

Independent Auditors' Report

Report on the audit of the Financial Results

To The Board of Directors of Reliance Securities Limited

Opinion

We have audited the accompanying financial results of **Reliance Securities Limited** ("the Company") for the quarter and year ended March 31, 2024 ("financial results") attached herewith, being submitted by the company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- i. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- ii. give a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 results under the provisions of the Companies Act 2013 ("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.

Management's and Board of Directors' Responsibilities for the Financial Results

These financial results have been prepared on the basis of the financial statements of the Company for the year ended March 31, 2024. The Company's Management and Board of Directors are responsible for the preparation of the financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations basis which the above Statement containing the annual audited financial results has been prepared. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding



of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results 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 results.

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

- Identify and assess the risks of material misstatement of the financial results, 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, but not for the purpose of expressing an opinion on the effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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 results, including the disclosures, and whether the financial results 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.

Other Matter

The financial results include the results for the year ended March 31, 2024 and corresponding year ended in previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and published year to date figures up to the nine months of current and previous financial year respectively, which has been reviewed and not subjected to audit.

For: **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm's Registration No:107783W/W100593



Jigar T. Shah
Partner

Membership No: 161851
UDIN: 24161851BKBHHT5770



Date: May 03, 2024
Place: Mumbai

RELIANCE SECURITIES LIMITED

Statement of audited financial results for the quarter and year ended March 31, 2024

(₹ in Lakhs except per share data)

S.N.	Particulars	Quarter ended			Year ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Unaudited	Unaudited	Unaudited	Audited	Audited
	REVENUE					
I	Revenue from operations	3,980	4,361	6,403	21,249	26,052
II	Other income	15	-	4	16	10
III	Total income (I+II)	3,995	4,361	6,407	21,265	26,062
	EXPENSES					
IV	Finance Costs	58	88	104	374	(103)
	Fees and commission expense	601	433	378	1,809	1,645
	Impairment of financial instruments	48	29	1,148	217	1,292
	Employee Benefits Expenses	1,672	2,145	3,267	10,742	13,268
	Depreciation, amortization and impairment	78	88	105	354	421
	Others expenses	1,461	1,471	1,778	6,461	7,485
	Total expenses	3,918	4,254	6,780	19,957	24,008
V	Profit before exceptional items and tax (III-IV)	77	107	(373)	1,308	2,054
VI	Exceptional items	-	-	-	-	-
VII	Profit/(Loss) before tax (V-VI)	77	107	(373)	1,308	2,054
VIII	Tax expense:					
	(a) Current Tax	(15)	-	21	-	26
	(b) Deferred Tax	-	-	-	-	-
	(c) Taxes of earlier years	(30)	-	-	33	-
	Total tax expenses (a+b+c)	(45)	-	21	33	26
IX	Profit/(Loss) for the period / year (VII-VIII)	122	107	(394)	1,275	2,028
X	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss :					
	Re-measurement of post retirement benefit obligation	62	-	(38)	47	(20)
	Income tax relating to this items	(4)	-	5	-	5
XI	Total Comprehensive Income/(Loss) for the period/year (IX +X)	180	107	(427)	1,322	2,013
XII	Equity Share Capital	21,000	21,000	21,000	21,000	21,000
XIII	Other equity				(7,737)	(9,060)
XIV	Earning per share on Equity Shares of (₹ 10 each)*					
	- Basic	0.06	0.05	(0.18)	0.58	0.92
	- Diluted	0.06	0.05	(0.18)	0.58	0.92
	*EPS is not annualised for interim period					

Notes:

- The above audited financial results for the quarter and year ended March 31, 2024 are prepared in accordance with regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations, 2015') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the relevant provisions of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India.



- 2 The figures for the quarter ended March 31, 2024 and corresponding quarter ended in previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the reviewed year-to-date figures upto the end of nine months of the current and previous financial year respectively.
- 3 The Company has reported segment wise information as per IND AS 108 "Operating Segment", notified under the Companies (Indian Accounting Standards) Rules, 2015. The operations of the Company are conducted within India, there is no separate reportable geographical segment and the Company reported the following business segments:
- (i) Broking Activities: Broking activities includes Broking services to clients, research and advisory services and distribution of financial product distribution, depository services, etc.
- (ii) Proprietary trading : Proprietary Trading activities includes the trading in securities by the Company in its own name.
- (iii) Certain assets and liabilities, which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated".

(₹ in Lakh)

Particulars	Quarter ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
	Unaudited	Unaudited	Unaudited	Audited	Audited
Segment Revenue					
a. Broking activity	2,634	2,177	2,235	9,279	10,750
b. Proprietary trading	1,346	2,184	4,172	11,970	15,312
c. Unallocated	15	-	-	16	-
Total	3,995	4,361	6,407	21,265	26,062
Segment Results					
a. Broking activity	(479)	(747)	(2,246)	(3,315)	(3,667)
b. Proprietary trading	541	854	1,873	4,607	5,721
c. Unallocated	15	-	-	16	-
Total	77	107	(373)	1,308	2,054
Segment Assets					
a. Broking activity	36,196	39,889	37,736	36,196	37,736
b. Proprietary trading	22,417	22,853	26,059	22,417	26,059
c. Unallocated	538	697	668	538	668
Total	59,151	63,439	64,463	59,151	64,463
Segment Liabilities					
a. Broking activity	40,864	44,270	41,361	40,864	41,361
b. Proprietary trading	1,168	2,229	7,306	1,168	7,306
c. Unallocated	1,356	1,356	1,356	1,356	1,356
Total	43,388	47,855	50,023	43,388	50,023

- 4 The Listed Secured Non-Convertible Debentures (Market Linked Debenture) of the Company aggregating to ₹ 200 Lakh as on March 31, 2024 are secured by first ranking mortgage over the Company's Immovable property and working capital of the Company as specifically mentioned in the Trust deed and the asset cover thereof exceeds hundred per cent of the principal amount of the said debentures.
- 5 The Corporate Insolvency Resolution Process ("CIRP") of Reliance Capital Limited ("Holding Company") commenced on December 6, 2021, i.e., vide order of even date passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench. Pursuant to various orders passed by the Hon'ble NCLT, more particularly the order dated April 12, 2023, the timeline for completion of the CIRP was extended to July 16, 2023. The Administrator of Reliance Capital Limited ("RCL") has filed an application before the NCLT under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 ("Code") for approval of the resolution plan submitted by IndusInd International Holdings Limited ("IIHL"), as approved by the Committee of Creditors of RCL, with the NCLT, via e-filing on July 12, 2023. The Hon'ble NCLT approved the Resolution Plan submitted by IIHL, vide the order passed on February 27, 2024 ("Approved Resolution Plan").
- 6 On prudence basis, the Company has not recognised deferred tax assets amounting to ₹ 3172 lakhs as on March 31, 2024 in the form of brought forward losses and disallowance under income tax, as future benefit which will accrue to the company cannot be reliably estimated.
- 7 Disclosures under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in Annexure.
- 8 The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on May 03, 2024 approved the above results and its release.
- 9 In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016 the company hereby declares that the auditors have issued audit report with unmodified opinion on audited financial results for the year ended March 31, 2024.
- 10 Previous year/period figures have been regrouped / rearranged wherever necessary.



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

Sanjay Sharma

Sanjay Sharma
Whole Time Director & Chief Financial Officer
DIN : 09592199

Place : Mumbai
Date : May 03, 2024

S.N.	Particulars	As at March 31, 2024	As at March 31, 2023
		Audited	Audited
	ASSETS		
	1) Financial Assets		
(a)	Cash and cash equivalents	3,329	2,264
(b)	Bank balance other than cash and cash equivalents above	9,446	5,904
(c)	Derivative financial instruments	-	26
(d)	Receivables		
(i)	Trade receivables	1,435	1,748
(ii)	Other receivables	47	43
(e)	Loans	2,091	1,346
(f)	Investments	20,211	23,287
(g)	Other Financial assets	18,705	24,955
		55,264	59,573
	2) Non-financial Assets		
(a)	Inventories	2,048	2,559
(b)	Current tax assets (net)	538	668
(c)	Investment property	14	13
(d)	Property, plant and equipment	261	390
(e)	Capital Work-in-Progress	136	-
(f)	Goodwill	8	8
(g)	Other intangible assets	295	455
(h)	Other non-financial assets	587	797
		3,887	4,890
	Total Assets	59,151	64,463
	LIABILITIES AND EQUITY		
	LIABILITIES		
	3) Financial Liabilities		
(a)	Derivative financial instruments	-	195
(b)	Payables		
(i)	Trade payables		
(i)	total outstanding dues of micro enterprises and small enterprises	-	-
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	22,336	22,112
(ii)	Other payables		
(i)	total outstanding dues of micro enterprises and small enterprises	-	-
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(c)	Debt Securities	251	702
(d)	Borrowings (Other than Debt Securities)	-	-
(e)	Other financial liabilities	17,394	23,514
		39,981	46,523
	4) Non-Financial Liabilities		
(a)	Provisions	1,461	1,460
(b)	Other non-financial liabilities	1,946	2,040
		3,407	3,500
	5) EQUITY		
(a)	Equity Share capital	21,000	21,000
(b)	Instruments entirely equity in nature	2,500	2,500
(c)	Other Equity	(7,737)	(9,060)
		15,763	14,440
	Total Liabilities and Equity	59,151	64,463



Particulars	As at March 31, 2024	As at March 31, 2023
	Audited	Audited
A. Cash flow from operating activities		
Profit before tax	1,308	2,054
Adjustment		
Changes in Fair value of investments	(1,435)	(1,025)
Provision for Gratuity	50	45
Loss/(Profit) on sale/Discartment of Property, Plant & equipment	4	(8)
Excess provision/ Credit balance written back	-	-
Provision for doubtful debts/advances	397	(353)
Bad debts written off	(42)	1,667
Depreciation & amortisation expenses	354	421
Dividend accrue on preference shares	160	153
Interest on income tax refund	(16)	-
Interest expenses	213	(256)
Operating Profit Before working capital changes	993	2,698
Working capital adjustments :		
(Increase)/Decrease in trade receivables	92	432
(Increase)/Decrease in inventories	511	913
(Increase)/ Decrease in loans	(745)	1,611
(Increase)/ Decrease in other financial assets	6,113	25,296
(Increase)/ Decrease in other non financial assets	210	241
Increase/ (Decrease) in derivatives instruments (net)	(169)	164
Increase/ (Decrease) in trade payables	224	(15,360)
Increase/ (Decrease) in other financial liabilities	(6,280)	2,644
Increase/ (Decrease) in provision	(2)	-
Increase/ (Decrease) in other non-financial liabilities	(95)	(140)
Cash flows from / (used in) operating activities	852	18,499
Payment of taxes (net of refunds)	114	(357)
Net cash flows from / (used in) operating activities (A)	966	18,142
B. Cash flows from investing activities		
Purchase of property plant and equipment & intangible assets	(207)	(359)
Sale of fixed assets	2	10
(Purchase) / Sale of investments (net)	4,511	(13,986)
(Investment)/ redemption of Fixed deposit	(3,543)	3,380
Net Cash flows from / (used in) from investment activities (B)	763	(10,955)
C. Cash flows from financing activities		
Proceeds from allotment/ (Repayment) of Marketlink debenture	(305)	(2,310)
Interest paid on Market link Debenture	(191)	(1,074)
(Repayment to) / Borrowing from financial institutions and others (net)	-	(2,639)
Interest paid others	(168)	(307)
Net Cash flows from / (used in) Financing activities (C)	(664)	(6,330)
Net increase / (decrease) in cash or cash equivalents (A+B+C)	1,065	857
Cash and Cash equivalents at the beginning of the year	2,264	1,407
Cash and Cash equivalents at the end of the year	3,329	2,264
Components of cash and cash equivalents		
Cash on Hand	-	-
Balances with Banks - In current accounts	3,329	2,264
Cheque in Hand	-	-
Cash and Cash equivalents at the end of the year	3,329	2,264



RELIANCE SECURITIES LIMITED

Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and year ended March 31, 2024

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Unaudited	Unaudited	Unaudited	Audited	Audited
a	Debt Equity Ratio	0.02	0.02	0.05	0.02	0.05
b	Debt Service Coverage Ratio	0.54	0.78	***	6.69	2.78
c	Interest services coverage ratio	2.33	2.22	***	4.50	**
d	Outstanding redeemable preference share (Quantity & Value)	NA	NA	NA	NA	NA
e	Outstanding redeemable preference share (₹ in Lakh)	NA	NA	NA	NA	NA
f	Debenture redemption reserve	20	51	51	20	51
g	Networth (₹ in Lakh)	13,161	12,982	11,838	13,161	11,838
h	Net profit / (Loss) after tax (₹ in Lakh)	122	107	(394)	1,275	2,028
i	Earning per equity share					
	(i) Basic EPS (₹)	0.06	0.05	(0.18)	0.58	0.92
	(ii) Diluted EPS (₹)	0.06	0.05	(0.18)	0.58	0.92
j	Asset Cover Ratio	130.84	143.96	55.11	130.84	55.11
k	Current ratio*	NA	NA	NA	NA	NA
l	Long term Debt to working capital ratio*	NA	NA	NA	NA	NA
m	Bad debts to account receivable ratio(%)	0.00%	0.00%	0.00%	0.00%	32.09%
n	Current liability ratio*	NA	NA	NA	NA	NA
o	Total debts to total assets ratio	0.00	0.00	0.01	0.00	0.01
p	Debtors turnover*	NA	NA	NA	NA	NA
q	Inventory turnover*	NA	NA	NA	NA	NA
r	Operating margin (%)*	NA	NA	NA	NA	NA
s	Net profit margin (%)	3.05%	2.45%	(6.15%)	6.00%	7.78%

* The company prepares financials statements as per Division III, Schedule III of the Companies Act 2013, hence these ratios are not applicable.

** Interest service coverage ratio is NIL, as finance cost being negative for the period.

*** Interest service coverage ratio/Debt Service Coverage Ratio is NIL, as Earnings before interest and tax (EBIT) being negative for the period.

Above Ratio is calculated as per below formula-

Networth= Equity - Capital reserve

Debt Equity Ratio= Debt (Borrowing + Accrued Interest)/ (Equity)

Debt Service Coverage Ratio = Earnings before interest and tax (EBIT)/ Total borrowing

Interest services coverage ratio= Earnings before interest and tax (EBIT)/Interest Cost

Asset Cover Ratio = Total assets available for secured debts / Secured debts

Bad debts to account receivable ratio(%) = Bad debts/ (Receivables + Loans)

Total debts to total assets ratio = Total Debts/ Total assets

Net profit margin (%)= Net Profit after tax / Total Revenue

