Financial Statement

2020-2021

Reliance Wealth Management Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of
Reliance Wealth Management Limited

Opinion

We have audited the accompanying financial statements of **Reliance Wealth Management Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, its loss and total Comprehensive Income, Change in Equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

Material Uncertainty Relating to Going Concern

We draw attention to Note 35 in the financial statements, which indicates that the Company's net worth is eroded, indicating the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we further report that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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

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

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

   e) The matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

   f) on the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act;

   g) Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act") is enclosed as an annexure A to this report;

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;

iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise;

For Gupta Rustagi & Co.,

Chartered Accountants

Firm Registration No.128701W

Place - Mumbai

Date - 27th April, 2021

Niraj Gupta
Partner
Membership No. 100808

UDIN: 21100808AAAADC9828

Annexure referred to in paragraph 1 under heading Report on Other Legal and Regulatory Requirements of our Report of even date to the members of Reliance Wealth Management Limited on the financial statements of the Company for the year ended 31st March, 2021

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

i. The Company does not have any fixed assets so requirement of clause 3(i) of the Order is not applicable to the Company.

ii. The Company has no inventories during the year. Thus, clause 3(ii) of the Order is not applicable.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.

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

v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.

vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.

vii. (a) According to the information and explanations given to us and based on the records of the Company examined by us, the Company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service Tax (GST), Custom Duty, and other material statutory dues, as applicable, with the appropriate authorities in India. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, excise duty and customs duty. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, value added tax, service tax, provident fund and other material statutory dues were in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax (GST), Customs Duty and Excise Duty which have not been deposited on account of any disputes.

viii. Based on the audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues of loans from any financial institution or banks and has not issued debentures.

ix. The Company has not raised money by public issues during the year under audit and the Company has not raised any term loans during the year, therefore clause 3(ix) of the order is not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on the Company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

xi. The Company has not paid any managerial remuneration during the year under audit. Directors are paid only sitting fees. Thus clause 3(xi) of the order is not applicable to the Company.

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

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

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, therefore clause (xiv) of the order is not applicable.

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

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

For Gupta Rustagi & Co.,

Chartered Accountants

Firm Registration No.128701W

Place - Mumbai

Date - 27th April, 2021

Niraj Gupta
Partner
Membership No. 100808

Annexure A referred to in paragraph 2(f) under heading Report on Other Legal and Regulatory Requirements of our Report of even date to the members of Reliance Wealth Management Limited on the financial statements of the Company for the year ended 31st March, 2021

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

We have audited the internal financial controls over financial reporting of ('the Company') as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Gupta Rustagi & Co.,

Chartered Accountants

Firm Registration No.128701W

Place : Mumbai

Date : 27th April, 2021

Niraj Gupta
Partner
Membership No. 100808

Reliance Wealth Management Limited

Balance sheet as at March 31, 2021

(₹ in thousand)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	29	2,914
Other intangible assets	4	2,078	3382
Other non-current assets	5	-	7,429
Total non-current assets		**2,107**	**13,725**
Current assets			
Financial assets			
Trade receivables	6	1,762	998
Cash and cash equivalents	7	2,111	539
Current tax assets (net)	8	4,051	11,778
Other current assets	9	2,847	6,100
Total current assets		**10,771**	**19,415**
Total assets		**12,878**	**33,140**
EQUITY AND LIABILITIES			
Equity			
Share capital	10	4,27,500	4,27,500
Other equity	11	(5,45,923)	(5,48,256)
Total equity		**(1,18,423)**	**(1,20,756)**
LIABILITIES			
Non-Current liabilities			
Current liabilities			
Financial liabilities			
Borrowings	12	95,500	1,07,600
Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		11,101	14,986
Other payables		-	-
Other current liabilities	14	24,700	31,310
Total current liabilities		**1,31,301**	**1,53,896**
Total liabilities		**1,31,301**	**1,53,896**
Total equity and liabilities		**12,878**	**33,140**
Significant accounting policies and notes to the financial statements	1 to 34		

The accompanying notes form an integral part of the financial statement.

As per our attached report of even date

For Gupta Rustagi & Co.
Chartered accountants
Firm's Registration No: 128701W

Sd/-
Niraj Gupta
Partner
Membership No: 100808

For and on behalf of the Board of Directors

Sd/-
Amit Agrawal
Director
DIN : 8088689

Sd/-
Asha Garg
Director
DIN : 8701801

Sd/-
Sanjeev Chaturvedi
Chief Financial Officer

Sd/-
Pooja Dave
Company Secretary
M.No. A31961

Place : Mumbai
Date : April 27, 2021

Reliance Wealth Management Limited
Statement of profit and loss for the year ended March 31, 2021

(₹ in thousand)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	15	21,048	97,223
Other income	16	4,818	654
Total income		**25,866**	**97,877**
Expenses			
Operating cost	17	737	1,898
Employee benefit expenses	18	-	1,93,696
Depreciation and amortisation expense		2,530	8,195
Finance costs	19	11,489	10,107
Other expenses	20	11,724	1,06,372
Total expenses		**26,480**	**3,20,268**
Profit/(loss) before exceptional items and tax		**(614)**	**(2,22,391)**
Exceptional items			-
Profit/(loss) before tax		**(614)**	**(2,22,391)**
Income tax expense			
- Current tax		-	-
- Deferred tax		-	1,00,090
- Earlier Years		(2,947)	1,279
Total tax expense/(credit)		**(2,947)**	**1,01,369**
Profit / (Loss) for the year		**2,333**	**(3,23,760)**
Other Comprehensive Income			
Items that will be not be reclassified to profit or loss			
Remeasurements gain/(loss) on post-employment benefit obligations		-	-
Income Tax on above		-	-
Other comprehensive income		**-**	**-**
Total comprehensive income/(loss) for the year		**2,333**	**(3,23,760)**
Earning per share on equity shares face value of ₹ 10 each fully paid up (amount in ₹)			
- Basic (₹)		0.05	(8.13)
- Diluted (₹)		0.05	(8.13)
Significant accounting policies and notes to the financial statements	1 to 34		

The accompanying notes form an integral part of the financial statement

As per our attached report of even date

For Gupta Rustagi & Co.
Chartered accountants
Firm's Registration No: 128701W

Sd/-
Niraj Gupta
Partner

Membership No: 100808

Place : Mumbai
Date : April 27, 2021

For and on behalf of the Board of Directors

Sd/-	Sd/-
Amit Agrawal	**Asha Garg**
Director	Director
DIN : 8088689	DIN : 8701801
Sd/-	Sd/-
Sanjeev Chaturvedi	**Pooja Dave**
Chief Financial Officer	Company Secretary
	M.No. A31961

Reliance Wealth Management Limited
Statement of cash flow for the year ended March 31, 2021

(₹ in thousand)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A	**Cash flows from operating activities**		
	Net profit/(loss) before tax as per statement of profit and loss	**(614)**	**(2,22,391)**
	Adjustments for:		
	(Profit)/ loss on sale on property plant & equipment (net)	637	2,301
	(Profit) on sale on investments (net)	-	(654)
	Depreciation and amortisation	2,530	8,195
	Interest on income tax refund	1,112	-
	Provision for doubtful debts on Other non-current assets	(5,152)	-
	Provision for doubtful debts	-	2,791
	Bad debts written-off	587	505
	Finance cost on borrowings	11,489	10,107
	Operating profit before working capital changes	**10,589**	**(1,99,146)**
	Adjustments for (increase)/decrease in operating assets		
	Trade receivables	(1,352)	32,574
	Other current assets	3,253	1,156
	Adjustments for increase/(decrease) in operating liabilities		
	Trade payables	(3,885)	(21,449)
	Provisions	-	(4,082)
	Other current liabilities	(6,610)	3,575
	Cash generated from operations	**1,995**	**(1,87,372)**
	Less : Payment of taxes (net of refunds)	9,562	(4,979)
	Net cash inflow / (outflow) generated from operating activities	**11,557**	**(1,92,351)**
B	**Cash flows from investing activities**		
	Sale of property, plant & equipment and intangible assets	1,023	1,272
	Purchase of property, plant & equipment and intangible assets	-	(1,095)
	Purchase investments	-	(2,07,530)
	Sale of investments	-	2,08,184
	Other non-current assets	12,581	5,270
	Net cash inflow / (outflow) generated from investing activities	**13,604**	**6,101**
C	**Cash flow from financing activities**		
	Issue of equity shares	-	1,02,500
	Borrowings	(12,100)	75,600
	Finance cost on borrowings	(11,489)	(10,107)
	Net cash inflow / (outflow) generated from financing activities	**(23,589)**	**1,67,993**
	Net increase / (decrease) in cash and bank balances	1,572	(18,257)
	Add : Cash and cash equivalent at the beginning of the year	539	18,796
	Cash and cash equivalent at the end of the year	**2,111**	**539**

Reliance Wealth Management Limited

Statement of cash flow for the year ended March 31, 2021

Note :

(₹ in thousand)

1. Net debt reconciliation

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and Cash equivalents	2,111	539
Borrowings	(95,500)	(1,07,600)
Net debt	**(93,389)**	**(1,07,061)**

Particulars	Cash and bank balances	Borrowings
Net debt as at March 31, 2019	**18,796**	**(32,000)**
Cash flows	(18,257)	(75,600)
Finance cost	-	10,107
Interest paid	-	(10,107)
Net debt as at March 31, 2020	**539**	**(1,07,600)**
Cash flows	1,572	12,100
Finance cost	-	(11,489)
Interest paid	-	11,489
Net debt as at March 31, 2021	**2,111**	**(95,500)**

2 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.

3 Figures in brackets indicate cash outflow.

4 Figures of previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

The accompanying notes form an integral part of the financial statements

For Gupta Rustagi & Co.
Chartered accountants
Firm's Registration No: 128701W

Sd/-
Niraj Gupta
Partner
Membership No: 100808

Place : Mumbai
Date : April 27, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Agrawal
Director
DIN : 8088689

Sd/-
Asha Garg
Director
DIN : 8701801

Sd/-
Sanjeev Chaturvedi
Chief Financial Officer

Sd/-
Pooja Dave
Company Secretary
M.No. A31961

Reliance Wealth Management Limited

Statement of changes in equity for the year ended March 31, 2021

A Equity share capital

(₹ in thousand)

Particulars	Number	Amount
As at March 31, 2019	**3,25,00,000**	**3,25,000**
Shares issued during the year	1,02,50,000	1,02,500
As at March 31, 2020	**4,27,50,000**	**4,27,500**
Shares issued during the year	-	-
Other movement	-	-
As at March 31, 2021	**4,27,50,000**	**4,27,500**

B Other equity

Particulars	Reserves and surplus		Other comprehensive income	Total other equity
	Retained earnings	Share options outstanding account		
As at March 31, 2019	(2,23,176)	1,473	(2,793)	(2,24,496)
Profit/(loss) for the year	(3,23,760)	-	-	(3,23,760)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the year	(3,23,760)	-	-	(3,23,760)
Transactions with owners in their capacity as owners:				
- Stock options benefit from parent company	-	-	-	-
As at March 31, 2020	**(5,46,936)**	**1,473**	**(2,793)**	**(5,48,256)**
Profit/(loss) for the year	2,333			2,333
Other comprehensive income				
Total comprehensive income/(loss) for the year	2,333			2,333
Transactions with owners in their capacity as owners:				
- Stock options benefit from parent company				
As at March 31, 2021	**(5,44,603)**	**1,473**	**(2,793)**	**(5,45,923)**

As per our attached report of even date

For Gupta Rustagi & Co.
Chartered Accountants
Firm's Registration No: 128701W

Sd/-
Niraj Gupta
Partner
Membership No: 100808

Place : Mumbai
Date : April 27, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Agrawal
Director
DIN : 8088689

Sd/-
Asha Garg
Director
DIN : 8701801

Sd/-
Sanjeev Chaturvedi
Chief Financial Officer

Sd/-
Pooja Dave
Company Secretary
M.No. A31961

1 Company information

Reliance Wealth Management Limited was incorporated on January 1, 2009. The Company had obtained the certificate from the Registrar of Companies Maharashtra Mumbai. The Company is licenced by SEBI to provide Portfolio Management Services.

2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.01 Basis of preparation

(i) Compliance with Ind AS

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

(ii) Historical cost convention

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

(iii) Current - non-current classification

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

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 32. 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 have 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 behavior (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 32, 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 32.

(iii) Derecognition other than on a modification

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

2.04 Financial liabilities

(i) Classification and subsequent measurement

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

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

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

(ii) Derecognition

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

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

2.05 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) Portfolio Management Fees is recognised on accrual basis as follows:
Processing fees is recognised on upfront basis in the year of receipt.
Management fees is recognised as a percentage of the average unaudited net asset value at the end of each month.
Performance Fee on the funds managed is recognized when the actual performance of the fund is calculated and determined by the fund manager.

(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) Commission from distribution activities
Revenue (Commission) from distribution activities, syndication activities is recognized on accrual basis in accordance with terms of the agreements.

(iv) Other income
In respect of other heads of income, income from advisory fees etc, the company accounts the same on accrual basis.

2.06 Income Tax

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

Current tax

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

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or 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.

2.07 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.

2.08 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.

2.09 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.

2.10 Property, plant and equipments

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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

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:

Asset	Useful life
Leasehold improvements	Period of lease
Office Equipments	5 years
Furniture and Fixtures	10 years
Data Processing Equipments	3 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

Plant, propert and equipments costing less than ₹ 5,000 are fully depreciated at the time of acquisition.

2.11 Intangible assets

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

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

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

Asset	Useful life
Software	6 years

Intangible assets costing less than ₹ 5,000 are fully depreciated at the time of acquisition.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognized as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

2.12 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.

2.13 Inventories

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

2.14 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.

2.15 Provisions, Contingent Liabilities and Contingent Asset

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 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.

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.

2.16 Employee benefits

(i) Short-term obligations

Liabilities for salaries, including 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 recognized 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.

2.17 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 25).

(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.

2.18 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.

2.19 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 the nearest thousand and zero decimals (as per the requirement of Schedule III) unless otherwise stated.

2.20 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 consolidated financial statements are as follows:

a) Estimation of deferred tax -Note 23.03
b) Estimation of defined benefit obligation-Note 26
c) Measurement of fair values -Note 31

Reliance Wealth Management Limited
Financial statements for the year ended March 31, 2021

Note 3 - Property, plant and equipment

(₹ in thousand)

Particulars	Lease hold improvement	Data processing equipments	Furniture and fixture	Office equipments	Total
Gross block					
As at March 31, 2020	**8,820**	**7,956**	**758**	**1,089**	**18,623**
Additions					
Disposals *	(8,820)	(7,784)	(758)	(1,089)	**(18,451)**
As at March 31, 2021	**-**	**172**	**-**	**-**	**172**
Accumulated depreciation					
As at March 31, 2020	**(8,820)**	**(5,767)**	**(310)**	**(812)**	**(15,709)**
Depreciation charge for the year	-	(1,096)	(46)	(84)	**(1,226)**
Disposals	8,820	6,720	356	896	**16,792**
As at March 31, 2021	**-**	**(143)**	**-**	**-**	**(143)**
Net carrying amount as at March 31, 2021	**-**	**29**	**-**	**-**	**29**

*** During the year subtantial portion of the assets have been disposed off as we have closed all the branches of the company.**

Particulars	Lease hold improvement	Data processing equipments	Furniture and fixture	Office equipments	Total
Gross block					
As at March 31, 2019	**22,696**	**7,299**	**1,427**	**2,427**	**33,849**
Additions	243	718	580	43	**1,584**
Disposals	(14,119)	(61)	(1,249)	(1,381)	**(16,810)**
As at March 31, 2020	**8,820**	**7,956**	**758**	**1,089**	**18,623**
Accumulated depreciation					
As at March 31, 2019	(17,075)	(3,602)	(721)	(1,253)	**(22,651)**
Depreciation charge for the year	(3,656)	(2,220)	(131)	(286)	**(6,293)**
Disposals	11,911	55	542	727	**13,235**
As at March 31, 2020	**(8,820)**	**(5,767)**	**(310)**	**(812)**	**(15,709)**
Net carrying amount as at March 31, 2020	**-**	**2,189**	**448**	**277**	**2,914**

Reliance Wealth Management Limited

Financial statements for the year ended March 31, 2021

Note 4 - Other intangible assets

(₹ in thousand)

Particulars	Software	Total
Gross block		
As at March 31, 2020	17,013	**17,013**
Additions	-	**-**
Disposals	-	**-**
As at March 31, 2021	**17,013**	**17,013**
Accumulated amortisation		
As at March 31, 2020	(13,631)	**(13,631)**
Amortisation charge for the year	(1,304)	**(1,304)**
Disposals	-	**-**
As at March 31, 2021	**(14,935)**	**(14,935)**
Net carrying amount as at March 31, 2021	**2,078**	**2,078**

Particulars	Software	Total
Gross block		
As at March 31, 2019	17,013	**17,013**
Additions	-	**-**
Disposals	-	**-**
As at March 31, 2020	**17,013**	**17,013**
Accumulated amortisation		
As at March 31, 2019	(11,729)	**(11,729)**
Amortisation charge for the year	(1,902)	**(1,902)**
Disposals	-	**-**
As at March 31, 2020	**(13,631)**	**(13,631)**
Net carrying amount as at March 31, 2020	**3,382**	**3,382**

Reliance Wealth Management Limited
Financial statements for the year ended March 31, 2021

(₹ in thousand)

Note 5 - Other non-current assets

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Deposits		
- Considered good	-	5,974
- Considered doubtful	3,697	-
Less: provision for doubtful advances	(3,697)	-
Capital advances		
- Considered good	-	1,455
- Considered doubtful	1,455	-
Less: provision for doubtful advances	(1,455)	-
	-	**7,429**

Note 6 - Trade receivables

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Unsecured		
Considered good	1,762	998
Considered doubtful	19	2,791
	1,781	3,789
Less : Impairment loss allowance	(19)	(2,791)
Total	**1,762**	**998**
Out of above		
- Receivable from related party	-	-
- Receivable from others	1,762	998

Note 7 - Cash and cash equivalents

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Balance with banks in current accounts	2,111	539
Total	**2,111**	**539**

Note 8 - Current tax assets (net)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Tax Deducted at Source	4,051	11,778
Total	**4,051**	**11,778**

Note 9 - Other current assets

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Balance with tax authorities	2433	4,346
Prepaid expenses	381	692
Advance to vendors	33	1,062
Total	**2,847**	**6,100**

(₹ in thousand)

Note 10 - Share capital

	As at March 31, 2021		As at March 31, 2020	
	No.	**Amount**	**No.**	**Amount**
Authorised *				
Equity Share Capital of ₹ 10 each	6,00,00,000	6,00,000	6,00,00,000	6,00,000
Total	**6,00,00,000**	**6,00,000**	**6,00,00,000**	**6,00,000**
Issued, subscribed and paidup Capital				
Equity Shares of ₹ 10 each fully paid up	4,27,50,000	4,27,500	4,27,50,000	4,27,500
Total	**4,27,50,000**	**4,27,500**	**4,27,50,000**	**4,27,500**

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

	As at March 31, 2021		As at March 31, 2020	
	No.	**Amount**	**No.**	**Amount**
Outstanding at the beginning of the year	4,27,50,000	4,27,500	3,25,00,000	3,25,000
Shares issued during the year	-	-	1,02,50,000	1,02,500
Outstanding at the end of the year	**4,27,50,000**	**4,27,500**	**4,27,50,000**	**4,27,500**

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares 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 holders of the equity shares will be entitled to receive remaining assets of the company, after the distribution of preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

(c) Shares of the Company held by the holding company

	As at March 31, 2021		As at March 31, 2020	
	No.	**% holding**	**No.**	**% holding**
Equity shares				
Reliance Capital Limited (holding company) and nominee shareholders	4,27,50,000	100	4,27,50,000	100

(d) Details of shareholders holding more than 5% of the shares in the Company

	As at March 31, 2021		As at March 31, 2020	
	No.	**Amount**	**No.**	**Amount**
Reliance Capital Limited (holding company) and nominee shareholders	4,27,50,000	4,27,500	4,27,50,000	4,27,500

(₹ in thousand)

Note 11 - Other equity

Particulars	As at March 31, 2021	As at March 31, 2020
Retained earnings		
Opening balance	(5,46,936)	(2,23,176)
Add: Profit/(loss) for the year	2,333	(3,23,760)
Closing balance	(5,44,603)	(5,46,936)
Share based options outstanding account		
Opening balance	1,473	1,473
Add: Stock options benefit from parent company during the year	-	-
Closing balance	1,473	1,473
Other comprehensive income		
Opening balance	(2,793)	(2,793)
Other comprehensive income for the year		-
Closing balance	(2,793)	(2,793)
Total	**(5,45,923)**	**(5,48,256)**

Note 12 - Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Inter Corporate Deposit*		
From related parties	95,500	1,07,600
Total	**95,500**	**1,07,600**
Borrrowings in India	95,500	1,07,600
Borrowings outside India		-
Total	**95,500**	**1,07,600**

Note 13 - Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
(i) total outstanding dues of micro enterprises and small enterprises		-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	11,101	14,986
Total	**11,101**	**14,986**

(₹ in thousand)

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 company and relied upon by the auditors, is as follows :

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Outstanding principal amount and interest due to suppliers registered under MSMED Act and remaining unpaid at the year end:		
- Principal amount	-	-
- Interest due thereon	-	-
Interest paid other than under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid).	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.	-	-

Note 14 - Other current liabilities

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Provision for expenses	6,016	7,142
Statutory liabilities	255	768
Other liabilities	1	52
Payable to employees	18,428	23,348
Total	**24,700**	**31,310**

Reliance Wealth Management Limited
Financial statements for the year ended March 31, 2021

(₹ in thousand)

Note 15 - Revenue from operations

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Income from portfolio management services	16,852	45,427
Distribution and related income	4,196	47,685
Advisory fees	-	4,111
Total	**21,048**	**97,223**

Note 16 - Other income

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on income tax refund	1,112	-
Profit on sale of investment	-	654
Dividend on Mutual Fund	53	
Unclaimed Liability Written back	881	-
Recovery on doubtful debts	2,772	
Exchange difference	-	-
Total	**4,818**	**654**

Note 17 - Operating cost

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Referral fees	737	1,898
Total	**737**	**1,898**

Note 18 - Employee benefit expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries & wages *****	-	1,81,549
Contribution to provident fund and other funds	-	7,498
Staff welfare expenses	-	4,649
Total	**-**	**1,93,696**

* During the year there has been no employees on the payroll , however company has taken support from its fellow subsidiary.

Note 19 - Finance costs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on inter corporate deposit	11,489	10,107
Total	**11,489**	**10,107**

(₹ in thousand)

Note 20 - Other expenses

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Payment to auditors		
- as Statutory audit fees	100	300
Bad debts written-off	587	505
Provision for doubtful debts	-	2,791
Provision for doubtfull Deposit/advances	6	-
Bank charges	11	84
Communication expenses	432	1,044
Director sitting fee	440	600
Legal and professional charges	2,926	41,146
Loss on sale of fixed assets	637	2,301
Marketing and advertisement expenses	1	117
Membership and subscription	167	368
Postage and office couriers	4	2,385
Printing and stationery charges	4	816
Recruitment charges	-	5,871
Rent, rates and taxes	55	32,619
Repair & maintenance expenses	98	1,262
Electricity expenses	5	839
Software expenses	5,992	5,228
Other administration expenses	259	7,847
Business promotion expenses	-	249
Total	**11,724**	**1,06,372**

(₹ in thousand)

21 Contingent Liabilities and commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Commitment	-	2,645

(b) Non-cancellable operating lease

The Company leases various offices & assets under non-cancellable operating leases expiring within one to three years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are re-negotiated. Commitments of minimum lease payments in relation to non-cancellable operating leases are payable as follows :

Particulars	As at March 31, 2021	As at March 31, 2020
Within one year	-	-
Later than one year but not later than five years	-	515
Later than five years	-	-

Rental expense relating to operating lease:

Particulars	As at March 31, 2021	As at March 31, 2020
Operating lease payments, which are minimum lease payments, recognised in the Statement of Profit and Loss	-	29,478

22 Segment Information for the year ended March 31, 2021

Disclosure in respect of segment reporting pursuant to Ind AS-108.
The reportable segments are as under:
(i) Portfolio management activity : This includes managing the portfolio of clients and advisory services
(ii) Distribution & Related activity : This includes distribution of various financial and non financial products to clients
(iii) Unallocable : Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocable to segment on reasonable basis have been disclosed as "unallocable" .

Particulars	Period	Portfolio Management Fee	Distribution & Related Income	Unallocable	Total
Segment revenue					
Income form operations	Current Year	16,852	4,196	4,818	25,866
	Previous year	*49,538*	*47,685*	*654*	*97,877*
Segment Expenses	Current Year	20,769	5,171	540	26,480
Direct expenses	*Previous year*	1,57,578	1,51,683	11,007	*3,20,268*
Segment results					
Profit before tax	Current Year	(3,917)	(975)	4,278	(614)
	Previous year	*(1,08,040)*	*(1,03,998)*	*(10,353)*	*(2,22,391)*
Other Information					
Segment Assets	Current Year	5,377	1,339	6,162	12,878
	Previous year	11,285	9,538	12,316	*33,140*
Segment Liability	Current Year	28,664	7,137	95,500	1,31,301
	Previous year	*23,590*	*22,707*	*1,07,600*	*1,53,897*

Note :

1. The business segments have been identified considering the nature of services, the different risks and returns, the organization structure and the internal financial reporting system.There are no geographical segments as there the company operates in domestic market.

2. Figures of previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

(₹ in thousand)

23 Income tax

23.01 The components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax	-	-
Adjustment in respect of current income tax of prior years	(2,947)	1,279
Deferred tax assets/(liability)(net)	-	1,00,090
Total	**(2,947)**	**1,01,369**

23.02 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, 2021 and March 31, 2020 is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Accounting profit before tax	(614)	(2,22,391)
Tax at statutory income tax rate of 26% (previous year 26.00%)	(160)	(57,822)
Tax effect of the amount which are not taxable in calculating taxable income :		
Set off of Brought forward losses	(339)	-
Brought forward lossess / unabsorbed deprication of current year on which no deffered tax assets regonised	-	1,27,928
Temporary Difference in current year on which no deffered tax assets regonised	499	6,433
MAT credit on which no deffered tax assets regonised	-	23,510
Deferred tax rate difference	-	(291)
Adjustment of current tax of previous year	(2,947)	1,279
Income tax expense at effective tax rate	**(2,947)**	**1,01,038**
Effective tax rate	**20.84%**	**0.00%**

23.03 Deferred tax assets/liabilities

Unused tax losses, unabsorbed deprecation and temporary differences on which no deferred Tax Assets is recognised in Balance Sheet

Particulars	As at March 31, 2021	As at March 31, 2020
Unused Tax Losses	4,16,132	4,92,031
Unabsorbed Tax deprecation	36,707	15,292
temporary differences	-	32,962
Total	**4,52,839**	**5,40,285**

1. Unabsorbed deprecation does not have any expire period under the income tax act.
2. Tax benefits for the losses would expire if not utilised starting from financial year 2020-21 to 2027-28.
3. No deferred tax benefit is recognised in the absence of reasonable certainty that taxable income will be generated by the company to offset the losses

24 Foreign currency transaction:

Particulars	As at March 31, 2021	As at March 31, 2020
A. Income in foreign currency: (On receipt basis)		
Advisory services	-	4,111
Total	**-**	**4,111**
B. Expenditure in foreign currency: (On payment basis)		
Foreign Travelling Expense	-	263
Other Administrative Expense	-	262
Total	**-**	**525**

(₹ in thousand)

25 Earnings per share

Particulars	As at March 31, 2021	As at March 31, 2020
Net profit/(loss) after tax as per statement of profit and loss	2,333	(3,23,760)
Weighted average number of equity shares outstanding during the year	4,27,50,000	3,98,08,904
Nominal value per equity share	10	10
Basic and diluted earnings per share	**0.05**	**(8.13)**

26 Employee Benefits

(A) Defined contribution plans

The company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

Particulars	As at March 31, 2021	As at March 31, 2020
Employer's Contribution to Provident Fund (includes administration charges)	-	7,498

(B) Defined Benefit Plans:

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

*As on 31.03.2021 the company is not having any employee, hence actuarial valuation / provision for gratuity is not required.

27 Corporate Social Responsibility Expenditure

As per section 135 of the Companies Act 2013, the company is under obligation to incur ₹ Nil.

28 COVID -19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian Financial Markets and a significant decrease in the economic activities. Covid 19 presented us an operational challenges and required recalibrating the management methodology for sales, collections, operations, etc. The Company believes that it has taken into account all the possible impact of known events arising out of COVID 19 pandemic in the preparation of financial results. However the impact assessment of COVID 19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions.

Reliance Wealth Management Limited
Financial statements for the year ended March 31, 2021

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

I. List of Related Parties and their relationship

(A)	**Parties by whom control exists during the period**	
	Reliance Capital Limited*	Holding Company
(B)	**Fellow subsidiaries**	
	Reliance General Insurance Company Limit	Fellow subsidiary
	Reliance Financial Limited	Fellow subsidiary
	Reliance Securities Limited	Fellow subsidiary
(C)	**Key management personnel**	
	Directors of the Company*	Mr. Ashish Turakhia (till Jun 30, 2020)
		Mr. Ritesh Gupta (till Jun 30, 2020)
		Mr. Viral Sarvaiya (w.e.f. Jun 30, 2020 till Dec 21, 2020)
		Mr. Amit Agrawal (w.e.f. Jun 30, 2020)
		Ms. Asha Garg (w.e.f. Dec 21, 2020)
	Independent Directors of the Company	Mr. Ashok Karnavat
		Mr. Sushil Kumar Agrawal
	Manager*	Mr. Rajib Gangopadhyay
	Chief financial officer*	Mr. Sanjeev Chaturvedi
	Company Secretary*	Ms. Pooja Dave (w.e.f. Apr 01,2020)

Note : * No transaction taken place during the period

Reliance Wealth Management Limited
Financial statements for the year ended March 31, 2021

II. Transactions with related parties during the year:

Nature of Transaction	Holding Company		Fellow Subsidiaries	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Share Capital				
Reliance Capital Limited				
Issue of Equity shares	-	1,02,500	-	-
Purchase of Bonds				
Reliance Securities Limited	-	-	-	17,000
(Face Value of Rs. 1,00,000 by 170 quantity)				
Inter Corporate Deposits				
Reliance Capital Limited				
Opening balance	-	-	-	-
Taken during the year	-	1,32,500	-	-
Repaid during the year	-	(1,32,500)	-	-
Closing balance	-	-	-	-
Reliance Financial Ltd				
Opening balance	-	-	1,07,600	32,000
Taken during the year	-	-	11,700	2,62,400
Repaid during the year	-	-	(23,800)	(1,86,800)
Closing balance	-	-	95,500	1,07,600
Receipts / Income				
Referral income for NCD Placement				
Reliance Financial Ltd	-	-	11,489	3,102
Reliance Securities Ltd	-	-	-	364
Profit on Sale of Assets				
Reliance Securities Ltd	-	-	1,612	-
Distribution and related Income				
Reliance Nippon Life Asset Management Ltd	-	-	-	1,876
Payments / expenditures				
Interest on Borrowings (ICD)				
Reliance Financial Ltd	-	-	-	9,891
Reliance Capital Limited	-	216	-	-
Brokerage Expense *				
Reliance Securities Limited	-	-	733	2,774
*brokerage paid in fiduciary capacity				
Distribution Expense				
Reliance Asset Reconstruction Company Limited	-	-	-	229
Management fees				
Reliance Securities Limited	-	-	-	28,200
Reimbursement of Rent				
Reliance Securities Limited	-	-	120	-
Staff & KMP medical / life insurance premium				
Reliance General Insurance Company Ltd	-	-	145	2,191
Reliance Nippon Life Insurance Company Ltd	-	-	-	2,163
Receivable / (Payable)				
Reliance Nippon Life Asset Management Limited	-	-	-	73
Reliance Securities Ltd	-	-	106	167
Reliance Financial Limited	-	-	-	-
Reliance Nippon Life Insurance Company Limited	-	-	-	-
Reliance General Insurance Company Limited	-	-	-	780

Reliance Wealth Management Limited
Financial statements for the year ended March 31, 2021

C. Transactions with Key management personnel during the year:

Nature of Transaction	March 31, 2021	March 31, 2020
Director's sitting fees		
Mr. Manu Chadha	-	80
Mr. Ashok Karnavat	280	480
Mr. Sushil Kumar Agrawal	200	-
Filing Fees		
Mr. Viral Sarvaiya	4	-
Key Management personnel compensation		
Mr. Nitin Rao		
Short term employee benefits	-	6,670
Post employment benefits	-	343

(₹ in thousand)

30 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, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Trade receivables	1,762	-	1,762	998	-	998
Cash and cash equivalents	2,111	-	2,111	539	-	539
Non-financial Assets						
Property, plant and equipment	-	29	29	-	2,914	2,914
Other intangible assets	-	2,078	2,078	-	3,382	3,382
Other non-current assets	-	-	-	-	7,429	7,429
Current tax assets (net)	4,051	-	4,051	11,778	-	11,778
Other current assets	2,847	-	2,847	6,100	-	6,100
Total assets	**10,771**	**2,107**	**12,878**	**19,415**	**13,725**	**33,140**

Particulars	As at March 31, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Borrowings	95,500	-	95,500	1,07,600	-	1,07,600
Trade payables	11,101	-	11,101	14,986	-	14,986
Non-financial Liabilities						
Other current liabilities	-	24,700	24,700	-	31,310	31,310
Total liabilities	**1,06,601**	**24,700**	**1,31,301**	**1,22,586**	**31,310**	**1,53,896**
Net	**(95,830)**	**(22,593)**	**(1,18,423)**	**(1,03,171)**	**(17,585)**	**(1,20,756)**

31 Fair value measurements (₹ in thousand)

(a) 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.

As at March 31, 2021

Assets and liabilities measured at amortised cost for which fair values are disclosed	Amortised cost	Level 1	Level 2	Level 3	Total
Financial Assets					
Trade receivables	1,762	-	-	-	**1,762**
Cash and cash equivalents	2,111	-	-	-	**2,111**
Total financial assets	**3,873**	**-**	**-**	**-**	**3,873**
Financial liabilities					
Borrowings	95,500	-	-	-	**95,500**
Trade payables	11,101	-	-	-	**11,101**
Total financial liabilities	**1,06,601**	**-**	**-**	**-**	**1,06,601**

As at March 31, 2020

Assets and liabilities measured at amortised cost for which fair values are disclosed	Amortised cost	Level 1	Level 2	Level 3	Total
Financial Assets					
Trade receivables	998	-	-	-	998
Cash and cash equivalents	539	-	-	-	539
Total financial assets	**1,537**	**-**	**-**	**-**	**1,537**
Financial liabilities					
Borrowings	1,07,600	-	-	-	1,07,600
Trade payables	14,986	-	-	-	14,986
Total financial liabilities	**1,22,586**	**-**	**-**	**-**	**1,22,586**

Notes:

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

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

31 Fair value measurements

(₹ in thousand)

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

	As at March 31, 2021		As at March 31, 2020	
Particulars	**Carrying Value**	**Fair value**	**Carrying Value**	**Fair value**
Financial Assets				
Trade receivables	1,762	1,762	998	998
Cash and cash equivalents	2,111	2,111	539	539
Total Financial Assets	**3,873**	**3,873**	**1,537**	**1,537**
Financial Liabilities				
Borrowings	95,500	95,500	107600	1,07,600
Trade payables	11,101	11,101	14,986	14,986
Total financial liabilities	**1,06,601**	**1,06,601**	**1,22,586**	**1,22,586**

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: Trade receivables, cash and cash equivalents, bank deposits and trade payables, borrowings. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

The fair values of debt securities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

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

Financial statements for the year ended March 31, 2021 (₹ in thousand)

32 (B) Financial risk management

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 of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

32.1 Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade receivables

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.

32.1(a) Expected credit loss measurement

A default on a trade receivables is when the counterparty fails to make contractual payments within 180 days days of when they fall due in case of third party distribution business clients . This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade receivables. The management uses a simplified approach "180 days past due" for the purpose of computation of expected credit loss for trade receivables. An impairment analysis is performed at each reporting date and impairtment allowance is provide for amounts outstanding more than 180 days from the date when it becomes due. The Company evaluates the concentration of risk with respect to trade receivables as below.

Particulars	Trade receivables
Loss allowance as on April 01, 2019	-
changes in loss allowance	2,791
Loss allowance as on March 31, 2020	**2,791**
changes in loss allowance	(2,772)
Loss allowance as on March 31, 2021	**19**

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks 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.

32.2 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

(i) 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.

Reliance Wealth Management Limited
Financial statements for the year ended March 31, 2021 (₹ in thousand)

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						
Trade receivables	-	-	1,762	-	-	**1,762**
Cash and cash equivalents	2,111	-	-	-	-	**2,111**
Total financial assets	**2,111**	**-**	**1,762**	**-**	**-**	**3,873**
Financial liabilities						
Borrowings	95,500	-	-	-	-	**95,500**
Trade payables	-	11,101	-	-	-	**11,101**
Total financial liabilities	**95,500**	**11,101**	**-**	**-**	**-**	**1,06,601**
Net	(93,389)	(11,101)	1,762	-	-	(1,02,728)

As at March 31, 2020

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						
Trade receivables	-	-	998		-	**998**
Cash and cash equivalents	539	-	-	-	-	**539**
Total financial assets	**539**	**-**	**998**	**-**	**-**	**1,537**
Financial liabilities						
Borrowings	1,07,600	-	-	-	-	**1,07,600**
Trade payables	-	14,986	-	-	-	**14,986**
Total financial liabilities	**1,07,600**	**14,986**	**-**	**-**	**-**	**1,22,586**
Net	(1,07,061)	(14,986)	998	-	-	(1,21,049)

32.3 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\(lossess). The Company avails borrowings only for day to day working capital requirement for daily core business operations.

The company has not paid dividend in last three year to equity stock holders of the company.

33 Note for Going Concern

During the year, the Company has incurred net losses before tax INR 6.13 Lakh and Net profit after tax INR 23.34 lakh. The accumulated losses resulted in erosion of the Networth of the company. Further, in has certain outstanding vendor and employee payable, the Company's ability to meet its obligations is significantly dependent on material uncertain events including retaining and growing its current Portfolio of PMS business and distribution of Mutual fund business. The Company is confident that such cash flows would enable it to service its debt and discharge its liabilities, including employee and vendor payables in the normal course of its business. Also company got confirmation from one of fellow subsidiary for continuous support for its working capital requirement for next one year. Accordingly, the financial statement of the Company has been prepared on a going concern basis.

34 Previous year figures

Figures of previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors

For Gupta Rustagi & Co.
Chartered accountants
Firm's Registration No: 128701W

Sd/-
Niraj Gupta
Partner
Membership No: 100808

Sd/-
Amit Agrawal
Director
DIN : 8088689

Sd/-
Asha Garg
Director
DIN : 8701801

Sd/-
Sanjeev Chaturvedi
Chief Financial Officer

Sd/-
Pooja Dave
Company Secretary
M.No. A31961

Place : Mumbai
Date : April 27, 2021