Reliance Exchangenext Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the statement of profit or loss are expensed in the statement of profit and loss.

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

Debt instruments:

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

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

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

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

iii) Impairment of financial assets

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

iv) Derecognition of Financial Assets

A financial asset is derecognized only when

- 1) The Company has transferred the rights to receive cash flows from the financial asset; or
- 2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

B. Financial Liabilities

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

Derecognition of Financial Liabilities

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

Note 2.06 Borrowings

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

Note 2.07 Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

Reliance Exchangenext Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 2.08 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer.

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.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably except in the case of non performing assets where it is recognised, upon realisation.

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

Note 2.09 Income Taxes

(i) The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

(ii) Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

(iii) Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(iv) Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Note 2.10 Earnings Per Share

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

Reliance Exchangenext Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

		Amount in Rs.	
		As at March 31, 2022	As at March 31, 2021
3 Cash and cash equivalents			
Balances with banks:			
In current accounts		39 270	1 58 205
		39 270	1 58 205

4 Investments

Investments in Equity Instruments

Unquoted, fully paid-up at FVTPL

- Fellow Subsidiary Companies

Reliance Corporate Advisory Services Limited	10	1 76 50 000	1 76 50 000	1 05 90 000	1 05 90 000
Reliance Capital Pension Fund Limited	10	42 50 000	42 50 000	4 54 86 501	4 54 86 501

- Others

Indian Commodity Exchange Limited	5	8 71 00 000	8 71 00 000	85 61 93 000	85 61 93 000
Grover Zampa Vineyards Limited	10	23 54 132	23 54 132	4 85 30 431	4 85 30 431
				96 07 99 932	96 07 99 932

5 Other non-financial assets

Balance with government authorities		As at March 31, 2022	As at March 31, 2021
		16 37 143	16 21 603
		16 37 143	16 21 603

Reliance Exchangenext Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

		Amount in Rs.
	As at March 31, 2022	As at March 31, 2021
6 Borrowings		
At amortised cost		
Inter-corporate Deposits - Unsecured		
- Related parties (refer note 20)	4 83 00 000	4 83 00 000
	4 83 00 000	4 83 00 000
Borrowings in India	4 83 00 000	4 83 00 000
Borrowings outside India	-	-
	4 83 00 000	4 83 00 000
Maturity profile of inter corporate deposits are as set out below		
Interest Rate	Overdue	
12.00%	4 83 00 000	
7 Other financial liabilities		
Interest accrued and due on borrowings (refer note 28)	58 18 359	58 11 879
Advances from related parties (refer note 22)	19 83 45 725	19 81 00 000
Other payables	56 300	63 400
	20 42 20 384	20 39 75 279

Amount in Rs.

	As at March 31, 2022	As at March 31, 2021
8 Equity share capital		
Authorised		
4,30,00,000 (Previous Year 4,30,00,000) Equity Shares of Rs 10/- each	43 00 00 000	43 00 00 000
	<u>43 00 00 000</u>	<u>43 00 00 000</u>
Issued, Subscribed and Paid-up		
4,22,60,000 (Previous Year 4,22,60,000) Equity Shares of Rs 10/- each fully paid-up	42 26 00 000	42 26 00 000
	<u>42 26 00 000</u>	<u>42 26 00 000</u>

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

	Equity Shares	Equity Shares
1. Number of Shares Outstanding at the beginning of the year	4 22 60 000	4 22 60 000
2. Shares issued during the year	-	-
3. Shares bought back during the year	-	-
3. Number of Shares Outstanding at the end of the year	4 22 60 000	4 22 60 000

b) Terms and rights attached to equity shares

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

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

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

Name of the holder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares Held	%	No. of Shares Held	%
Reliance Capital Limited	4 22 60 000	100%	4 22 60 000	100%

9 Other Equity

Securities premium account *	62 10 00 000	62 10 00 000
(A)	<u>62 10 00 000</u>	<u>62 10 00 000</u>

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

Opening balance	(33 32 95 539)	(27 44 06 658)
Net profit / (loss) for the year	(3 48 500)	(5 88 88 881)
(B)	<u>(33 36 44 039)</u>	<u>(33 32 95 539)</u>
Closing balance	(A+B) <u>28 73 55 961</u>	<u>28 77 04 461</u>

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Reliance Exchangenext Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

Amount in Rs.

	Year ended March 31, 2022	Year ended March 31, 2021
10 Finance costs		
On financial liabilities		
Inter corporate deposits (refer note 22)	-	35 23 093
	<u>-</u>	<u>35 23 093</u>
11 Net loss on fair value changes		
- on financials instruments at fair value through profit and loss	-	5 52 44 500
	<u>-</u>	<u>5 52 44 500</u>
12 Other expenses		
Bank charges	2 525	4
Interest on TDS Expenses	2 45 725	-
Rates and taxes	44 910	43 850
Legal & Professional Fees	30 240	24 000
Payments to auditors [refer note (a) below]	25 000	25 000
Miscellaneous Expenses	100	-
	<u>3 48 500</u>	<u>92 854</u>
a) Remuneration		
Particulars		
Audit fees	25 000	25 000
Total	<u>25 000</u>	<u>25 000</u>

13 Income tax

a) The components of income tax expenses are:

Particulars	Amount in Rs.	
	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	-	-
Adjustment in respect of current income tax of prior years	-	28 434
Deferred tax	-	-
Total	-	28 434

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	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit / (loss) before tax	(3 48 500)	(5 88 60 447)
Statutory income tax rate	26.00%	26.00%
Tax at India's statutory income tax rate	(90 610)	(1 53 03 716)
Tax effect of the amount which are not taxable in calculating taxable income :		
- Expenses/ (receipts) not allowable / (offered) for tax purpose	-	1 43 63 570
- Other	-	9 16 004
- Tax Losses on which no deferred tax has been created	90 610	24 142
Income tax expense at effective tax rate	-	-
Effective tax rate	0%	0%

c) Deferred tax assets / liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liability :		
Net gain on changes in fair value of investments	-	-
	-	-
Deferred tax asset :		
Tax losses and unabsorbed depreciation	41 88 046	41 88 046
	41 88 046	41 88 046
Net deferred tax (asset) / liability	(41 88 046)	(41 88 046)

Deferred Tax assets on account of brought forward losses has not been accounted as a matter of prudence.

14 Earnings per share (EPS)

Particulars	Amount in Rs.	
	Year ended March 31, 2022	Year ended March 31, 2021
Net profit / (loss) after tax available for equity shareholders	(3 48 500)	(5 88 88 881)
Face Value is Rs 10 each		
Weighted average number of equity shares	4 22 60 000	4 22 60 000
Earnings per equity share (Basic and Diluted) as restated	(0.01)	(1.39)

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

15 In case of Investment in equity shares of Indian Commodity Exchange Limited ('ICEX') :

As per share sale & purchase agreement dated October 13, 2010 between Indiabulls Financial Services Limited ("IBFSL") and Reliance Exchangnext Limited ('the Company'), the Company had acquired 5 20 00 000 equity shares of Indian Commodity Exchange Limited ('ICEX') from the IBFSL, at a purchase price of Rs. 47 35 00 000 which represents 26% stake in the of ICEX on December 13, 2010.

Pursuant to the ICEX application, Government of India and Forward Markets Commission granted their approval vide their letters dated September 23, 2010 & October 04, 2010, respectively, for the said transfer by IBFSL to the Company. The aforesaid approval from Government of India and Forward Markets Commission are subject to the following conditions: -

(a) that three years lock-in period condition shall apply to the Company, anchor investor, the Company afresh with effect from the date of Government approval, i.e., September 23, 2010;

(b) that in case MMTC Ltd., which now becomes co-anchor investor, exercises its right to stake a claim to 14% in the Exchange from IBFSL in pursuance to its right to first refusal, IBFSL will be bound to transfer its remaining 14% to MMTC Ltd. at the same price at which it has been offered to the Company.

On October 21, 2011, MMTC Ltd. submitted a petition before the Company Law Board (CLB), New Delhi, in terms of Sections 397, 398, 402 and 403 of the Companies Act, 1956, seeking declaration of the aforesaid transfer of shares as void, injunction and investigation into the affairs of the ICEX and appointment of Administrative Special Officer, Auditor, etc.

Subsequently, the ICEX has submitted its response to the aforesaid petition before the Honourable Company Law Board on February 10, 2012 refuting and denying the purported allegations against it. Subsequently, on February 11, 2014, MMTC has provided an affidavit to CLB stating that they are contemplating withdrawal of the Petition and taking required steps in that directions. The matter is under consideration by the Company Law Board. Any future financial impact on the financial statements is contingent upon the final order by the appropriate authority.

The Company responded to the petition, challenging the maintainability of the petition filed by MMTC Limited before the Hon'ble Company Law Board. Subsequently the Company has submitted its response to the aforesaid petition before the Hon'ble Company Law Board on February 10, 2012 refuting and denying the purported allegations against the exchange. MMTC on January 19, 2016 sold 10% of its stake in Exchange to outside investors at Rs. 10 per shares (including premium of Rs.5 per share). The matter is listed for hearing before NCLT.

16 Maturity analysis of assets and liabilities

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

Amount in Rs.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	39 270	-	39 270	1 58 205	-	1 58 205
Investments	-	96 07 99 932	96 07 99 932	-	96 07 99 932	96 07 99 932
Non-financial assets						
Other non-financial assets	16 37 143	-	16 37 143	16 21 603	-	16 21 603
Total assets	16 76 413	96 07 99 932	96 24 76 345	17 79 808	96 07 99 932	96 25 79 740
LIABILITIES						
Financial liabilities						
Borrowings	-	4 83 00 000	4 83 00 000	-	4 83 00 000	4 83 00 000
Other financial liabilities	20 42 20 384	-	20 42 20 384	20 39 75 279	-	20 39 75 279
Non-financial Liabilities						
Provisions	-	-	-	-	-	-
Other non-financial liabilities	-	-	-	-	-	-
Total liabilities	20 42 20 384	4 83 00 000	25 25 20 384	20 39 75 279	4 83 00 000	25 22 75 279

17 Fair value measurement

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

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

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial Instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rate and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy:

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

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

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

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

Financial instruments by category

Particulars	As at March 31, 2022				
	Level 1	Level 2	Level 3	Amortised cost	Total
Financial assets at FVTPL					
- Investment	-	90 47 23 431	-	-	90 47 23 431
Financial assets at Deemed cost					
- Investment	-	-	5 60 76 501	-	5 60 76 501
Financial assets at Amortised cost					
- Cash and cash equivalents	-	-	-	39 270	39 270
	-	90 47 23 431	5 60 76 501	39,270.00	96 08 39 202
Financial liabilities					
Financial liabilities at Amortised cost					
- Borrowings	-	-	-	4 83 00 000	4 83 00 000
- Other Financial Liabilities	-	-	-	20 42 20 384	20 42 20 384
	-	-	-	25 25 20 384	25 25 20 384

Particulars	As at March 31, 2021				
	Level 1	Level 2	Level 3	Amortised cost	Total
Financial assets at FVTPL					
- Investment	-	90 47 23 431	-	-	90 47 23 431
Financial assets at Deemed cost					
- Investment	-	-	5 60 76 501	-	5 60 76 501
Financial assets at Amortised cost					
- Cash and cash equivalents	-	-	-	1 58 205	1 58 205
	-	90 47 23 431	5 60 76 501	1 58 205	96 09 58 137
Financial liabilities					
Financial liabilities at Amortised cost					
- Borrowings	-	-	-	4 83 00 000	4 83 00 000
- Other Financial Liabilities	-	-	-	20 39 75 279	20 39 75 279
	-	-	-	25 22 75 279	25 22 75 279

18 Financial Risk Management

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

Credit risk management:

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

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

Liquidity risk management:

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

Market Risk Management :

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

Sensitivity analysis

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

(Amount in Rs.)

Particulars	Impact on other components of equity	
	As at March 31, 2022	As at March 31, 2021
For unquoted equity instruments		
Price increase by 5%	4 80 39 997	4 80 39 997
Price decrease by 5%	(4 80 39 997)	(4 80 39 997)

19 Capital management

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

Reliance Exchangnext Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

20 Related party transactions

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

A. List of Related Parties and their relationship:

- i) Holding Company
 Reliance Capital Limited
- ii) Key management personnel
 Mr. Atul Tandon (Director)
 Mr. Yogesh Deshpande (Director)
 Mr. Madan Mohan Chatuvedi (Director)
 Mr. Ishan Shah (Company Secretary & Manager)

B. Fellow Subsidiaries

Reliance Capital Pension Fund Limited (RCPFL)
 Reliance General Insurance Company Limited (RGICL)
 Reliance Nippon Life Insurance Company Limited (RNLICL)
 Reliance Health Insurance Limited (RHIL)
 Reliance Commercial Finance Limited (RCFL)
 Reliance Securities Limited (RSL)
 Reliance Commodities Limited (RCOL)
 Reliance Financial Limited (RFL)
 Reliance Wealth Management Limited (RWML)
 Reliance Money Services Private Limited (RMSPL)
 Reliance Money Precious Metals Private Limited (RMPMPL)
 Reliance Corporate Advisory Services Limited (RCASL)
 Quant Capital Private Limited (QCPL)
 Quant Broking Private Limited (QBPL)
 Quant Securities Private Limited (QSPL)
 Quant Investment Services Private Limited (QISPL)
 Gullfoss Enterprises Private Limited (GEPL)
 Reliance ARC-SBI-Maan Sarovar Trust Security Receipt (RASMST)
 Reliance Underwater Systems Private Limited (RUSPL)

D. Transactions during the year and closing balance

(Amount in Rs.)

Particulars	Reliance Capital Limited	Reliance Capital Pension Fund Limited	Reliance Corporate Advisory Services Limited	Total
Share Capital				
Balance of Equity Shares as at				
March 31 2022	42 26 00 000	-	-	42 26 00 000
March 31 2021	(42 26 00 000)	(-)	(-)	(42 26 00 000)
Borrowings				
Balance as at				
March 31 2022	4 83 00 000	-	-	4 83 00 000
March 31 2021	(4 83 00 000)	(-)	(-)	(4 83 00 000)
Interest accrued (payable)				
Balance as at				
March 31 2022	58 18 359	-	-	58 18 359
March 31 2021	(58 18 359)	(-)	(-)	(58 18 359)
Advances Received				
Received during				
March 31 2022	-	-	2 45 725	2 45 725
March 31 2021	(-)	(-)	(17 22 00 000)	(17 22 00 000)
Balance as at				
March 31 2022	-	-	19 83 45 725	19 83 45 725
March 31 2021	(-)	(-)	(19 81 00 000)	(19 81 00 000)
Investments				
Balance as at				
March 31 2022	-	4 54 86 501	1 05 90 000	5 60 76 501
March 31 2021	(-)	(4 54 86 501)	(1 05 90 000)	(5 60 76 501)
Income from operations				
Expenses				
Fair value change				
2021-22	-	-	-	-
2020-21	(-)	(-)	(-)	-
Interest on ICD				
2021-22	-	-	-	-
2020-21	(-)	(-)	(-)	-

Notes :

- Figures in Bracket represent previous year figures.
- The above discloses transactions entered during the period of existence of related party relationship. The balances and transactions are not disclosed before existence of related party relationship and after cessation of related party relationship.

Reliance Exchangenext Limited**Notes forming part of the Financial Statements for the year ended March 31, 2022****21 Segment Disclosure**

The Company has no separate reportable business segment. Further, the Company has no geographical segment other than India.

22 The Company is facing liquidity issues in repaying its borrowings and interest there upon. The Company has also defaulted on repayment of principal and interest for 180 days and 549 days respectively till March 31, 2022. The Holding Company (Reliance Capital limited) is undergoing Corporate Insolvency Resolution Process ("CIRP") under the provisions of the Insolvency & Bankruptcy Code 2016 ("IBC"). As per the provisions of the IBC, the fair value and liquidation value of the assets of the company as on the insolvency commencement date is required to be determined. In compliance with the same, the Administrator has appointed 2 registered valuers and the said exercise is currently underway. Post CIRP the amount will be settled so interest payable to holding company amounted Rs. 57.96 Lakhs (Previous Year Rs. 57.96 Lakhs). It has not accounted for FY 2021-22 and has been considered as contingent liabilities.

23 Based on the information and records available with the Company, there are no suppliers which fall under categories defined under Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.

24 Details of loan given, investment made, Guarantee given and security provided covered u/s 186 (4) of the Companies Act, 2013.

There were no loan given, guarantee given and security provided by the Company during the year under review. For disclosure related to investment, refer Note number 4 of the Financial Statements.

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

26 The Holding Company (Reliance Capital limited) is undergoing Corporate Insolvency Resolution Process ("CIRP") under the provisions of the Insolvency & Bankruptcy Code 2016 ("IBC"). As per the provisions of the IBC, the fair value and liquidation value of the assets of the company as on the insolvency commencement date is required to be determined. In compliance with the same, the Administrator has appointed 2 registered valuers and the said exercise is currently underway.

As per Ind AS 36- "Impairment of Assets", impairment testing of assets is to be conducted on an annual basis. On completion of the CIRP, the Company will carry out a comprehensive review of all the assets including investments, other assets and intangible assets, liabilities and accordingly provide for Impairment loss on assets and write back of liabilities, if any.

27 The financial statements are authorised for issue by the Company's Board of Directors on May 07, 2022. The Management and authorities have the power to amend the financial Statement in accordance with Section 130 and 131 of the Companies Act 2013.

As per our Report of even date
For Bakliwal & Co
Chartered Accountants
Firm Registration No. : 130381W

For and on behalf of the Board of Directors of
Reliance Exchangenext Limited

Atul Tandon
Director
DIN 00030091

Yogesh Deshpande
Director
DIN 01585511

Ankur Jain
Partner
Membership No.: 197643

Chief Financial Officer

Ishan Shah
Company Secretary & Manager

Place : Mumbai
Date : May 07, 2022