

Reliance Securities Limited

Annual Report

2023-2024

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Lav Chaturvedi

Mr. Sanjay Sharma

Mr. Chetan Desai

Ms. Homai Daruwalla

Whole-time Director (designated as Executive Director & CEO)

Whole-time Director

Independent Director

Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Lav Chaturvedi

Mr. Sanjay Sharma

Ms. Vrunda Dhanesha

Whole-time Director (designated as Executive Director & CEO)

Whole-time Director and Chief Financial Officer

Company Secretary

STATUTORY AUDITORS

Pathak H. D. & Associates LLP

Chartered Accountants

SECRETARIAL AUDITOR

Trusha D. Shah & Co.

Practicing Company Secretary

REGISTRAR AND TRANSFER AGENT

KFin Technologies Limited

(formerly known as KFin Technologies Private Limited)

Karvy Selenium Tower B, Plot 31–32, Gachibowli, Financial District, Nanakramguda, Hyderabad–500 032

DEBENTURE TRUSTEE

Vistra ITCL (India) Limited

The IL&FS Financial Centre, Plot C-22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai- 400 051

CREDIT RATING AGENCY

Credit Analysis & Research Limited

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai 400 022

REGISTERED OFFICE

11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway, Goregaon (East) Mumbai 400063

CIN

U65990MH2005PLC154052

CORPORATE WEBSITE

<http://www.reliancesmartmoney.com/>

Index

Sr. No.	Contents	Page No.
1.	Notice of Annual General Meeting	1
2.	Director's Report	15
3.	Independent Auditors' Report on the Financial Statement	43
4.	Balance Sheet	56
5.	Statement of Profit and Loss	57
6.	Cash Flow Statement	58
7.	Notes to the Financial Statement	59
8.	Attendance Sheet and Proxy Form	123

Shorter Notice

Annual General Meeting

NOTICE is hereby given that the 19th Annual General Meeting of the Members of Reliance Securities Limited will be held on **Monday, September 30, 2024 at 11:00 a.m.** at 11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway, Goregaon East, Mumbai – 400063 to transact the following business:

Ordinary Business:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.
2. To approve the appointment of a Director in place of Mr. Lav Chaturvedi, Whole-time Director (DIN: 02859336), who retires by rotation and being eligible, offers himself for re-appointment as director.

Special Business:

3. **To approve the re-appointment of Mr. Lav Chaturvedi as a Whole-time Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **'Special Resolution'**:

"RESOLVED THAT in terms of the recommendation of the Nomination and Remuneration Committee and with the approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 (the "Act") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to all such approvals, consents and sanctions, as may be necessary, the consent of the members be and is hereby accorded to re-appoint Mr. Lav Chaturvedi as a Whole-time Director (designated as Executive Director & CEO), for a period of 1 (one) year commencing from October 11, 2024 to October 10, 2025 (both days inclusive), on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the remuneration and perquisites payable to Mr. Lav Chaturvedi in his capacity as the Whole-time Director (designated as Executive Director & CEO) of the Company for a period of 1 year commencing from October 11, 2024 to October 10, 2025 (both days inclusive) shall be such as maybe decided by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Lav Chaturvedi as a Whole-time Director (designated as Executive Director & CEO) of the Company, the remuneration and perquisites be paid or granted to him as minimum remuneration and perquisites in excess of the ceiling limits specified in Section 197 of the Act read with Schedule V thereof, as maybe amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of Mr. Lav Chaturvedi, including relating to remuneration, as it may, at its discretion, deem fit, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

4. To consider and approve remuneration payable to Mr. Sanjay Sharma, Whole-time Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **'Special Resolution'**:

"RESOLVED THAT in terms of the recommendations of the Nomination and Remuneration Committee and with the approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 (the "Act") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to all such approvals, consents and sanctions, as may be necessary, consent of the Members be and is hereby accorded for payment of remuneration to Mr. Sanjay Sharma in his capacity as a Whole-time Director in excess of the ceiling limits specified in Section 197 of the Act read with Schedule V thereof, as maybe amended from time to time.

RESOLVED FURTHER THAT the remuneration and perquisites payable to Mr. Sanjay Sharma in his capacity as the Whole-time Director of the Company for a remaining period of 2 years commencing from July 07, 2025 to July 06, 2027 (both days inclusive), shall be such as maybe decided by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Sanjay Sharma as a Whole-time Director of the Company, the remuneration and perquisites be paid or granted to him as minimum remuneration and perquisites in excess of the ceiling limits specified in Section 197 of the Act read with Schedule V thereof, as maybe amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of Mr. Sanjay Sharma, including relating to remuneration, as it may, at its discretion, deem fit, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board
For Reliance Securities Limited**

**Sd/-
Vrunda Dhanesha
Company Secretary**

Date: September 24, 2024

Place: Mumbai

Registered Office:

11th Floor, R-Tech IT Park, Nirlon Compound,
Off. Western Express Highway,
Goregaon East, Mumbai – 400063

Notes:

- 1) Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the special business to be transacted at the Annual General Meeting is annexed hereto.
- 2) **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll, instead of himself and the proxy need not be a member of the Company. The instrument appointing the Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed not less than 48 hours before the Meeting. A Proxy form is sent herewith.**
- 3) Members/ Proxies are requested to bring their duly filled attendance slip sent herewith to the meeting.
- 4) Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified true copy of their board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
- 5) Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
- 6) Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays between 11:00 a.m. to 1:00 p.m. up to the date of the Meeting.
- 7) The route map of the venue forms an integral part of the Notice. The prominent landmark for the venue is also enclosed therein.
- 8) **Re-appointment of Director who retires by rotation:**
At the ensuing Annual General Meeting, Mr. Lav Chaturvedi, Whole-time Director of the Company retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offer himself for re-appointment.

Mr. Lav Chaturvedi is the ED and CEO of Reliance Securities Limited. In his current role, he is responsible for leading broking & distribution, advisory services, alternate investments and corporate lending portfolios for the company.

A distinguished leader, Mr. Lav Chaturvedi is the Chairman of the renowned Capital Markets Committee - ASSOCHAM, where he works closely with members of the Indian broking community. He comes with a rich experience and in-depth understanding of the financial markets and has been responsible for establishing new businesses, incubating and monitoring new initiatives for acquisitions and working closely with regulators, ensuring set up of a robust policy and risk management framework. He also laid down the building blocks for Asset Management

franchise across India covering Portfolio Management Services (PMS) and Alternate Investment Funds (AIF).

Prior, to joining Reliance Group, he has worked overseas with organisations like IPS Sendero, subsidiary of Fiserv (a Fortune 500 Company) USA, SBU Bank New York and Arthur Anderson.

Mr. Lav Chaturvedi has done his Master's in Business Administration (MBA) from Syracuse University, New York and is a chartered financial analyst from the CFA Institute, USA.

Mr. Lav Chaturvedi has been appointed as a Whole-time Director on the Board of the Company with effect from October 11, 2019. He does not hold any shares in the Company either by himself or for any other person on a beneficial basis. He also does not hold any relationship with other Director, Key Managerial Personnel of the Company. He has attended all meetings of the Board held during the financial year 2023-2024.

The details of the other directorship/ membership/ chairpersonship held by Mr. Lav Chaturvedi is as under:

Sr. No.	Name of the Companies	Directorship / Membership / Chairpersonship
1.	Reliance Financial Limited	Director Member of Audit Committee

The terms and conditions of his appointment are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays between 11:00 a.m. to 1:00 p.m. up to the date of the Meeting.

**By Order of the Board
For Reliance Securities Limited**

**Sd/-
Vrunda Dhanesha
Company Secretary**

Date: September 24, 2024

Place: Mumbai

Statement pursuant to Section 102 (1) of the Companies Act, 2013 to the accompanying Notice dated September 24, 2024.

Item No. 3 To approve the re-appointment of Mr. Lav Chaturvedi as a Whole-time Director of the Company

Mr. Lav Chaturvedi was appointed as a Whole-time Director of the Company, liable to retire by rotation and designated as Executive Director & CEO for a period of 5 (five) years commencing from October 11, 2019.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on September 24, 2024, have, subject to the approval of the Members of the Company in the general meeting, re-appointed Mr. Lav Chaturvedi as a Whole-time Director of the Company, liable to retire by rotation and designated as Executive Director & CEO for a period of 1 (one) year commencing from October 11, 2024 to October 10, 2025 (both days inclusive) on the terms and conditions including remuneration as shall be decided by the Nomination and Remuneration Committee/ Board from time to time.

Mr. Lav Chaturvedi is the ED and CEO of Reliance Securities Limited. In his current role, he is responsible for leading broking & distribution, advisory services, alternate investments and corporate lending portfolios for the company.

A distinguished leader, Mr. Lav Chaturvedi is the Chairman of the renowned Capital Markets Committee - ASSOCHAM, where he works closely with members of the Indian broking community. He comes with a rich experience and in-depth understanding of the financial markets and has been responsible for establishing new businesses, incubating and monitoring new initiatives for acquisitions and working closely with regulators, ensuring set up of a robust policy and risk management framework. He also laid down the building blocks for Asset Management franchise across India covering Portfolio Management Services (PMS) and Alternate Investment Funds (AIFI).

Prior, to joining Reliance Group, he has worked overseas with organisations like IPS Sendero, subsidiary of Fiserv (a Fortune 500 Company) USA, SBU Bank New York and Arthur Anderson.

Mr. Lav Chaturvedi has done his Master's in Business Administration (MBA) from Syracuse University, New York and is a chartered financial analyst from the CFA Institute, USA.

Mr. Lav Chaturvedi fulfils the conditions for eligibility contained in Part I of Schedule V of the Companies Act, 2013 (the "Act").

The remuneration payable to and the terms of appointment of Mr. Lav Chaturvedi as a Whole – time Director (designed as Executive Director & CEO) of the Company during the tenure of his appointment will comprise salary, allowances and other perquisites, the aggregate monetary value of such salary, allowances and perquisites being limited to Rs. 3.00 crore per annum, plus

discretionary bonus and stock options as may be decided by the Nomination and Remuneration Committee/ Board from time to time.

The perquisites and allowances payable to Mr. Lav Chaturvedi will include Company owned/ Leased Accommodation (furnished or otherwise) or House Rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses and/or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical reimbursements, leave travel concession for self and his family including dependents; medical insurance and such other perquisites and/or allowances within the amount specified above. The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force). However, Company's contribution to Provident Fund, Superannuation or Annuity Fund to the extent these singly or together are not taxable under the Income Tax Act, 1961 and Gratuity payable and encashment of leave at the end of the tenure, as per the rules of the Company, shall not be included in the computation of limits for the remuneration.

It is further clarified that in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Lav Chaturvedi as a Whole-time Director (designated as Executive Director & CEO), the remuneration and perquisites be paid or granted to him as minimum remuneration and perquisites in excess of the ceiling limits specified in Section 197 of the Act read with Schedule V thereof, as maybe amended from time to time.

The Board or any Committee thereof, subject to requisite approval(s), if necessary, is entitled and authorized to revise at any time, the salary, allowances and perquisites payable to the Whole time Director of the Company.

The total managerial remuneration exceeds the prescribed limits specified under Schedule V read with Sections 196 and 197 of the Companies Act, 2013.

The information as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013, is submitted below:

I	General Information	
i.	Nature of industry	Stock Broker / Financial Services
ii.	Date or expected date of commencement of commercial production	Not applicable
iii.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable

iv.	Financial performance based on given indicators:	(Rupees in Lakhs)																																													
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="778 338 975 376" rowspan="2">Particulars</th> <th colspan="3" data-bbox="983 338 1394 376">For the financial year ended</th> </tr> <tr> <th data-bbox="983 383 1123 488">March 31, 2024</th> <th data-bbox="1131 383 1272 488">March 31, 2023</th> <th data-bbox="1279 383 1394 488">March 31, 2022</th> </tr> </thead> <tbody> <tr> <td data-bbox="778 499 975 537">Total Income</td> <td data-bbox="983 499 1123 537">21,265</td> <td data-bbox="1131 499 1272 537">26,062</td> <td data-bbox="1279 499 1394 537">33,598</td> </tr> <tr> <td data-bbox="778 544 975 582">Depreciation</td> <td data-bbox="983 544 1123 582">354</td> <td data-bbox="1131 544 1272 582">421</td> <td data-bbox="1279 544 1394 582">413</td> </tr> <tr> <td data-bbox="778 589 975 656">Total Expenses</td> <td data-bbox="983 589 1123 656">19,957</td> <td data-bbox="1131 589 1272 656">24,008</td> <td data-bbox="1279 589 1394 656">30,539</td> </tr> <tr> <td data-bbox="778 663 975 730">Net Profit (after tax)</td> <td data-bbox="983 663 1123 730">1,275</td> <td data-bbox="1131 663 1272 730">2,028</td> <td data-bbox="1279 663 1394 730">1,818</td> </tr> <tr> <td data-bbox="778 736 975 815">Paid up Capital</td> <td data-bbox="983 736 1123 815">23,500</td> <td data-bbox="1131 736 1272 815">23,500</td> <td data-bbox="1279 736 1394 815">23,500</td> </tr> <tr> <td data-bbox="778 822 975 900">Reserves & Surplus</td> <td data-bbox="983 822 1123 900">(7,737)</td> <td data-bbox="1131 822 1272 900">(9,060)</td> <td data-bbox="1279 822 1394 900">(11,072)</td> </tr> <tr> <td data-bbox="778 907 975 1124">Earning per equity share face value of Rs. 10/- each fully paid up</td> <td data-bbox="983 907 1123 1124"></td> <td data-bbox="1131 907 1272 1124"></td> <td data-bbox="1279 907 1394 1124"></td> </tr> <tr> <td data-bbox="778 1131 975 1169">Basic (Rs.)</td> <td data-bbox="983 1131 1123 1169">0.58</td> <td data-bbox="1131 1131 1272 1169">0.92</td> <td data-bbox="1279 1131 1394 1169">0.83</td> </tr> <tr> <td data-bbox="778 1176 975 1214">Diluted (Rs.)</td> <td data-bbox="983 1176 1123 1214">0.58</td> <td data-bbox="1131 1176 1272 1214">0.92</td> <td data-bbox="1279 1176 1394 1214">0.83</td> </tr> </tbody> </table>			Particulars	For the financial year ended			March 31, 2024	March 31, 2023	March 31, 2022	Total Income	21,265	26,062	33,598	Depreciation	354	421	413	Total Expenses	19,957	24,008	30,539	Net Profit (after tax)	1,275	2,028	1,818	Paid up Capital	23,500	23,500	23,500	Reserves & Surplus	(7,737)	(9,060)	(11,072)	Earning per equity share face value of Rs. 10/- each fully paid up				Basic (Rs.)	0.58	0.92	0.83	Diluted (Rs.)	0.58	0.92	0.83
Particulars	For the financial year ended																																														
	March 31, 2024	March 31, 2023	March 31, 2022																																												
Total Income	21,265	26,062	33,598																																												
Depreciation	354	421	413																																												
Total Expenses	19,957	24,008	30,539																																												
Net Profit (after tax)	1,275	2,028	1,818																																												
Paid up Capital	23,500	23,500	23,500																																												
Reserves & Surplus	(7,737)	(9,060)	(11,072)																																												
Earning per equity share face value of Rs. 10/- each fully paid up																																															
Basic (Rs.)	0.58	0.92	0.83																																												
Diluted (Rs.)	0.58	0.92	0.83																																												
v.	Foreign investments or collaborations, if any	Nil																																													
II. Information about the appointee																																															
i	Background details	<p data-bbox="778 1400 1394 1594">Mr. Lav Chaturvedi is the ED and CEO of Reliance Securities Limited. In his current role, he is responsible for leading broking & distribution, advisory services, alternate investments and corporate lending portfolios for the company.</p> <p data-bbox="778 1639 1394 1984">A distinguished leader, Mr. Lav Chaturvedi is the Chairman of the renowned Capital Markets Committee - ASSOCHAM, where he works closely with members of the Indian broking community. He comes with a rich experience and in-depth understanding of the financial markets and has been responsible for establishing new businesses, incubating and monitoring new initiatives for acquisitions and working closely with regulators,</p>																																													

		<p>ensuring set up of a robust policy and risk management framework. He also laid down the building blocks for Asset Management franchise across India covering Portfolio Management Services (PMS) and Alternate Investment Funds (AIFI).</p> <p>Prior, to joining Reliance Group, he has worked overseas with organisations like IPS Sendero, subsidiary of Fiserv (a Fortune 500 Company) USA, SBU Bank New York and Arthur Anderson.</p> <p>Mr. Lav Chaturvedi has done his Master's in Business Administration (MBA) from Syracuse University, New York and is a chartered financial analyst from the CFA Institute, USA.</p>
ii	Past remuneration (Cost to Company)	Rs. 2,00,00,000/- (Rupees Two Crore Only) (excluding PLI/ discretionary bonus)
iii	Recognition or awards	-
iv	Job profile and his suitability	<p>As a whole-time director, Mr. Lav Chaturvedi will have substantial powers of management and will devote his whole time and attention to the management of the day-to-day affairs of the Company.</p> <p>Having been associated with the financial services industry since more than a decade, he is best suited for the position of a whole-time director.</p>
v	Remuneration proposed	Salary, allowances and other perquisites- the aggregate monetary value of such salary, allowances and perquisites being limited to Rs. 3 Cr (Excluding PLI/ Discretionary Bonus) per annum as may be decided by the Nomination and Remuneration Committee/ Board from time to time.
vi	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is commensurate with the prevailing remuneration in the industry of similar size for similarly placed persons.
vii	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial	Mr. Lav Chaturvedi has no pecuniary relationship directly or indirectly with the Company other than his remuneration in the capacity of a Whole –time

	personnel, if any.	Director. He is not related to any of the managerial personnel.
III	Other information	
i	Reasons of loss or inadequate profits	The Company has made operational profit during financial year 2023-2024. However, due to a material amount provided on account of provision on fixed deposits and write off as (non-recurring nature), the quantum of profit is lower than expected.
ii	Steps taken or proposed to be taken for improvement	Way forward-the business focus will be on the following to increase the profitability: <ol style="list-style-type: none"> 1. Increasing income from Broking segment and Distribution business through digital adoption, increasing in customer base, new tie ups for distributions of financial product and increasing partners network. 2. Simultaneously projects adhered for IT cost reductions and trading platforms redevelopment to enhance the broking business segment mix. 3. Stable focus Proprietary trading, structured products and on advisory income.
iii	Expected increase in productivity and profits in measurable terms	With an increase in focus on the above business initiatives and cost control, the Company is expecting to increase its profitability substantially in the next 1 to 3 years.

The Company has not made any default in repaying its debt (including public deposits) or in payment of interest thereon.

Approval of the members is accordingly sought for the re-appointment of Mr. Lav Chaturvedi as a Whole-time Director of the Company designated as Executive Director & CEO for a period of 1 (one) year, as set out in the Item No. 3 of the accompanying Notice.

The terms and conditions of appointment of Mr. Lav Chaturvedi shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, between 11:00 a.m. to 1:00 p.m. up to the date of Meeting.

The terms and conditions mentioned herein may also be treated as an abstract under Section 190 of the Act.

Mr. Lav Chaturvedi is interested in the resolution set out at Item No. 3 of the Notice in regard to his appointment. Save and except Mr. Lav Chaturvedi and his relatives, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the special resolution set out at Item No. 3 of the accompanying Notice for the approval of the Members.

Item No. 4 To consider and approve remuneration payable to Mr. Sanjay Sharma, Whole-time Director of the Company

Mr. Sanjay Sharma was appointed as Whole-time Director of the Company with effect from July 07, 2022 for a period of 5 years, however, as per Schedule V of the Companies Act, 2013, the approval for payment of remuneration was for period of 3 years.

The approval of the members is sought for the remuneration payable to Mr. Sanjay Sharma as a Whole – time Director of the Company for the remaining period of 2 (two) years out of his total tenure of 5 (five) years commencing from July 07, 2025 to July 06, 2027 (both days inclusive). The remuneration will comprise salary, allowances and other perquisites, the aggregate monetary value of such salary, allowances and other perquisites being limited to Rs. 48 Lakh per annum plus discretionary bonus and stock options as may be decided by the Nomination and Remuneration Committee/ Board from time to time.

The Board or any Committee thereof, subject to requisite approval(s), if necessary, is entitled and authorized to revise at any time, the salary, allowances and perquisites payable to the Whole time Director of the Company.

The total managerial remuneration exceeds the prescribed limits specified under Schedule V read with Sections 196 and 197 of the Companies Act, 2013.

The Information as required under Section II of Part II of Schedule V to the Companies Act, 2013, is given below:

I	General Information	
i.	Nature of industry	Stock Broker / Financial Services
ii.	Date or expected date of commencement of commercial production	Not applicable
iii.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable

iv.	Financial performance based on given indicators:	(Rupees in Lakhs)			
		Particulars	For the financial year ended		
			March 31, 2024	March 31, 2023	March 31, 2022
		Total Income	21,265	26,062	33,598
		Depreciation	354	421	413
		Total Expenses	19,957	24,008	30,539
		Net Profit (after tax)	1,275	2,028	1,818
		Paid up Capital	23,500	23,500	23,500
		Reserves & Surplus	(7,737)	(9,060)	(11,072)
		Earning per equity share face value of Rs. 10/- each fully paid up			
Basic (Rs.)	0.58	0.92	0.83		
Diluted (Rs.)	0.58	0.92	0.83		
v.	Foreign investments or collaborations, if any	Nil			
II.	Information about the appointee				
i	Background details	Mr. Sanjay Sharma aged 38 years is a Commerce graduate from the DAVV University, Indore, Madhya Pradesh and is a Qualified Chartered Accountant with the Institute of Chartered Accountants of India. He has more than 11 years of experience in the field of Financial Management, Non-Banking Financial Company (NBFCs) regulatory Reporting, Independent Controlling over financial results, preparation and publication and Risk management.			
ii	Past remuneration (Cost to Company)	Rs. 40,00,000/- (Rupees Forty Lakhs Only) (excluding PLI/ discretionary bonus)			
iii	Recognition or awards	-			
iv	Job profile and his suitability	As a whole-time director, Mr. Sanjay Sharma will be responsible for managing the financial actions			

		of a company include internal and external financial reporting, stewardship of a company's assets, and ownership of cash management.
v	Remuneration proposed	Salary, allowances and other perquisites- the aggregate monetary value of such salary, allowances and perquisites being limited to Rs. 48 Lakhs (Excluding PLI & Discretionary Bonus) per annum as may be decided by the Nomination and Remuneration Committee/ Board from time to time.
vi	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is commensurate with the prevailing remuneration in the industry of similar size for similarly placed persons.
vii	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Sanjay Sharma has no pecuniary relationship directly or indirectly with the Company other than his remuneration in the capacity of a Whole –time Director. He is not related to any of the managerial personnel.
III	Other information	
i	Reasons of loss or inadequate profits	The Company has made operational profit during financial year 2023-2024. However, due to a material amount provided on account of provision on fixed deposits and write off as (non-recurring nature), the quantum of profit is lower than expected.
ii	Steps taken or proposed to be taken for improvement	Way forward-the business focus will be on the following to increase the profitability: <ol style="list-style-type: none"> 1. Increasing income from Broking segment and Distribution business through digital adoption, increasing in customer base, new tie ups for distributions of financial product and increasing partners network. 2. Simultaneously projects adhered for IT cost reductions and trading platforms redevelopment to enhance the broking business segment mix. 3. Stable focus Proprietary trading, structured products and on advisory income.

iii	Expected increase in productivity and profits in measurable terms	With an increase in focus on the above business initiatives and cost control, the Company is expecting to increase its profitability substantially in the next 1 to 3 years.
-----	---	--

Mr. Sanjay Sharma is interested in the resolution set out at Item No. 4 of the Notice in regard to his remuneration. Save and except Mr. Sanjay Sharma and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

**By Order of the Board
For Reliance Securities Limited**

**Sd/-
Vrunda Dhanesha
Company Secretary**

Date: September 24, 2024

Place: Mumbai

Directors' Report

To the Members,

Your Director's are pleased to present the 19th Directors' Report together with the audited financial statement of the Company for the financial year ended March 31, 2024.

Financial Results:

(Rupees in Crore)

Particulars	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Total Income	212.65	260.62
Total Expense	199.57	240.08
Profit/ (Loss) Before Tax	13.08	20.54
Tax Expense	0.33	0.26
Profit /(Loss) After Tax	12.75	20.28

Financial Performance and State of Company's Affair:

The total income decreased from ₹ 260.62 Crores in FY 2022-2023 to ₹ 212.65 Crores in FY 2023-2024. The net profit for the year under review stood at ₹ 12.75 Crores against net profit of ₹ 20.28 crores in the FY 2022-2023. The reduction in total income was largely on account of drop in trading turnover both retail and proprietary books. Pursuant to reduction in trading turnover the profit has also decreased. Furthermore, the overall expenses also significantly decreased.

Transfer to reserves:

Your Directors have decided not to transfer any amount to the reserves for the financial year under review.

Share Capital:

During the financial year under review, the authorized share capital of the Company has remained unchanged i.e. ₹ 4,00,00,00,000/- and paid-up capital is unchanged at ₹ 2,35,00,00,000/-.

Dividend:

In view to conserve resources, your Directors have not recommended any dividend for the financial year under review.

Operations:

During the FY 2023-2024, India has achieved its USD 3.6 trillion GDP, 7.6% growth, placing it as one of the fastest growing large economies in the world. The near-term outlook for the Indian economy remains bright, with forecasts of GDP growth being nudged up to the 7% level. During the FY 2023-2024 India ranked as 5th in the world's GDP ranking, India's economy boasts diversity and swift growth, fueled by key sectors such as information technology, services, agriculture and manufacturing. The

nation capitalises on its broad domestic market, a youthful and technologically adept labour force, and an expanding middle class. This has also reflected in Indian capital market performance, which has witnessed multiple highs during the year and the Indian market capitalisation has recorded USD 4939.816 Billion for the first time ever in May 2024.

During the year company has consolidated its operations in retail and proprietary segment by increased focus in B2B segment. The company also rationalize some of its functions such as research and institutional trading desk. The company has continued to navigate its product offering in the best interest of the client, even under the constraint under which it operates. The Company is poised to leap forward, capitalizes on the efforts made and resilience shown as the IBC resolution is in sight.

Changes in the Nature of Business:

There are no changes in the nature of business of the Company during the period under review.

Public Deposits:

The Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, the requirement of details of deposits which are not in compliance with the requirements of Chapter V of the Act does not arise.

Debentures:

The Company did not issue any Debentures during the period under review. Total outstanding debentures as on March 31, 2024 is ₹ 2,00,00,000/-

Particulars of Loans, Investments and Guarantees:

Particulars of loans given, investments made or guarantees or securities provided pursuant to Section 186 of the Companies Act, 2013 are given under Notes to Accounts annexed to Financial Statements for the year ended March 31, 2024.

Subsidiary companies, joint venture or associate companies:

During the financial year under review, no companies have become/ ceased to become a Subsidiary/ Joint Venture/ Associate of the Company.

Directors:

During the financial year under review, the Company has received declarations from all the Independent Directors of the Company under sub-section (6) of section 149 confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

During the financial year under review, there is no changes in the composition of Directors of the Company.

In terms of the provisions of the Companies Act, 2013, Mr. Lav Chaturvedi (DIN: 02859336), Whole-time Director & CEO retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Key Managerial Personnel:

During the financial year under review, there is no change in the constitution of the Key Managerial Personnel of the Company.

Evaluation of Directors, Board and Committees:

The Nomination and Remuneration Committee (Committee) of the Board has carried out an annual evaluation of the performance of directors individually as well as of the Board and of its Committees. The Committee has reviewed the performance of the individual directors based on criteria such as their knowledge of Company's operations, level of preparation and effective participation in Meetings and understanding of their roles as directors. The performance of the Board was evaluated based on inputs received from all the Directors on criteria such as Board composition and structure, effectiveness of Board/ Committee processes and information provided to the Board and decisions taken by them. The performance of the Committees of the Board was evaluated on criteria such as adequacy of the roles and responsibilities of the Committee Members, frequency of reporting to/ monitoring by the Committees, Management/ Auditors responses to the recommendations of the Committees. A separate meeting of the Independent Directors was also held during the year for the evaluation of the performance of non-independent Directors, performance of the Board as a whole and that of the Chairperson.

Directors' Responsibility Statement:

Pursuant to section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Controls with reference to Financial Statements:

The Company has in place adequate internal financial controls across the organization. The same is subject to review periodically by the internal auditors for its effectiveness.

Contracts and Arrangements with Related Parties:

All contracts/ arrangements/ transactions entered into by the Company during the financial year under review with related parties were on an arm's length basis and in the ordinary course of business and there were no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

Prior omnibus approval of the Audit Committee was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and statements giving details of all related party transactions were placed before the Audit Committee for their review and noting on a quarterly basis.

Your Directors draw attention of the members to the notes to the financial statement which sets out related party disclosures.

Material changes and Commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

There are no material changes or commitments affecting the financial position of the Company which have occurred between the financial year ended on March 31, 2024 and the date of this report.

Meetings of the Board of Directors:

During the year, four (4) Board Meetings were held on April 28, 2023, July 21, 2023, November 06, 2023 and January 25, 2024.

Audit Committee:

Currently the Audit Committee of the Board consists of Ms. Homai Daruwalla (DIN: 00365880) - Independent Director, Mr. Chetan Desai (DIN: 03595319) - Independent Director and Mr. Lav Chaturvedi (DIN: 02859336) - Executive Director & CEO as members.

All the members of the Committee possess financial expertise. The Audit Committee functions in accordance with Section 177 of the Companies Act, 2013.

During the year, all the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee:

Currently the Nomination and Remuneration Committee of the Board consists of Ms. Homai Daruwalla (DIN: 00365880) - Independent Director, Mr. Chetan Desai (DIN: 03595319) - Independent Director and Mr. Lav Chaturvedi (DIN: 02859336), Executive Director & CEO as members.

During the year, all the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

Corporate Social Responsibility (CSR) Committee:

Currently the Corporate Social Responsibility Committee of the Board consists of Ms. Homai Daruwalla (DIN: 00365880) - Independent Director, Mr. Chetan Desai (DIN:03595319) - Independent Director and Mr. Lav Chaturvedi (DIN: 02859336) - Executive Director & CEO as members.

The Company has adopted a well-defined corporate social responsibility policy (formed in accordance with the requirements of Schedule VII to the Companies Act, 2013 and the Group's policy on the same).

The CSR Policy of the Company is available on the Company's website at <https://www.reliancesmartmoney.com/corporate-governance/>

The CSR Policy and the disclosures with respect to CSR activities for the financial year under review is given as **Annexure – 1** to the report.

Risk Committee:

Currently the Risk Committee of the Board consists of Ms. Homai Daruwalla (DIN: 00365880) - Independent Director, Mr. Chetan Desai (DIN: 03595319) - Independent Director and Mr. Lav Chaturvedi (DIN: 02859336) - Executive Director & CEO as members.

Policy on appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Employees:

The Nomination and Remuneration Committee of the Board has devised a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a Director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013. The policy on the above is attached as **Annexure - 2** to this Report and is also available on the Company's website at <https://www.reliancesmartmoney.com/corporate-governance/>

Auditors:

M/s. Pathak H. D & Associates LLP, Chartered Accountants, were re-appointed as the Statutory Auditors of the Company, for a period of five years from the conclusion of 17th Annual General Meeting (AGM) of the Company held in Financial year 2022-2023 till the 22nd Annual General Meeting (AGM) of the Company to be held for the Financial Year 2027-2028.

Explanation by Board on the qualification, reservation, adverse remark or disclaimer made by the Auditors:

A. Statutory Auditors' Report:

The Statutory Auditors' Report for the financial year ended March 31, 2024 do not contain any qualification, reservation, adverse remark or disclaimer.

B. Secretarial Audit Report:

The Secretarial Auditors' Report for the financial year ended March 31, 2024 do not contain any qualification, reservation, adverse remark or disclaimer. The Audit Report of the secretarial auditors is annexed herewith as **Annexure - 3**.

C. Cost Records:

The Company is not required to maintain cost records as per sub-section (1) of Section 148 of the Companies Act, 2013.

Annual Return:

The Annual Return of the Company containing the particulars as they stood on the close of the financial year March 31, 2024, shall be placed on the website of the Company, soon after the annual general meeting to be held during the calendar year 2024 and the Annual Return under section 92(4) of the Companies Act, 2013 is filed with the Registrar of Companies, Maharashtra, Mumbai.

The weblink for accessing such Annual Return is <https://www.reliancesmartmoney.com/corporate-governance/>

Particulars of Employees and related Disclosures:

In terms of the provisions of Section 197 of the Companies Act, 2013 ("the Act") read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the top ten employees drawing remuneration in excess of the limits set out in the said Rules are provided in the Annexure to the Directors' Report. However, having regard to the provisions of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. The said information is available for inspection at the registered office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the meeting and any member interested in obtaining the same may write to the Company Secretary. Upon such request, the information shall be furnished.

Disclosures relating to the remuneration and other details as required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are provided in **Annexure - 4**.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

Particulars required to be furnished under rule 8(3) of the Companies (Accounts) Rules, 2014 are as under:

- 1] In view of the nature of activities of the Company, Parts (A) and (B) pertaining to conservation of energy and technology absorption are not applicable to the Company.
- 2] Foreign Exchange Earnings and Outgo: The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange Outgo in terms of actual outflows is NIL.

Risk Management Policy:

The Company has in place a well-defined and articulated risk management policy in respect of all business processes. This has been also communicated to all the stakeholders in the business- franchisees, sub-brokers, risk management department as well as to the Directors, Key Managerial Personnel and other employees. All the risks relevant to the business and business environment have been identified and covered in the risk management policy. The policy is also periodically reviewed either as mandated by the regulators or as a result of the experience gained by the Company as also by others in the industry in which the Company operates.

The risk management policy of the Company is also aligned with that of the Group's risk management and enterprise risk management which the Group is implementing.

Whistle Blower (Vigil Mechanism):

The Company has formulated a Whistle Blower (Vigil Mechanism) Policy to address the genuine concerns, if any, of the Directors and the employees. The policy can be accessed on the Company's website.

Frauds reported by auditors:

No frauds have been reported by the auditors under sub-section (12) of section 143 of the Companies Act, 2013.

Orders passed by Regulators, Courts or Tribunals:

No significant or material orders have been passed by any regulator, court or tribunal, which impacts the going-concern status or the Company's operations in future.

Compliance with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to uphold and maintain the dignity of woman employees and it has in place a policy which provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. The Company has in place an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no such complaints were received.

Compliance with Secretarial Standards:

During the year under review, the Company has complied with all the applicable Secretarial Standards notified by the Institute of the Companies Secretaries of India.

The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year:

During the financial year under review, the Company has neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

The Company being a 100% subsidiary of Reliance Capital Limited (“RCL”), which is subject to IBC proceedings at holding company level. Mumbai bench of National Company Law Tribunal (“NCLT Mumbai”), vide its order dated December 06, 2021, directed the commencement of Corporate Insolvency Resolution Process (“CIRP”) of RCL. The Resolution plan has been approved by the Mumbai bench of National Company Law Tribunal on February 27, 2024. The proposed new shareholder of RCL will be IIHL BFSI (India) Limited and Reliance Securities Limited will be retained with RCL. Accordingly, the company has initiated the process of obtaining all required regulatory approvals from respective authorities.

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons there of:

During the financial year under review, no valuation was required.

Disclosures relating to appointment & remuneration of Managerial Personnel:

Disclosures as required under sections 196 and 197 of the Companies Act, 2013 (‘Act’) read together with Section II of Schedule V to the Act are given below:

1. All elements of remuneration packages such as salary, benefits, bonuses, stock options, pension, etc. of all the Directors:

The remuneration package of the Whole-time Director presently consists of Salary, allowances and other perquisites, plus discretionary bonus and Stock options as may be decided by the Nomination and Remuneration Committee/ Board from time to time.

Independent Directors are paid sitting fees for attending meetings of the Board of Directors and the Committees of the Board in which they are members.

2. Details of fixed component and performance linked incentives along with the performance criteria:

The remuneration of the Whole-time Director consists of fixed component and performance linked incentives. Performance criteria is based upon the performance of the individual and also of the Company.

Further information in this regard appears in **Annexure - 4** to this Report.

3. Service contracts, notice period, severance fees:

Employment contract is upto to the age of 58 years. The office of the Whole-time Director may be terminated by the Company or the concerned Director by giving 90 days' prior notice in writing. Severance fees payable as applicable at that point of time.

4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: Nil

Debenture Trustee:

The Company has appointed Vistra ITCL (India) Limited as the Debenture Trustee for its debenture programme of ₹ 500 crores. The details of the Trustee are as under:

Vistra ITCL (India) Limited (Formerly known as IL&FS Trust Company Limited)

The IL&FS Financial Center,
Plot No. C-22, G Block, 7th Floor,
Bandra Kurla Complex, Bandra (East), Mumbai- 400 051
Tel: +91 22 2659 3535 Fax: +91 22 2653 3297
Email: mumbai@vistra.com
Website: www.vistraitcl.com

Acknowledgements:

Your Directors wish to place on record their appreciation for the assistance and co-operation received from various statutory and regulatory authorities, executives, officers and staff of the Company during the year.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Lav Chaturvedi	Chetan Desai
Date: September 24, 2024	Executive Director & CEO	Director
Place: Mumbai	DIN: 02859336	DIN: 03595319

Annexure -1

**Reliance Group
CSR Policy**

Contents

1.	Introduction	3
2.	CSR Policy	3
2.1	Guiding Charter	3
2.2	Objective	4
2.3	Scope	4
2.4	The CSR Approach	5

1. Introduction

- 1.1** Reliance Group is among India's leading business houses, having a dominant presence across a wide array of high-growth consumers-facing businesses ranging from telecom and financial services to infrastructure and healthcare, touching the life of almost every Indian.
- 1.2** Through its various consumer-facing businesses, the group provides a robust platform to every Indian to realise his potential and shape the destiny through its state-of-the-art products and services.
- 1.3** Our constant endeavour has been to provide an enhanced customer experience and achieve customer satisfaction by upscaling the productivity of the enterprises and individuals we serve.
- 1.4** We as a corporate entity envisage to nourish and sustain the ecosystems on which we operate by aiming for growth through sustainable development. The group positively influences the lives of one in every 6 young and aspiring Indians-every single day across 600000 villages and 24000 towns.
- 1.5** At Reliance Group all our efforts are focused towards two goals: building a great enterprise for its stakeholders and a great future for our country.

2. CSR Policy

2.1 Guiding Charter:

1. We are committed to ensuring ethical business practices, honouring in spirit the legal norms of the country we operate in and transparency in all our activities to be a good corporate citizen.
2. We shall strive to preserve and uphold natural resources and reduce the environmental impact of our products and services throughout their lifecycle in order to be a responsible corporate citizen.
3. We believe in creating synergies with our partners in growth and success: the communities. We are committed to augment the overall economic and social development of local communities by discharging our social responsibilities in a sustainable manner.
4. We uphold our commitment to our customers by making our products and services greener and within reach of the common masses, leading to maximization of customer satisfaction and enriching quality of life.

5. We are dedicated to promoting and invest resources for joint learning in the areas of quality improvement, productivity enhancement, and implementation of greener and advanced technology and processes across our supply chain for the benefit of the larger society and the business. Thus, we wish to build strong partnerships with suppliers and work with them to fulfil our social responsibilities together.
6. We uphold our commitment to serve and partner with government and quasi-government agencies in nation-building.
7. We shall respect the varied traditions and cultures of our country and are committed to preserve and document history and art for the benefit of present and future generations.
8. We believe and promote an open corporate culture that values teamwork while honouring individual commitment and mutual trust. We do not accept or tolerate the use of child labour at any stage of the supply chain, gender discrimination, disability, bias on the basis of caste or religion, and violation of human rights.
9. We aim to meet the expectations of shareholders and investors by maximizing the group company's value and active disclosure.
10. We shall nurture the silvers and groom the youth of our country in response to various global and local concerns.
11. We will avidly pursue research and development along with our partners to meet changing global requirements by redefining our processes, products and services.

2.2 Objective:

The policy document is an attempt to articulate the group's Social Responsibility. The framework enables business heads to put in place policies and practices in line with this policy.

2.3 Scope:

- 2.3.1 The social policy is an overarching policy applicable to the entire Reliance Group including all group companies, business divisions and business units.
- 2.3.2 The policy conforms to the business strategy and will apply to all employees across the bandwidth of group companies. Their commitment and involvement in putting the policy into action would support us in achieving our principles and mandate and adhering to global standards.
- 2.3.3 The social policy document is an attempt to showcase the linkage of our social objectives with business strategy.

- 2.3.4 The policy will also assist and promote our suppliers and vendors in adhering to its imperatives.

2.4 The CSR Approach:

At Reliance Group, the approach is to interweave social responsibility into the company's mainstream business functions through translating commitments into policies, which not only drive all employees but influence and mobilize stakeholders, especially partners and suppliers, to embrace responsible business practices in their respective spheres of action.

The policy affirms business objectives and strategy along with our commitment to preserve natural resources and augment the growth and development of employees and families, the communities we operate in, suppliers/vendors, and our investors.

Through the social policy manual, the Group seeks to engage with all the stakeholders, using it as a reference or guideline for all stakeholders and practitioners.

We follow an integrated multi-stakeholder approach covering all social, environmental and economic aspects.

The commitments of Reliance Group under the gamut of CSR, based on the CSR Charter, are as follows:

2.4.1 Environment:

The guiding line for the environment is the 5Rs: Reduce, Reuse, Recycle, Renew and Respect. The imperative is to use natural resources efficiently to leave a minimal carbon footprint and impact on biodiversity.

The Group strives to develop and promote processes and newer technologies to make all our products and services environmentally responsible.

Employees, the supply chain and other stakeholders are sensitized through personal interactions and other channels of effective communication. Initiatives can be measured through resource savings in all cases. The Group aims to engage with government and non-government agencies to promote conservation.

2.4.2 Community Development:

The community is an integral part of the business environment. Business intervention can have a positive or negative effect on a community. The need assessment and engagement process is critical to the system and demands focus on a case-to-case basis, which includes setting up strong ties with the community and its leaders.

Factors that affect the local community could range from education, health and hygiene, to displacement, livelihood and environmental concerns. There could be a combination of some of these factors or all of them.

The Pareto of the factors is to be analyzed and resources allocated accordingly. Reach and penetration could be enhanced by roping in community leaders and other agencies working in the area with a specialization on the usage area.

The objective is to augment overall economic and social development of local communities by discharging our social responsibilities in a sustainable manner.

2.4.3 Health and Safety:

Health and Safety are of universal concern across the spectrum of the community. As a Group, we are committed to comply with legal norms as well as voluntarily go beyond the compliance to minimize the impact of our businesses across our various stakeholders.

We are committed to provide all possible support to create awareness among our stakeholders within office premises as well as across boundaries.

Reliance Group will systematically outline Health and Safety as defined under the OSHAS-18001 and other compliances.

Health concerns vary across the urban and rural divide. Issues include lack of availability to primary healthcare and infant mortality owing to low awareness on health and hygiene.

A multidimensional approach that considers the needs of an area could lead to an effective plan to address all issues in consultation with the local administration, community workers and NGOs working in the area.

2.4.4 Education

Education is the basic tool to bring development to an area and its population. We aim to create an aware pool of human resource both within and across our area of operations.

We are committed to bridging the digital divide between the 'haves' and the 'have nots.

Exposure to technology along with a sustainable education model could be strengthened through partnership with government and quasi-government agencies.

The CSR gamut is covered by these broad areas but not limited to them.

THE ANNUAL REPORT ON CSR ACTIVITIES

FOR THE FINANCIAL YEAR 2023-2024

(as per Annexure-II of The Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on CSR Policy of the Company:

The Company has a robust CSR Policy. As per the said policy, all efforts are focused towards two goals: building a great enterprise for the stakeholders and a great future for our country.

Our approach is to interweave social responsibility into the Company's mainstream business functions through translating commitments into policies, which not only drive all employees but influence and mobilize stakeholders, especially partners and suppliers, to embrace responsible business practices in their respective spheres of action. The policy affirms business objectives and strategy along with our commitment to preserve natural resources and augment the growth and development of employees and families, the communities we operate in, suppliers/ vendors, and our investors. Through the social policy manual, the Company seeks to engage with all the stakeholders, using it as a reference or guideline for all stakeholders and practitioners. Our CSR Policy is placed on our website at the link <https://www.reliancesmartmoney.com/corporate-governance>.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Chetan Desai	Independent Director	1	1
2	Ms. Homai Daruwalla	Independent Director	1	1
3	Mr. Lav Chaturvedi	Executive Director & CEO	1	1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://www.reliancesmartmoney.com/corporate-governance>.

4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable.

- 5. (a)** Average net profit of the company as per section 135(5): ₹ 17,38,32,883.333/-
(b) Two percent of average net profit of the company as per section 135(5): ₹ 34,76,657.66666 /-
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – Nil

(d) Amount required to be set off for the financial year – Nil

(e) Total CSR obligation for the financial year (b + c - d): ₹ 34,76,658/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - ₹ 34,80,000/-

(b) Amount spent in Administrative Overheads - Nil

(c) Amount spent on Impact Assessment, if applicable – N.A.

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] - ₹ 34,80,000/-

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) (Total spent amount)		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 34,80,000/-	Not Applicable				

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit/(loss)s of the company as per section 135(5)	₹ 34,76,657.66666/-
(ii)	Total amount spent for the Financial Year	₹ 34,80,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 3,342.33334/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	₹ 20,807/-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 24,249.33334/-

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
Nil							

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). – Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

- (b) Amount of CSR spent for creation or acquisition of capital asset.
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
 - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**: Not Applicable

For and on behalf of the Board of Directors

Date: September 24, 2024	Sd/-	Sd/-
Place: Mumbai	Lav Chaturvedi	Chetan Desai
	Executive Director & CEO	Director
	DIN: 02859336	DIN: 03595319

Annexure -2

NRC Policy

Company Policy on Directors' Appointment & Remuneration

Policy on Directors, Key Managerial Personnel and Senior Management Employees Appointment and Remuneration

1. Introduction

1.1 Reliance Securities Limited considers human resources as its invaluable assets of the Company. The policy aims to harmonise the aspirations of the directors/ employees with the goals of the Company.

1.2 Human capital is a strategic source of value creation and an important asset of our Company. As part of progressive HR Philosophy, it is necessary to have in place a comprehensive Compensation Policy, which is in line with the industry trend and is employee friendly.

2. Objectives

2.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.

2.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

2.3 Ensure that annual compensation review considers industry/ business outlook and strategies adopted by industry peers, differentiates employees based on their merits and also protects employees, particularly those in junior cadre, against inflationary pressures;

2.4 Retention of high performers at all levels and those playing critical roles.

3. Scope and Exclusion

The Board has constituted the "Nomination and Remuneration Committee" in line with the requirements under the provisions of the Companies Act, 2013. This Policy sets out the broad guiding principles for the Committee for recommending to the Board for the appointment and remuneration of the directors, key managerial personnel, Senior managerial personnel of the Company.

4. Definitions

4.1 "Director" means a director appointed to the Board of the Company.

4.2 "Key Managerial Personnel" means

- (i) the Chief Executive Officer or the managing director or the Manager;
- (ii) the Company Secretary;

- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013.

4.3 “Senior Management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, if any.

5. Policy:

5.1. Appointment of Directors / Key Managerial / Senior Management personnel

The Nomination and Remuneration Committee, inter alia, considers qualifications, positive attributes, areas of expertise and number of Directorships and Memberships held in various committees of other companies by such persons for Selection. The Board considers the recommendation of the Committee and takes appropriate decision. The Company also considers the requirement of skills and effectiveness of persons contributing to the Company’s business and policy decisions of the Company.

5.2 Remuneration to Directors/ Key Managerial Personnel

5.2.1 The remuneration of the Directors/ Managing Directors/ whole time Directors and Managers etc. will be governed as per provisions contained in the Companies Act, 2013 and rules made therein from time to time.

5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof as approved by the Board of Directors from time to time. The Non-Executive Directors shall also be entitled to profit related Commission, if approved by the Board, in addition to the sitting fees.

5.2.3 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Directors / Key Managerial Personnel/ Senior Management Personnel of the Company within the overall limits, if any, approved by the shareholders.

5.2.4 The remuneration structure shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options, if any.
- (iv) Commission (Applicable in case of Executive Directors/ Directors)
- (v) Retiral benefits
- (vi) Annual Performance Linked Incentives

5.2.5 The Annual Plan, Objectives, financial results of the Company shall be reviewed by the Nomination and Remuneration Committee and Annual Performance Incentives, increment, revision in remuneration etc. will be proposed based on the achievements.

5.3 Remuneration to other employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience, performance and prevailing remuneration levels for equivalent jobs.

6. Retention Features as part of Compensation Package

Based on the organizational need for retaining performing employees and those in critical roles, certain retention features may be rolled out as part of the overall compensation package. These may take form of Retention Bonuses (RBs); Special Monetary Programs (SMPs), Long-term Incentives (LTIs), Employee Stock Options, Phantom Stock Options, etc.

7. Modification and Amendment:

The policy is subject to modification, amendment and alterations by the management at any time without assigning any reasons.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Reliance Securities Limited
CIN: U65990MH2005PLC154052

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Reliance Securities Limited (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings#
- v. The following Regulations and Guidelines: -
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011#;

- d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018#;
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021#;
 - g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021#;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021#;
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018#;
 - j. Secretarial Standards issued by The Institute of Company Secretaries of India.
- # The Regulations or Guidelines, as the case may be were not applicable for the period under review.

We have examined compliance with the laws and regulations specifically applicable to the Company as mentioned hereunder:

- i. The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992
- ii. The Securities and Exchange Board of India (Research Analysts) Regulations, 2019.
- iii. The Securities and Exchange Board of India (Investment Advisors) Regulations, 2013.
- iv. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- v. Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
- vi. Insurance Regulatory and Development Authority of India Act, 1999

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable.

We further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive and Independent Directors. Further the changes in the composition of the Board of Directors, if any, that took place during the period under review, were carried out in compliance with the provision of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there was no other event/action having major bearing on affairs of the Company except –

The Company being a 100% subsidiary of Reliance Capital Limited (“RCL”), which is subject to IBC proceedings at holding company level. Mumbai bench of National Company Law Tribunal (“NCLT Mumbai”), vide its order dated December 06, 2021, directed the commencement of Corporate Insolvency Resolution Process (“CIRP”) of RCL. The Resolution plan has been approved by the Mumbai bench of National Company Law Tribunal on February 27, 2024. The proposed new shareholder of RCL will be IIHL BFSI (India) Limited and Reliance Securities Limited will be retained with RCL. Accordingly, the company has initiated the process of obtaining all required regulatory approvals from respective authorities.

For Trusha D. Shah & Co.,
Practising Company Secretary

Sd/-

Trusha Shah

Proprietor

ACS no.: 41022; C.P. No: 19908

Mumbai | June 25, 2024

UDIN: A041022F000617862

This report is to be read with our letter of even date which is annexed as Annexure ‘A’ and forms an integral part of this report.

Annexure A'

To
The Members,
Reliance Securities Limited
CIN: U65990MH2005PLC154052

Our Secretarial Audit Report for the Financial Year ended on March 31, 2024 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Trusha D. Shah & Co.,
Practising Company Secretary

Sd/-
Trusha Shah
Proprietor
ACS no.: 41022; C.P. No: 19908
Mumbai | June 25, 2024
UDIN: A041022F000617862

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Company has appointed Executive Director & CEO, Whole-time Director & Chief Financial Officer and Company Secretary as on March 31, 2024. Non-Executive Independent Directors are paid remuneration only by way of sitting fees for attending the Board/ Committee meetings. Hence the ratio and comparison is not provided for Non-Executive Directors.

Sr. No.	Requirements	Disclosure
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.	The ratio of remuneration of the Executive Director to the median remuneration of the employee is 51.
(ii)	The percentage increase in remuneration of each Director, CEO, CFO, Company Secretary, Manager, if any, in the Financial Year:	Percentage increase in remuneration is in between 0% to 13%
(iii)	The percentage increase in the median remuneration of employees in the Financial Year.	The median remuneration of employees in the financial year 2023-2024 increased by 0%.
(iv)	Number of permanent employees on the rolls of the Company	654
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average 5.6% increase has been made in the salaries of employees other than the managerial personnel in financial year 2023-2024, whereas increase in the remuneration of Key Managerial Personnel was in the range of 0% to 13%.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes

- (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;
- (ii) if there is an even number of observations, the median shall be the average of the two middle values.

Independent Auditors' Report

To the Members of Reliance Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Securities Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024; and its profit and other Comprehensive Income, Change in Equity and its Cash Flows for the year ended on that date.

Basis for opinion

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

Key Audit Matters

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

The Key Audit Matter	How our audit addressed the Key Audit Matters
<p>Marked Linked Debentures (MLD)</p> <p>The Company has non-convertible debentures (Marked Linked Debentures) of Rs. 251 lakhs as at March 31, 2024. The rate of interest on which is linked to performance of specified indices over the period of the debentures. The terms and</p>	<p>We carried out following procedures in respect to Marked Linked Debentures :</p> <ul style="list-style-type: none">- held discussion with management and obtained understanding of valuation process including management's determination and

<p>conditions of the Marked Linked Debentures are detailed in note 18 of the financial statements.</p> <p>Further, Marked Linked Debentures is a key number in the balance sheet and will remain an important funding mechanism for continued growth. Therefore, in our view, Marked Linked Debentures is important to the readers understanding of the financial statements. As a result of these items we consider accounting for Marked Linked Debentures to be a key audit matter at March 31, 2024.</p>	<p>approval of assumptions and data inputs.</p> <ul style="list-style-type: none"> - evaluate the design and tested operating effectiveness of controls related to the data considered in the valuation, related calculations and Valuation reports provided by management’s external expert. <p>Based on our audit procedures, we noted no reportable matters regarding MLD classification and its valuation.</p>
<p>Provisions and contingent liabilities in relation to tax positions</p> <p>Refer note no. 39 of the financial statement.</p> <p>The company has received various demands and show cause notices from the service tax department in respect of various matters.</p> <p>The management have made judgments relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. We therefore focused on this area as a result of uncertainty and potential material impact.</p>	<p>We have involved our tax experts to gain an understanding of the current status of the tax cases and monitored changes in the disputes by reading external opinions received by the Company if any, where relevant, to establish that the tax provisions had been appropriately adjusted to reflect the latest external developments.</p> <p>For legal, regulatory and tax matters our procedures included the following:</p> <ul style="list-style-type: none"> • testing key controls surrounding litigation, regulatory and tax procedures; • performing substantive procedures on the underlying calculations supporting the provisions recorded; • where relevant, reading external legal opinions obtained by management; • discussing open matters with the litigation, regulatory, general counsel and tax teams; • assessing management’s conclusions through understanding precedents set in similar cases; <p>Based on the evidence obtained, while noting the inherent uncertainty with such legal, regulatory and tax matters, we determined the level of provisioning and disclosure of contingent liabilities as at March 31, 2024 to be appropriate.</p>

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

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

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

Responsibilities of management for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules made thereunder.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company for the year ended March 31, 2024.
 - iv. (a) The Management has represented to us that, to the best of it's knowledge and belief, other than as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented to us that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - (c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination which includes test check, the Company has used accounting software's SAP and Class for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit we did not come across any instances of audit trail feature being tampered with.
- vii. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

Sd/-
Jigar T. Shah
Partner
Membership No.: 161851
UDIN: 24161851BKBHHU6186

Place: Mumbai
Date: May 03, 2024

Annexure A to Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report in the Independent Auditors' Report of even date to the members of Reliance Securities Limited on the financial statements for the year ended March 31, 2024

- (i) In respect of its Property Plant and Equipment, Intangible Assets and Investment Property:
- (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its property, plant and equipment and Investment Property, on the basis of available information.
- (B) Based on the records examined by us and information and explanation given to us, the Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, by which all property, plant and equipment are verified in a phased manner over a period of time. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program property, plant and equipment has been physically verified by the Management during the year and no material discrepancies between the book records and the physical assets were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, we report that, the title deeds of all the immovable properties comprising of building other than self-constructed properties are held in the name of the Company.
- (d) According to information and explanations given to us by the Management and books of accounts and records examined by us, the Company during the year has not revalued its Property, Plant and Equipment or intangible assets. Hence the reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information, explanations and representation given to us by the Management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the Company does not hold any physical inventories. Thus, the reporting requirements under clause 3(ii)(a) of the order is not applicable to the Company.
- (b) As per the information and explanations given to us and books of accounts and records examined by us, no working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets has been taken by the Company. Therefore, the reporting requirements under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) According to information and explanations given to us and books of accounts and records examined by us, the Company has not given any loans or advances and guarantees or security to subsidiaries, joint ventures, associates and others. Hence, the reporting requirements under clause 3(iii)(a)(A) and (B) of the Order is not applicable to the Company.

- (b) In our opinion and according to information and explanations given us and on the basis of our audit procedures, the terms and conditions of all loans ,advances in the nature of loans and investments made by the Company are not prejudicial to Company's interest. The Company has not provided any guarantees or given security during the year.
- (c) According to the books of accounts and records examined by us in respect of the loans, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments or receipts are generally regular except for loans given to one party amounting to Rs. 100 Lakhs (refer table of clause 3(iii) (d) below) on prudence basis, the Company has not recognised interest from April 01, 2020 onwards.
- (d) According to information and explanations given to us and books of accounts and records examined by us, the Company has not renewed the loans granted to a party as on March 31, 2024. The details is as follows:

Sr. No.	Name of the Parties	Aggregate amount of overdue of existing loan (Rs. in Lakhs)	Percentage
1	Reliance Value Services Private Limited	100.00	100%
	Total	100.00	

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

Particulars	(Rs. in Lakhs)		
	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	100.00	-	-
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	100.00	-	-
Percentage of loans/ advances in nature of loans to the total loans	100%	-	-

- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments, or provided guarantees in contravention of provisions of section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; as informed, the other provisions of section 186 of the Act are not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) According to information & explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act. Hence, the reporting requirements under clause 3(vi) of the order is not applicable to the Company.

- (vii) In respect of statutory dues:
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable, with the appropriate authorities. There are no undisputed amounts payable in respect to such applicable statutory dues outstanding as at March 31, 2024 for a period of six months from the date they became payable.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as at March 31, 2024 which have not been deposited on account of a dispute.
- (viii) According to the information and explanations given to us and representation given by the Management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of dues to debentures holders of Market linked debentures and financial institutions. The Company does not have any borrowings from banks and government.
- (b) In our opinion, and according to the information and explanations given to us, the Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion, and according to the information and explanations given and records examined by us, the Company does not have any term loans obtained from banks, financial institutions, government or any other entities. Accordingly, the reporting requirements under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion, and according to the information and explanations given to us, funds raised on the short-term basis have not been utilized for long term purposes.
- (e) In our opinion, and according to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Hence, the reporting requirements under clause 3(ix)(e) and (f) of the Order is not applicable to the Company.
- (x) (a) In our opinion and according to the information and explanations given to us, during the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments). Hence, the reporting requirements under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) as per

section 42 and 62 of the Act, hence the reporting requirements under clause 3(x)(b) of the Order is not applicable to the Company.

- (xi) (a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act has been filed by us or by any other auditor in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information, explanations and representation given to us by the management, no whistle-blower complaints have been received during the year by the company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, reporting requirement under clause 3(xii)(a), (xii)(b) and (xii)(c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, reporting requirement under clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) According to information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting requirement under clause 3(xvi) (a) and (b) of the Order is not applicable to the Company.
- (b) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (c) As represented by the management, the Group does not have more than one Core Investment Company as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

- (xvii) In our opinion, and according to the information and explanations provided to us, the Company has not incurred any cash losses in the financial year 2023-24 and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) With respect to CSR contribution under section 135 of the Act:
- (a) According to the information and explanations given to us and on the basis of our audit procedures, in respect of other than ongoing projects, there were no unspent amount that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section 5 of section 135 of the Act.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, in respect of ongoing projects there were no unspent amount that were required to be transferred to special account in compliance with provision of sub section 6 of section 135 of the Act.

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

Sd/-
Jigar T. Shah
Partner
Membership No.: 161851
UDIN: 24161851BKBHHU6186

Place: Mumbai
Date: May 03, 2024

Annexure B to the Independent Auditor’s Report on the financial statements of Reliance Securities Limited for year ended March 31, 2024

Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Reliance Securities Limited for the year ended March 31, 2024)

We have audited the Internal Financial Controls with reference to financial statements of **Reliance Securities Limited** (hereinafter referred to as “the Company”) as of March 31, 2024 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 and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘Guidance Note’) . 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and standards issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, maintain adequate internal financial controls with reference to financial statements and such controls were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Pathak H. D. & Associates LLP**

Chartered Accountants

Firm Registration no. 107783W/W100593

Sd/-

Jigar T. Shah

Partner

Membership No.: 161851

UDIN: 24161851BKBHHU6186

Place: Mumbai

Date: May 03, 2024

Reliance Securities Limited

Balance Sheet as at March 31, 2024

(Currency: Indian rupees in lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	3	3,329	2,264
(b) Bank balance other than (a) above	4	9,446	5,904
(c) Derivative financial instruments	5	-	26
(d) Receivables	6		
(i) Trade receivables		1,435	1,748
(ii) Other receivables		47	43
(e) Loans	7	2,091	1,346
(f) Investments	8	20,211	23,287
(g) Other financial assets	9	18,705	24,955
		55,264	59,573
Non-financial Assets			
(a) Inventories	10	2,048	2,559
(b) Current tax assets (net)	11	538	668
(c) Investment property	12	14	13
(d) Property, plant and equipment	13	261	390
(e) Capital Work-in-Progress	13	136	-
(f) Goodwill	14A	8	8
(g) Other intangible assets	14B	295	455
(h) Other non-financial assets	15	587	797
		3,887	4,890
Total Assets		59,151	64,463
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Derivative financial instruments	16	-	195
(b) Payables			
(I) Trade payables	17A		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		22,336	22,112
(II) Other payables	17B		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	18	251	702
(d) Other financial liabilities	19	17,394	23,514
		39,981	46,523
Non-Financial Liabilities			
(a) Provisions	20	1,461	1,460
(b) Other non-financial liabilities	21	1,946	2,040
		3,407	3,500
EQUITY			
(a) Equity share capital	22	21,000	21,000
(b) Instruments entirely equity in nature	23A	2,500	2,500
(c) Other equity	23B	(7,737)	(9,060)
		15,763	14,440
Total Liabilities and Equity		59,151	64,463
Material accounting policies and notes to the financial statements	1 to 52		

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For Pathak H. D. & Associates LLP

Chartered Accountants

FRN. :- 107783W/W100593

Sd/-

Jigar T. Shah

Partner

M. No. :- 161851

Place : Mumbai

Date: May 03, 2024

For and on behalf of Board of Directors

Sd/-

Lav Chaturvedi

Executive Director & CEO

DIN: 02859336

Sd/-

Sanjay Sharma

Whole Time Director & CFO

DIN: 09592199

Sd/-

Vrunda Dhanesha

Company Secretary

M. No. :- A35255

56

Reliance Securities Limited

Statements of profit and loss for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
A Revenue from operations			
Interest income	24	2,367	3,255
Fees and commission income	25	6,912	7,487
Net gain on fair value changes	26	11,970	15,310
Total Revenue from operations		21,249	26,052
B Other Income	27	16	10
C Total Income (A + B)		21,265	26,062
Expenses			
Finance costs	28	374	(103)
Fees and commission expense		1,809	1,645
Impairment on financial instruments	29	217	1,292
Employee Benefits Expenses	30	10,742	13,268
Depreciation, amortization and impairment	12, 13 & 14B	354	421
Others expenses	31	6,461	7,485
D Total Expenses		19,957	24,008
(I) Profit before exceptional items and tax (C-D)		1,308	2,054
(II) Exceptional items		-	-
(III) Profit before tax (I - II)		1,308	2,054
(IV) Tax Expense:			
(i) Current tax		-	26
(ii) Deferred tax charged (Net)		-	-
(iii) Taxes of earlier years (Net)		33	-
(V) Profit for the year (III-IV)		1,275	2,028
(VI) Other Comprehensive Income			
Items that will not be reclassified to profit or loss :			
Re-measurement of post retirement benefit obligation gain/(loss)		47	(20)
Income tax relating to items that will not be reclassified to profit or loss		-	5
Subtotal (A)		47	(15)
Items that will be reclassified to profit or loss		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income/(Loss)		47	(15)
(VII) Total Comprehensive Income for the year		1,322	2,013
Earnings per equity share (Amount in ₹)	41		
Basic		0.58	0.92
Diluted		0.58	0.92

Material accounting policies and notes to the financial statements

1 to 52

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

For Pathak H. D. & Associates LLP

Chartered Accountants

FRN. :- 107783W/W100593

Sd/-

Jigar T. Shah

Partner

M. No. :- 161851

Place : Mumbai

Date: May 03, 2024

For and on behalf of Board of Directors

Sd/-

Lav Chaturvedi

Executive Director & CEO

DIN: 02859336

Sd/-

Sanjay Sharma

Whole Time Director & CFO

DIN: 09592199

Sd/-

Vrunda Dhanesha

Company Secretary

M. No. :- A35255

Reliance Securities Limited

Statement of Cash Flows for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flows from operating activities		
Net Profit before tax as per statement of profit and loss	1,308	2,054
Adjustments for :		
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)
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
Changes in assets and liabilities		
(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)	(0)
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 equipement & intangible assets (Including CWIP)	(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	(190)	(1,074)
(Repayment to) / Borrowing from financial institutions and others (net)	-	(2,639)
Interest paid others	(169)	(307)
Net Cash flows from / (used in) Financing activities (C)	(664)	(6,330)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1,065	857
Opening balance of cash and cash equivalents	2,264	1,407
Closing balance of cash and cash equivalents (refer note "a")	3,329	2,264

Reliance Securities Limited

Statement of Cash Flows for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Notes:

a) **Cash and cash equivalents comprise**

Cash in hand	-	-
Bank overdraft	-	-
Balance with scheduled banks		
-in current accounts	3,329	2,264
-in cheque in hand	-	-
Total cash and cash equivalents	3,329	2,264

b) **Net debt reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	3,329	2,264
Debt securities	(251)	(702)
Borrowings	-	-
Net debt	3,078	1,562

Particulars	Cash and bank overdraft	Debt securities	Borrowings	Total
Net debt as at March 31, 2023	2,264	(702)	-	1,562
Cash flows	1,065	305	-	1,370
Interest expense	-	(45)	(169)	(214)
Interest paid	-	190	169	359
Net debt as at March 31, 2024	3,329	(251)	-	3,078

c) The above Statement of Cash Flows has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.

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

For Pathak H. D. & Associates LLP

Chartered Accountants

FRN. :- 107783W/W100593

Sd/-

Jigar T. Shah

Partner

M. No. :- 161851

Place : Mumbai

Date: May 03, 2024

For and on behalf of Board of Directors

Sd/-

Lav Chaturvedi

Executive Director & CEO

DIN: 02859336

Sd/-

Sanjay Sharma

Whole Time Director & CFO

DIN: 09592199

Sd/-

Vrunda Dhanesha

Company Secretary

M. No. :- A35255

Reliance Securities Limited

Statement of change in equity for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

a. Equity Shares (refer note 22)

Particulars	No. of shares	Amount
Opening Balance as at April 1, 2023	21,00,00,000	21,000
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 1, 2023	21,00,00,000	21,000
Changes in equity share capital during the current year	-	-
Balance As at March 31, 2024	21,00,00,000	21,000

Balance as at April 1, 2022

Balance as at April 1, 2022	21,00,00,000	21,000
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 1, 2022	21,00,00,000	21,000
Changes in equity share capital during the current year	-	-
Balance As at March 31, 2023	21,00,00,000	21,000

b. Instruments entirely equity in nature (refer note 23A)

Particulars	No. of shares	Amount
Balance as at April 1, 2023	2,50,00,000	2,500
Changes in equity share capital	-	-
Balance As at March 31, 2024	2,50,00,000	2,500

Balance as at April 1, 2022

Balance as at April 1, 2022	2,50,00,000	2,500
Changes in equity share capital	-	-
Balance As at March 31, 2023	2,50,00,000	2,500

c. Other equity (refer note 23B)

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Capital reserve	Retained earnings	Debenture Redemption Reserve (DRR)	Share based options outstanding account		
Balance as at April 1, 2023	2,602	(11,594)	50	38	(156)	(9,060)
Add:						
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance as at April 1, 2023	2,602	(11,594)	50	38	(156)	(9,060)
Transfer of DRR to retained earnings	-	30	(30)	-	-	-
Profit for the year	-	1,275	-	-	-	1,275
Re-measurement of post retirement benefit obligation gain / (loss) (net)	-	-	-	-	48	48
Balance As at March 31, 2024	2,602	(10,289)	20	38	(108)	(7,737)
Balance as at April 1, 2022	2,602	(14,132)	560	38	(141)	(11,073)
Add:						
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance as at April 1, 2022	2,602	(14,132)	560	38	(141)	(11,073)
Transfer of DRR to retained earnings	-	510	(510)	-	-	-
Profit for the year	-	2,028	-	-	-	2,028
Re-measurement of post retirement benefit obligation gain / (loss) (net)	-	-	-	-	(15)	(15)
Balance As at March 31, 2023	2,602	(11,594)	50	38	(156)	(9,060)

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For Pathak H. D. & Associates LLP

Chartered Accountants
FRN. :- 107783W/W100593

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

Place : Mumbai
Date: May 03, 2024

For and on behalf of Board of Directors

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

Sd/-
Sanjay Sharma
Whole Time Director & CFO
DIN: 09592199

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

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

NOTES

1 Corporate Information

Reliance Securities Limited ("the company") is a public limited company incorporated under the provisions of the Companies Act applicable in India on June 17, 2005. The registered office of the company is located at '11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway, Goregaon (East) Mumbai Maharashtra - 400063'. The Company is listed in the Debt Market in BSE. The Company is registered as a "Stock Broker" with the Securities and Exchange Board of India ("SEBI") and as a "Corporate Agent" with the Insurance Regulatory and Development Authority ("IRDA").

2 Material Accounting Policies

2.01 Basis of preparation of financial statements

(i) Compliance with Ind AS

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

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivatives instruments) are measured at fair value.
- Defined benefit plans – plan assets measured at fair value.
- Share based payments

2.02 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the company commits to purchase or sell the asset.

At initial recognition, the company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in statement of 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 statement of 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:

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables.

Classification and subsequent measurement of debt instruments depend on:

- (i) the company's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the company classifies its debt instruments into one of the following three measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured as described in note 35. Interest income from these financial assets is recognized using the effective interest rate method.

Fair value through other comprehensive income: Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Fair value option for financial assets: The company may also irrevocably designate financial assets at fair value through profit or loss if doing so significantly reduces or eliminates an accounting mismatch created by assets and liabilities being measured on different bases.

Trade receivables are measured at transaction price.

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.

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

a) Purchased financial assets, for which the original credit-adjusted effective interest rate is applied to the amortized cost of the financial asset.

b) Financial assets, that are subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortized cost (i.e. net of the expected credit loss provision).

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortized cost before any impairment allowance) or to the amortized cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The company subsequently measures all equity investments at fair value.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/loss on fair value changes in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Gains and losses on equity investments at FVPL are included in the statement of profit or loss.

(ii) Impairment

The company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI. The company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 35, which also sets out key sensitivities of the ECL to changes in these elements.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL detailed information about the judgements and estimates made by the company in the above areas is set out in note 35.

(iii) Derecognition of financial instruments

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

2.04 Financial Liabilities

(i) Classification and subsequent measurement

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

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

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

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

Market linked debentures (MLDs)

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

(ii) Derecognition

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

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

2.05 Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The method of recognizing the resulting fair value gain or loss depends on whether the derivative is designated and qualifies as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives that are not designated as hedges

The company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

2.06 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

(i) Brokerage fee income

Revenue recognition for brokerage fees can be divided into the following two categories:

- a) Brokerage fees – over time - Fees earned for the provision of services are recognized over time as the customer simultaneously receives and consumes the benefits, as the services are rendered. These include brokerage fees which is fixed at inception irrespective of number of transaction executed. The revenue for such contracts is recognized over the term of the contract.
- b) Brokerage fees – point in time - Revenue from contract with customer is recognized point in time as performance obligation is satisfied. These include brokerage fees which is charged per transaction executed.

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

(ii) Interest income

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

(ii) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

(iii) Delay payment interest

Delay payment interest is recognised on an accrual basis.

(iv) Infrastructure and resource management fees

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

(v) Income from trading in derivatives

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into, and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit and loss immediately. Other payments made in connection with the acquisition of derivatives are recognized in the statement of profit and loss.

2.07 Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due and the amount is billable.

2.08 Income Tax

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

Current tax

The current income tax charge is calculated on the basis of the tax laws (As per Section 115BAA of The Income tax Act 1962) enacted or substantively enacted at the end of the reporting period on 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.

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

2.09 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.

2.10 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.

2.11 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.

2.12 Statement of Cash flow

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of noncash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.13 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives & residual value

Depreciation on property, plant and equipments is provided in accordance with the provisions of Schedule II of the Companies Act 2013. Tangible assets are depreciated on straight-line basis method over the useful lives of assets as prescribed in Part C of the Schedule II of the Companies Act 2013.

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

Assets	Useful Life
Leasehold Improvements	Primary period of lease
Office Equipments	5 years
Furniture and Fixtures	10 years
Data Processing Equipments	
(i) Servers and networks	6 years
(ii) End user devices (desktops, laptops, etc.)	3 years
Membership Rights of Bombay Stock Exchange	10 years

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

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

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

Assets costing up to ₹ 5,000 are fully depreciated at the time of acquisition.

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Leases

The company's lease asset classes primarily consist of leases for buildings taken on lease for operating its branch offices. The company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

All the lease are short term as on reporting date.

2.14 Intangible Assets

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

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

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

The estimated useful lives for the below assets are:

Assets	Useful Life
Software	6 Years

Assets costing up to ₹ 5,000 are fully depreciated at the time of acquisition.

2.15 Investment properties

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

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

2.16 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.

2.17 Inventories

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

2.18 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.

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

2.19 Provisions, Contingent Liabilities and Contingent Asset

Provisions

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

Contingent liabilities

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events. Contingent liability is not recognised as it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with reliability. Contingent Liabilities are not recognised but are disclosed in the financial statements.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. A contingent asset is not recognised however disclosed in the financial statements, if any.

2.20 Employee benefits

(i) Short-term obligations:

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-employment obligations

The company operates the following post-employment schemes:

- (a) Gratuity; and
- (b) Provident fund.

Defined Benefits plans

Gratuity Obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in other equity in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

Provident fund

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

(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.

2.21 Dividends

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

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

2.22 Earnings per share

(a) Basic earnings per share

Earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial Year, adjusted for bonus element in equity shares issued during the Year (Note 41).

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.23 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.

2.24 Functional and presentation currency

The financial statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off upto to the nearest Lakhs unless otherwise stated.

RELIANCE SECURITIES LIMITED

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

2.25 Critical accounting estimates and judgements

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit or loss. The actual amounts realised may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

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

2.26 Segment Reporting

The Operating segments has been identified and reported taking into account its internal financial reporting, performance evaluation and organizational structure of its operations, operating segment is reported in the manner evaluated by Board considered as Chief Operating Decision-Maker under Ind AS 108 "Operating Segment".

2.27 Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 3 - Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and Cash equivalents		
Balance with banks in current accounts	3,329	2,264
Total	3,329	2,264

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

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed deposit accounts		
- Held as lien*	25	25
- Held as margin money/Security with exchanges**	8,090	4,551
- Held as security with Directorate of Enforcement***	113	113
- Others	3,425	3,422
(Less): Impairment loss allowance*	(2,207)	(2,207)
Total	9,446	5,904

* Refer note 46.

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

* ₹ 8,090 Lakh (March 31, 2023 - ₹ 4,551 Lakh) as collateral lien in favour of Stock Exchanges placed as margin.

** ₹ 113 Lakh (March 31, 2023 - ₹ 113 Lakh) kept as lien in favour of Directorate of Enforcement.

*** ₹ 25 Lakh (March 31, 2023 - ₹ 25 Lakh) lien against Bank guarantee.

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 5 - Derivative financial instruments

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

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

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

Particulars	Notional Value	Fair value of assets
Index linked derivatives		
As at March 31, 2024		
Options Purchased	-	-
Total	-	-

Particulars	Notional Value	Fair value of assets
Index linked derivatives		
As at March 31, 2023		
Options Purchased	18,088	26
Total	18,088	26

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

The Company's risk management strategy and how it is applied to manage risk are explained in Note 35.

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 6 - Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Trade receivables		
(a) Secured		
Considered good	1,370	1,656
Receivables-Credit impaired	2,063	1,823
Less : Impairment loss allowance	(2,063)	(1,823)
(b) Unsecured		
Considered good	65	92
Receivables-Credit impaired	243	224
Less : Impairment loss allowance	(243)	(224)
Total (i)	1,435	1,748
(ii) Other receivables		
Unsecured considered good		
- Receivable - Related parties	47	43
Total (ii)	47	43
Total (i+ii)	1,482	1,791

Reconciliation of impairment allowance on trade and other receivables:

	As at March 31, 2024	As at March 31, 2023
Impairment allowance measured as per general approach		
Impairment allowance	2,047	2,295
Add/(less): changes during the financial year	259	(248)
Impairment allowance	2,306	2,047

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 6.1 - Trade Receivables ageing schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(1) Undisputed:						
(i) Trade receivables – considered good	962	139	202	102	77	1,482
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	122	214	533	255	1,182	2,306
Less: Impairment loss allowance	(122)	(214)	(533)	(255)	(1,182)	(2,306)
(2) Disputed:						
(i) Trade Receivables– considered good	-	-	-	-	-	-
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	-	-	-	-	-	-
Total	962	139	202	102	77	1,482

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(1) Undisputed:						
(i) Trade receivables – considered good	1,468	119	145	35	24	1,791
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	176	211	436	208	1,016	2,047
Less: Impairment loss allowance	(176)	(211)	(436)	(208)	(1,016)	(2,047)
(2) Disputed:						
(i) Trade Receivables– considered good	-	-	-	-	-	-
(ii) Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Trade Receivables – credit impaired	-	-	-	-	-	-
Total	1,468	119	145	35	24	1,791

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 7 - Loans

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
(i) Inter corporate deposits	100	100
(ii) SEBI Margin Trade Funding	2,086	1,341
Total (A) - Gross	2,186	1,441
(Less): Impairment loss allowance	(95)	(95)
Total (A) - Net	2,091	1,346
Secured	2,086	1,341
Unsecured	100	100
(Less): Impairment loss allowance	(95)	(95)
Total (B) - Net	2,091	1,346
(i) Public sector	-	-
(ii) Others		
Individual	2,080	1,280
HUF	6	9
Company	100	152
Total (C) - Gross	2,186	1,441
(Less): Impairment loss allowance	(95)	(95)
Total (C) - Net	2,091	1,346

Reconciliation of impairment allowance on Loans

Impairment allowance measured as per general approach	Amount
Impairment allowance as at March 31, 2023	95
Add/(less): changes during the year	-
Impairment allowance as at March 31, 2024	95
Impairment allowance as at March 31, 2022	95
Add/(less): changes during the year	-
Impairment allowance as at March 31, 2023	95

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 7.1 - Inter corporate Loan

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the company's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are disclosed in note 35.

Internal rating grade	As at March 31, 2024			Total	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Performing								
High grade	-	-	-	-	-	-	-	-
Non- performing								
Individually impaired	-	-	100	100	-	-	100	100
Total	-	-	100	100	-	-	100	100

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

Particulars	As at March 31, 2024			Total	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Opening balance	-	-	100	100	-	-	1,400	1,400
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid	-	-	-	-	-	-	(1,300)	(1,300)
Closing balance	-	-	100	100	-	-	100	100

Reconciliation of ECL balance

Particulars	As at March 31, 2024			Total	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Opening balance	-	-	95	95	-	-	1,260	1,260
New assets originated or purchased	-	-	-	-	-	-	-	-
Existing assets	-	-	-	-	-	-	5	5
Assets derecognised or repaid	-	-	-	-	-	-	(1,170)	(1,170)
Closing balance	-	-	95	95	-	-	95	95

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 7.2 - SEBI Margin Trade Funding

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the company's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are disclosed in note 35.

Internal rating grade	As at March 31, 2024			Total	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Performing								
High grade	2,086	-	-	2,086	1,341	-	-	1,341
Non- performing								
Individually impaired	-	-	-	-	-	-	-	-
Total	2,086	-	-	2,086	1,341	-	-	1,341

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

Particulars	As at March 31, 2024			Total	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
Opening balance	1,341	-	-	1,341	2,951	-	-	2,951
New assets originated or purchased	745	-	-	745	-	-	-	-
Assets derecognised or repaid	-	-	-	-	(1,610)	-	-	(1,610)
Closing balance	2,086	-	-	2,086	1,341	-	-	1,342

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 8 - Investments

Particulars	At Amortised cost	At fair value through			Total
		Other Comprehensive income	Profit and loss	Subtotal	
As at March 31, 2024					
Investment in equity shares (Unquoted)					
1,90,000 Equity shares of Reliance Money Infrastructure Limited of ₹ 10 each.	-	-	19	19	19
Investment in mutual fund (Quoted) -					
Aditya Birla Sun Life Nifty SDL Plus PSU Bond SEP 2026 60:40 Index Fund-Direct Growth	-	-	136	136	136
Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	-	-	604	604	604
BANDHAN CRISIL IBX Gilt June 2027 Index Fund Direct Plan-Growth	-	-	191	191	191
BANDHAN LIQUID Fund -Direct Plan-Growth	-	-	294	294	294
BHARAT Bond FOF- April 2025- Direct Pan- Growth Option	-	-	6,829	6,829	6,829
DSP Liquidity Fund - Direct Plan - Growth	-	-	508	508	508
DSP Ultra Short Fund - Direct Plan - Growth	-	-	411	411	411
Edelweiss NIFTY PSU Bond Plus SDL Apr 2026 50:50 Index Fund - Direct Plan - Growth	-	-	723	723	723
HDFC Credit Risk Debt Fund - Growth Option - Direct Plan	-	-	609	609	609
HDFC Liquid Fund - Growth Option - Direct Plan	-	-	2,228	2,228	2,228
HDFC Low Duration Fund - Direct Plan - Growth	-	-	718	718	718
HSBC Liquid Fund - Growth Direct	-	-	114	114	114
ICICI Prudential Credit Risk Fund - Direct Plan - Growth	-	-	619	619	619
ICICI Prudential Liquid Fund - Direct Plan - Growth	-	-	-	-	-
ICICI Prudential Money Market Fund Option - Direct Plan - Growth	-	-	290	290	290
ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth	-	-	901	901	901
Kotak Low Duration Fund- Direct Plan- Growth Option	-	-	716	716	716
Kotak Overnight Fund -Direct Plan-Growth Option	-	-	-	-	-
Kotak Savings Fund-Growth - Direct	-	-	594	594	594
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option	-	-	1,404	1,404	1,404
Nippon India Overnight Fund - Direct Plan - Growth Option	-	-	1,390	1,390	1,390
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund - Direct Plan - Growth	-	-	136	136	136
SBI MAGNUM ULTRA SHORT DURATION FUND - DIRECT PLAN - GROWTH	-	-	292	292	292
SBI OVERNIGHT FUND - DIRECT PLAN - GROWTH	-	-	507	507	507
Total - Gross	-	-	20,230	20,230	20,230
(i) Overseas Investments	-	-	-	-	-
(ii) Investments in India	-	-	20,230	20,230	20,230
(Less): Impairment loss allowance	-	-	(19)	(19)	(19)
Total - Net	-	-	20,211	20,211	20,211

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 8 - Investments

Particulars	At Amortised cost	At fair value through			Total
		Other Comprehensive income	Profit and loss	Subtotal	
As at March 31, 2023					
Investment in equity shares (Unquoted)					
1,90,000 Equity shares of Reliance Money Infrastructure Limited of ₹ 10 each.	-	-	19	19	19
Investment in mutual fund (Quoted) -					
Aditya Birla Sun Life Nifty SDL Plus Psu Bond Sep 2026 60:40 Index Fund - Direct Plan-Growth	-	-	126	126	126
Aditya Birla Sun Life Savings Fund Direct Plan Growth	-	-	561	561	561
Axis Liquid Fund - Direct Growth	-	-	1	1	1
Axis Overnight Fund Direct Plan - Growth	-	-	770	770	770
Bharat Bond Fof - April 2023 - Direct Plan - Growth	-	-	5,179	5,179	5,179
Bharat Bond Fof - April 2025 - Direct Plan - Growth	-	-	261	261	261
DSP Liquidity Fund - Direct Plan - Growth	-	-	0	0	0
DSP Overnight Fund - Direct Plan - Growth	-	-	0	0	0
DSP Ultra Short Fund - Direct Plan- Growth	-	-	382	382	382
Edelweiss Nifty PSU Bond Plus SDL Index Fund - 2026 - Direct Plan - Growth	-	-	674	674	674
HDFC Credit Risk Debt Fund - Direct- Growth	-	-	563	563	563
HDFC Liquid Fund - Direct Plan - Growth Option	-	-	2,336	2,336	2,336
HDFC Low Duration Fund - Direct Plan	-	-	665	665	665
ICICI Prudential Credit Risk Fund -Direct Plan - Growth	-	-	569	569	569
ICICI Prudential Liquid Fund - Direct Plan - Growth	-	-	2,074	2,074	2,074
ICICI Prudential Money Market Fund -Direct Plan - Growth	-	-	269	269	269
ICICI Prudential Overnight Fund Direct Plan Growth	-	-	513	513	513
ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth	-	-	837	837	837
IDFC Cash Fund-Growth-(Direct Plan)	-	-	274	274	274
IDFC Crisil Gilt 2027 Index Fund Direct Plan-Growth	-	-	170	170	170
Kotak LD Ret Growth	-	-	664	664	664
Kotak Overnight Fund - Direct Plan - Growth	-	-	1,275	1,275	1,275
Kotak Savings Fund - Direct Plan - Growth	-	-	553	553	553
Nippon India Liquid Fund - Direct Growth Plan - Growth Option	-	-	2,873	2,873	2,873
Nippon India Overnight Fund - Direct Growth Plan	-	-	1,301	1,301	1,301
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund - Direct Plan - Growth	-	-	126	126	126
SBI Liquid Fund Direct Growth	-	-	0	0	0
SBI Magnum Ultra Short Duration Fund Direct Growth	-	-	272	272	272
Total - Gross	-	-	23,306	23,306	23,306
(i) Overseas Investments	-	-	-	-	-
(ii) Investments in India	-	-	23,306	23,306	23,306
(Less): Impairment loss allowance	-	-	(19)	(19)	(19)
Total - Net	-	-	23,287	23,287	23,287

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 9 - Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Deposit with tax authority	23	23
Deposit with vendor		
- Considered good	479	490
- Considered doubtful	71	71
Less: provision for doubtful advances	(71)	(71)
Deposit with exchange/clearing member for Margin	18,087	24,388
Deposit with Exchange for arbitration	286	148
Less: provision	(286)	(148)
Interest accrued on Fixed Deposit	116	54
Total	18,705	24,955

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 10 - Inventories

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity	Amount	Quantity	Amount
Valued at Market Price				
- Equity instruments				
Axis Bank Limited	10	0	10	0
Bharti Airtel PP Limited	90	1	90	0
ICICI Bank Limited	5	0	305	3
Indusind Bank Limited	20	0	20	0
Infosys Limited	-	-	200	3
Jet Airways Limited	7,584	4	7,584	4
Jubilant Foodworks Limited	250	1	250	1
Reliance Industries Limited	-	-	500	12
SBI-ETF Nifty 50 Limited	300	1	300	1
State Bank of India	-	-	1,000	5
Wipro Limited	-	-	500	2
Total (A)		7		31
- Bonds/ Debenture instruments/Government Securities				
6.60%TBILL	-	-	5,00,000	491
6.65% TBILL	-	-	5,00,000	485
6.69% TBILL	5,00,000	507	5,00,000	509
6.71% TBILL	-	-	5,00,000	481
7.16% GOI	-	-	5,00,000	513
6.90% TBILL	5,00,000	499	-	-
6.82% TBILL	5,00,000	495	-	-
6.82% TBILL	5,00,000	490	-	-
Reliance Capital Limited	195	49	195	49
Total (B)		2,041		2,528
Total (A+B)		2,048		2,559
(i) Overseas Investments	-	-	-	-
(ii) Investments in India	-	2,048	-	2,559
Total (A+B)		2,048		2,559
Less: Allowance for Impairment loss	-	-	-	-
Total		2,048		2,559

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 11 - Current tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance payment of tax and tax deducted at source (net of provision) (Provision of ₹ Nil - March 31, 2024, ₹ 823 Lakh - March 31, 2023)	538	668
Total	538	668

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 12 - Investment property

Building

Particulars	As at March 31, 2024	As at March 31, 2023
Gross carrying amount		
Opening gross carrying amount / Deemed cost	14	14
Additions	2	-
Closing gross carrying amount	16	14
Accumulated depreciation		
Opening accumulated depreciation	(1)	(1)
Depreciation charge	(0)	(0)
Closing accumulated depreciation	(2)	(1)
Net carrying amount	14	13
Fair value of investment property	12	14

Note:

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

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 13 - Property, plant and equipment

Particulars	Leasehold Improvements	Office equipments	Furniture and fixtures	Data processing equipments	Total	Capital Work-in-Progress
As at March 31, 2024						
Gross block as at April 01 2023	475	263	50	1,295	2,082	-
Additions	-	26	1	43	70	136
Disposals	(18)	(28)	(12)	(50)	(109)	-
As at March 31, 2024	456	260	39	1,288	2,043	136
Accumulated depreciation as at April 01 2023	(374)	(224)	(37)	(1,057)	(1,692)	-
Depreciation charge for the year	(49)	(18)	(3)	(124)	(194)	-
Disposals	18	25	11	50	103	-
As at March 31, 2024	(404)	(218)	(30)	(1,131)	(1,783)	-
Net carrying amount As at March 31, 2024	52	43	9	156	261	136
As at March 31, 2023						
Gross block as at April 01 2022	465	251	39	1,220	1,975	-
Additions	10	21	10	87	128	-
Disposals	-	(10)	-	(12)	(22)	-
As at March 31, 2023	475	263	50	1,295	2,082	-
Accumulated depreciation as at April 01 2022	(323)	(212)	(30)	(945)	(1,510)	-
Depreciation charge for the year	(51)	(22)	(7)	(124)	(203)	-
Disposals	-	10	-	12	22	-
As at March 31, 2023	(374)	(224)	(37)	(1,057)	(1,692)	-
Net carrying amount As at March 31, 2023	101	39	12	238	390	-

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 14A - Goodwill

Particulars	Goodwill
As at March 31, 2024	
Gross block as at April 01, 2023	8
On account of business acquisition	-
Disposals	-
As at March 31, 2024	8
Accumulated amortisation as at April 01, 2023	-
Amortisation charge for the year	-
Disposals	-
As at March 31, 2024	-
Net carrying amount As at March 31, 2024	8
As at March 31, 2023	
Gross block as at April 01, 2022	8
On account of business acquisition	-
Disposals	-
As at March 31, 2023	8
Accumulated amortisation as at April 01, 2022	-
Amortisation charge for the year	-
Disposals	-
As at March 31, 2023	-
Net carrying amount As at March 31, 2023	8

Note 14B - Intangible assets

Particulars	Membership rights of Bombay Stock Exchange Limited	Software	Total
As at March 31, 2024			
Gross block as at April 01, 2023	75	2,263	2,338
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2024	75	2,263	2,338
Accumulated amortisation as at April 01, 2023	(75)	(1,809)	(1,884)
Amortisation charge for the year	-	(160)	(160)
Impairment loss for the year	-	-	-
Disposals	-	-	-
As at March 31, 2024	(75)	(1,969)	(2,044)
Net carrying amount As at March 31, 2024	-	295	295
As at March 31, 2023			
Gross block as at April 01, 2022	75	2,155	2,230
Additions	-	230	230
Disposals	-	(121)	(121)
As at March 31, 2023	75	2,263	2,338
Accumulated amortisation as at April 01, 2022	(75)	(1,711)	(1,786)
Amortisation charge for the year	-	(217)	(217)
Impairment loss for the year	-	-	-
Disposals	-	120	120
As at March 31, 2023	(75)	(1,809)	(1,884)
Net carrying amount As at March 31, 2023	-	455	455

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 15 - Other non-financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances - considered good	32	110
Service tax paid under protest		
- Considered good	-	-
- Considered doubtful	961	961
Less: Provision for doubtful	(961)	(961)
GST receivable	242	366
Advance to vendors		
- Considered good	42	23
Receivable from employees	-	6
Prepaid expenses	178	267
Other Receivable		
- Considered good	93	25
- Considered doubtful	-	10
Less: provision for doubtful receivable	-	(10)
Total	587	797

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 16 - Derivative financial instruments

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

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

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

Particulars	Notional Value	Fair value of liabilities
As at March 31, 2024		
Premium received on options	-	-
Total	-	-

Particulars	Notional Value	Fair value of liabilities
As at March 31, 2023		
Premium received on options	34,174	195
Total	34,174	195

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

The company's risk management strategy and how it is applied to manage risk are explained in Note 35.

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 17A - Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Due to margin money deposits	21,506	21,388
- Due to others	830	724
Total	22,336	22,112

Note 17B - Other Payables

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	-	-

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

According to the information available with the Company there are no dues (Previous year ₹ Nil) payable to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2024.

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 17C - Trade payables ageing schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	21,621	152	90	473	22,336
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	21,621	152	90	473	22,336

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	20,039	246	120	1,707	22,112
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	20,039	246	120	1,707	22,112

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 18 - Debt Securities

Particulars	As at March 31, 2024	As at March 31, 2023
At fair value through profit or loss - Secured		
- Market Linked Debenture (NCDs)	251	702
Total (A)	251	702
Debt securities in India	251	702
Debt securities outside India	-	-
Total (B)	251	702

Security clause in respect to debentures

NCDs amounting to ₹ 251 Lakhs (March 31, 2023 - ₹ 702 Lakhs) are secured by way of first ranking mortgage over the Immovable property and a first charge on present and future non-current assets and current assets of the company as specifically mentioned in the Trust deed and the asset cover thereof exceeds hundred per cent of the principal amount of the said debentures.

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

Series	2026-27
RC210428	251
Total	251

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 19 - Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Book Overdraft	534	368
Deposits received from sub brokers	999	1,016
Payable to others	8,092	9,092
Provision for expenses	4,442	4,323
Employee Benefit payable	2,146	7,689
Payable to employees	32	38
Dividend payable on 0 % Compulsorily Convertible Preference Shares of ₹ 10 each	1,149	988
Total	17,394	23,514

Note 20 - Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for gratuity (refer note no. 38)	106	104
Provision against tax litigation matter	1,356	1,356
Total	1,461	1,460

Reconciliation of provisions other than employee payable

Particulars	Amount
As at March 31, 2023	1,356
Add: Additions during the year	-
Less: Paid during the year	-
As at March 31, 2024	1,356
As at March 31, 2022	1,356
Add: Additions during the year	-
Less: Paid during the year	-
As at March 31, 2023	1,356

Note 21 - Other non-financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Income received in advance	1,759	1,814
Statutory liabilities	150	165
Others		
- Related party	-	-
- Others	37	61
Total	1,946	2,040

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 22 - Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of ₹ 10 each	22,00,00,000	22,000	22,00,00,000	22,000
Preference Shares of ₹ 10 each	18,00,00,000	18,000	18,00,00,000	18,000
Total	40,00,00,000	40,000	40,00,00,000	40,000

Issued, Subscribed and Paid up	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Opening Balance at the beginning of the reporting period - Equity Shares of ₹ 10 each fully paid up	21,00,00,000	21,000	21,00,00,000	21,000
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Changes in equity share capital during the current year	-	-	-	-
Closing balance at end of reporting period	21,00,00,000	21,000	21,00,00,000	21,000

Note:

1. Terms and rights attached to equity shares

Equity shares:

The company has only one class of equity share having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining asset of the company after distribution of all preferential amount.

2. The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2024 and March 31, 2023 are set out below;

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity Shares*				
Number of shares at the beginning	21,00,00,000	21,000	21,00,00,000	21,000
Add : Issued during the year/Period	-	-	-	-
Number of shares at the end	21,00,00,000	21,000	21,00,00,000	21,000

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

3. The details of shareholder holding more than 5% and shares held by the holding/promoter/ultimate holding company as at March 31, 2024 and March 31, 2023 are set out below:

Equity shares	As at March 31, 2024		As at March 31, 2023	
	No. of shares	%	No. of shares	%
Reliance Capital Limited (the holding company) and its nominees	21,00,00,000	100%	21,00,00,000	100%

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 23A - Instruments entirely equity in nature

Particulars	As at March 31, 2024	As at March 31, 2023
0% Compulsorily Convertible Preference Shares of ₹ 10 each	2,500	2,500
Total	2,500	2,500

Note:

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

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

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

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

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

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

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

2. The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2024 and March 31, 2023 are set out below;

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
CCPS*				
Number of shares at the beginning	2,50,00,000	2,500	2,50,00,000	2,500
Add : Issued during the year	-	-	-	-
Number of shares at the end	2,50,00,000	2,500	2,50,00,000	2,500

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

3. The details of shareholder holding more than 5% and shares held by the holding/ultimate holding company as at March 31, 2024 and March 31, 2023 are set out below;

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	%	No. of shares	%
Equity shares				
Reliance Financial Limited	2,50,00,000	100%	2,50,00,000	100%

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 23B - Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Capital reserve	2,602	2,602
(ii) Retained earnings	(10,289)	(11,594)
(iii) Other Comprehensive Income	(108)	(156)
(iv) Debenture Redemption Reserve	20	50
(v) Share based options outstanding account	38	38
Total	(7,737)	(9,060)

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Capital reserve		
Opening Balances	2,602	2,602
Add: Transfer from Statement of Profit and Loss	-	-
Closing Balances	2,602	2,602
(ii) Retained earnings		
Opening Balances	(11,594)	(14,132)
Add : Profit for the year	1,275	2,028
Transfer from Debenture Redemption Reserve	30	510
Closing Balances	(10,289)	(11,594)
(iii) Other Comprehensive Income		
Opening Balances	(156)	(141)
Add: Other comprehensive income for the year	48	(15)
Closing Balances	(108)	(156)
(iv) Debenture Redemption Reserve		
Opening Balances	50	560
Transfer to Statement of Profit and Loss	(30)	(510)
Closing Balances	20	50
(v) Share based options outstanding account		
Opening Balances	38	38
Add: Stock options benefit from parent company during the year	-	-
Closing Balances	38	38

Nature and purpose of reserve

a) Capital reserve

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

b) Debenture redemption reserve

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

c) Retained earnings

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

d) Other comprehensive income

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

e) Share options outstanding account

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

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 24 - Interest Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial assets measured at amortised costs:		
Interest charged to clients	1,899	2,890
Interest on deposits with banks	468	365
Total	2,367	3,255

Note 25 - Fees and commission & Other operating Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Brokerage, commission and fees	6,912	7,487
Total	6,912	7,487

Note 26 - Net gain on fair value changes

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
(i) Investments (Mutual Fund)	1,435	1,025
(ii) Derivatives	10,352	14,224
(iii) Equity	(1)	8
(iv) Bonds	184	53
Total Net gain/(loss) on fair value changes	11,970	15,310
Fair Value changes:		
Realised	10,764	14,311
Unrealised	1,206	999
Total Net gain/(loss) on fair value changes	11,970	15,310

Note 27 - Other Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on income tax refund	16	-
Profit on sale of fixed asset	-	10
Dividend income (₹ 42,671)	-	0
Total	16	10

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 28 - Finance Cost

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial liabilities measured at amortised cost:		
Inter corporate deposits	169	307
Preference shares	160	153
On financial liabilities measured at FVTPL:		
Debentures	45	(563)
Total	374	(103)

Note 29 - Impairment on financial instruments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Bad debts written-off (net)*	(42)	1,667
Provision/(Reversal of provision) for doubtful debts/advances (net)	259	(375)
Total	217	1,292

* During the previous year the Company has written off certain ICDs amounting to ₹ 1300 lakhs due to lack of recoverability which was outstanding since long.

Note 30 - Employee Benefits Expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, bonus and allowances	10,332	12,834
Contribution to provident fund and other funds (refer note no. 38)	313	340
Staff welfare expenses	97	94
Total	10,742	13,268

Reliance Securities Limited

Notes to Financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Note 31 - Others expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent, Rates and taxes (net)	678	623
Insurance	132	158
Communication & networking charges	263	314
Marketing and advertisement	251	519
Legal and professional charges	2,107	2,572
Rates and taxes	37	53
Repair & maintenance	99	96
Postage and office couriers	31	27
Travelling and conveyance expenses	226	333
Bank charges	3	3
Loss on discartment of assets	4	2
Stock exchange expenses	572	305
Printing and stationery	24	27
Payment to auditors		
- Audit fees	13	13
- Certificate & other fees	5	5
Membership and subscription	27	95
Miscellaneous expenses (CY ₹ 30,315 (PY ₹ 29,966))	0	0
Office administrative expenses	260	299
Software expenses	1,557	1,879
Electricity charges	108	106
Seminar and training	30	34
CSR Expenditure	35	22
Total	6,461	7,485

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

32 Related party disclosures

As per Ind-AS 24 "Related party disclosures", the company's related parties and transactions with them in the ordinary course of business are disclosed below:-

Relationships during the year

(A) Holding Company

Reliance Capital Limited

(B) Subsidiaries of Holding Company

Reliance Capital Pension Fund Limited
 Reliance General Insurance Company Limited
 Reliance Nippon Life Insurance Company Limited
 Reliance Health Insurance Limited
 Reliance Commercial Finance Limited (upto October 13, 2022)
 Reliance Commodities Limited
 Reliance Financial Limited
 Reliance Wealth Management Limited
 Reliance Money Services Private Limited
 Reliance Money Precious Metals Private Limited
 Reliance Exchangenext Limited
 Reliance Corporate Advisory Services Limited
 Quant Capital Private Limited
 Quant Broking Private Limited
 Quant Securities Private Limited
 Quant Investment Services Private Limited
 Gullfoss Enterprises Private Limited (upto October 13, 2022)
 Reliance Underwater Systems Private Limited

(C) Associate Companies of Holding Company

Ammolite Holdings Limited
 Reliance Asset Reconstruction Company Limited
 Global Wind Power Limited (upto October 13, 2022)
 Reinplast Advanced Composites Private Limited (upto October 13, 2022)
 Reliance Home Finance Limited (upto August 08, 2023)

(D) Key management personnel (KMP)

Names	Designation
Mr. Lav Chaturvedi	Executive Director & Chief Executive officer
Mr. Amit Agrawal	Chief Financial Officer (upto April 22, 2022)
Mr. Sanjay Sharma	Whole-time Director & Chief Financial Officer (w.e.f. April 22, 2022)
Mr. Chetan Desai	Independent Director
Ms. Homai Daruwalla	Independent Director
Ms. Vrunda Dhanesha	Company Secretary
Mr. Atul Tandon	Company Secretary of Holding Company

(E) Relatives of Key management personnel (KMP)

Priyanka Agrawal	Spouse of Amit agarwal
Nisha Chaturvedi	Spouse of Lav Chaturvedi

(F) Key management personnel compensation

Particular	Year Ended March 31, 2024	Year Ended March 31, 2023
Short term employee benefits	646	594
Termination benefits	-	-
Total compensation	646	594

(excluding stock options)

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

(F) Transactions with related party

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Unsecured loan Payable						
Reliance Capital Limited (Volume)						
Opening balance	-	2,639	-	-	-	-
Taken during the year	-	-	-	-	-	-
Repaid during the year	-	(2,639)	-	-	-	-
Closing balance payable	-	-	-	-	-	-
Maximum outstanding balance during the year	-	2,639	-	-	-	-
Reliance Financial Limited (Volume)						
Opening balance	-	-	-	-	-	-
Taken during the year	-	-	29,544	58,172	-	-
Repaid during the year	-	-	(29,544)	(58,172)	-	-
Closing balance (payable)	-	-	-	-	-	-
Maximum outstanding balance during the year	-	-	3,705	3,530	-	-
Redemption/Sale/Purchases of Bonds						
Reliance Financial Limited (RFL)						
Redemption of MLD Purchased from RFL (Face Value of Rs. 1,00,000 by 60 quantity)	-	-	82	-	-	-
(Face Value of Rs. 1,00,000 by 2000 quantity)	-	-	-	2,948	-	-
Redemption of MLD Issued (Face Value of Rs. 1,00,000 by 40 quantity)	-	-	66	-	-	-
Payments/expenditures						
Reliance Capital Limited						
Interest on inter corporate deposits	-	138	-	-	-	-
Reimbursement of Expenses						
- Management Fee	-	41	-	-	-	-
- Reimbursement of IT expenses	-	70	-	-	-	-
- Contractual Services	34	42	-	-	-	-
Reliance General Insurance Company Limited						
Other Insurance	-	-	-	5	-	-
Reliance Financial Limited						
Interest on inter corporate deposits	-	-	117	166	-	-
Dividend payable on Preference Shares	-	-	160	153	-	-
Reimbursement of Expenses	-	-	-	206	-	-
Management Fees	-	-	-	486	-	-
Lav Chaturvedi						
Reimbursement of Expenses	-	-	-	-	21	24
Chetan Desai						
Director Sitting Fee	-	-	-	-	10	5
Homai Daruwalla						
Director Sitting Fee	-	-	-	-	10	5
Vrunda Dhanesha						
Filing Fee & other charges Rs. 2,233 (previous year Rs. 2,400)	-	-	-	-	0	0

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Receipts/Income						
Reliance Capital Limited						
Advisory Fees	-	363	-	-	-	-
Brokerage Income	75	8	-	-	-	-
Reliance General Insurance Company Limited						
Distribution Income- Receipts	-	-	10	8	-	-
Reliance Nippon Life Insurance Company Limited						
Distribution Fees	-	-	82	81	-	-
Reliance Home Finance Limited						
Brokerage Income - Receipts of Rs. 1,105	-	-	-	0	-	-
Rent Income	-	-	-	5	-	-
Reliance Commodities Limited						
Brokerage Income	-	-	1	1	-	-
Reliance Financial Limited						
Brokerage Income	-	-	1	1	-	-
Rent Reimbursement	-	-	19	19	-	-
Reimbursement of expenses	-	-	-	5	-	-
Reliance Wealth Management Limited						
Brokerage Income	-	-	1	14	-	-
Reliance Asset Reconstruction Company Limited						
Rental Income	-	-	66	70	-	-
Reliance Money Services Private Limited						
Reimbursement of Expenses	-	-	-	1	-	-
Reliance Commercial Finance Limited						
Rent Income	-	-	-	6	-	-
Reliance Corporate Advisory Services Limited						
Brokerage Income (Rs. 3,028)	-	-	0	-	-	-
Chetan Desai						
Brokerage Income Rs. 70	-	-	-	-	-	-
Atul Tandon						
Brokerage Income Rs. 127 (previous year Rs. 19,253)	-	-	-	-	-	0
Receivables / (Payables)						
Reliance Capital Limited	(8,101)	(9,575)	-	-	-	-
Reliance Nippon Life Insurance Company Limited	-	-	6	6	-	-
Reliance General Insurance Company Limited	-	-	1	1	-	-
Reliance Home Finance Limited	-	-	6	(3,899)	-	-
Reliance Commodities Limited (C.Y. Rs. 4,130)	-	-	0	(132)	-	-
Reliance Financial Limited	-	-	(53)	56	-	-
Reliance Wealth Management Limited (C.Y. Rs. 688)	-	-	0	1	-	-
Reliance Asset Reconstruction Company Limited	-	-	29	15	-	-

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Nature of Transaction	Holding company		Fellow Subsidiaries/ Associates of Holding Company		Key Management Personnel & their Relatives	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Atul Tandon Rs. 1,030 (previous year Rs. 424) Nisha Chaturvedi Rs. 719 (previous year Rs. 719)	- -	- -	- -	- -	0 0	- 0
Investments						
Reliance Capital Limited Investment in MLD (net)	49	49	-	-	-	-
Liability						
Reliance Financial Limited Preference Shares Face Value Dividend accrual till date	- -	- -	2,500 1,149	2,500 988	- -	- -

(G) **Terms & conditions**

All transactions were made on normal commercial terms and conditions.

All outstanding balances are unsecured and are repayable in cash.

The remuneration to key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

33 Income tax

a) The components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Current tax	-	21
Adjustment in respect of current income tax of prior years	33	-
Deferred tax	-	-
Total	33	21

b) Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2024 and March 31, 2023 is, as follows:

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Accounting profit before tax	1,308	2,054
Tax at India's statutory income tax rate of 25.168 % (previous year 25.168%)	329	517
Tax effect of the amount which are not taxable in calculating taxable income :		
Temporary difference on which no deferred tax recognised	(135)	(160)
Fair valuation impact	24	(361)
Permanent difference	9	5
Tax on short term/long term capital gain	-	20
Set off of carry forward Loss	(228)	-
Loss to be carry forward	1	-
Adjustment for earlier year taxes	33	-
Income tax expense at effective tax rate	33	21
Effective tax rate	2.51%	1.02%
Accounting profit after tax	1,275	2,028

c) Deferred tax assets/liabilities

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

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Deferred tax liability :		
Fair valuation of investments	283	237
Gains recognised on Derivatives	-	5
Total	283	242
Deferred tax asset :		
Brought forward losses & unabsorbed depreciation	334	144
Deprecation on Property, Plant and Equipments & Intangible assets	139	123
Provision for credit impaired assets	2,956	2,828
Provision for gratuity	27	26
Total	3,454	3,121
Net deferred tax (liability) \ asset	3,172	2,879

* Note: On prudence basis, the Company has not recognised deferred tax assets amounting to ₹ 3,172 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.

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

34 Fair value measurements

a) Financial instruments by category

Particular	As at March 31, 2024		As at March 31, 2023	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Cash and cash equivalents	-	3,329	-	2,264
Bank balance other than cash and cash equivalents above	-	9,446	-	5,904
Derivative financial instruments	-	-	26	-
Receivables				
(I) Trade receivables	-	1,435	-	1,748
(II) Other receivables	-	47	-	43
Loans	-	2,091	-	1,346
Investments				
- Mutual Funds	20,211	-	23,287	-
Other financial assets	-	18,705	-	24,955
Total Financial Assets	20,211	35,054	23,313	36,260
Financial Liabilities				
Derivative financial instruments	-	-	195	-
Payables				
(I) Trade payables	-	22,336	-	22,112
(II) Other payables	-	-	-	-
Debt Securities	251	-	702	-
Borrowings (Other than debt securities)	-	-	-	-
Other financial liabilities	1,149	16,245	988	22,526
Total Financial Liabilities	1,400	38,581	1,885	44,638

b) Fair value hierarchy

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

Financial assets and liabilities measured at fair value at March 31, 2024

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Derivative financial instruments	-	-	-	-
Investments				
- Mutual Funds-Credit ris fund & Liquid fund	20,211	-	-	20,211
Total financial assets	20,211	-	-	20,211
Financial Liabilities				
Derivative financial instruments	-	-	-	-
Debt Securities	-	-	251	251
Other financial liabilities	-	-	1,149	1,149
Total financial Liabilities	-	-	1,400	1,400

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

Financial assets and liabilities measured at fair value at March 31, 2023

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Derivative financial instruments	26	-	-	26
Investments				
- Mutual Funds	23,287	-	-	23,287
Total financial assets	23,313	-	-	23,313
Financial Liabilities				
Derivative financial instruments	195	-	-	195
Debt Securities	-	-	702	702
Other financial liabilities	-	-	988	988
Total financial Liabilities	195	-	1,690	1,885

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

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

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

c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

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

d) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in Level 3 items for the year ended March 31, 2024 and previous year ended March 31, 2023

Particulars	Total
As at March 31, 2022	5,484
Additions	-
Disposals	(3,396)
Gains/(losses) recognised in statement of profit and loss	(398)
As at March 31, 2023	1,690
Additions	-
Disposals	(496)
Gains/(losses) recognised in statement of profit and loss	206
As at March 31, 2024	1,400

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

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

	As at March 31, 2024		As at March 31, 2023	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial assets				
Cash and cash equivalents	3,329	3,329	2,264	2,264
Bank balance other than cash and cash equivalents above	9,446	9,446	5,904	5,904
Receivables				
(I) Trade receivables	1,435	1,435	1,748	1,748
(II) Other receivables	47	47	43	43
Loans	2,091	2,091	1,346	1,346
Other financial assets	18,705	18,705	24,955	24,955
Total financial assets	35,053	35,053	36,260	36,260
Financial liabilities				
Trade payables	22,336	22,336	22,112	22,112
Borrowings (Other than debt securities)	-	-	-	-
Other financial liabilities	16,245	16,245	22,526	22,526
Total financial liabilities	38,581	38,581	44,638	44,638

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 deposits given to exchanges, deposits taken from sub-brokers and trade payables. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

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

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

35 Financial risk management

- A The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments are used for hedging purposes.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade and other receivables, Investments, derivatives financial instruments, financial assets measured at amortised cost	Ageing analysis, credit ratings	Diversification of bank deposits, credit limits and regular monitoring
Liquidity risk	Debt securities, Borrowings (other than debts)	Rolling cash flow forecasts	Availability of committed credit lines, borrowing facilities, Asset liability measurement
Market risk - Security prices	Investment in equity securities	Sensitivity analysis	Portfolio diversification

a) Credit risk management

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company.

The Company is also exposed to other credit risks arising from investments in debt securities.

Credit risk is the single largest risk for the Company's business; management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralised in a credit risk management team which reports regularly to the Board of Directors.

Expected credit loss measurement

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence & goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach that "Trade receivables, (Which is uncovered, where collateral value is less than outstanding balance) outstanding for more than 7 days in case of broking business clients, outstanding for more than 90 days in case of commodity clients and outstanding for more than 180 days in case of third party distribution business clients" for the purpose of computation of expected credit loss for trade receivables and other receivables. An impairment analysis is performed at each reporting date on an individual basis for all parties. The Company evaluates the concentration of risk with respect to trade receivables as low.

Credit risk on cash and cash equivalents and other deposits with banks and exchanges are limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low.

Loss allowance

Reconciliation of loss allowance provision:

	Trade receivables
Loss allowance as at March 31, 2022	2,295
changes in loss allowance	(248)
Loss allowance as at March 31, 2023	2,047
changes in loss allowance	259
Loss allowance as at March 31, 2024	2,306

Write-off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Company's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

b) Liquidity risk and funding management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

i) Financing arrangements

The company does not have access to any undrawn borrowing facilities at the end of the reporting period.

Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the company's financial assets and liabilities as at March 31. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at March 31, 2024

Contractual maturities of assets and liabilities	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial assets						
Cash and cash equivalents	3,329	-	-	-	-	3,329
Bank balance other than cash and cash equivalents above	-	5,847	3,549	50	-	9,446
Derivative financial instruments	-	-	-	-	-	-
Receivables						
(I) Trade receivables	-	1,435	-	-	-	1,435
(II) Other receivables	-	47	-	-	-	47
Loans	-	2,091	-	-	-	2,091
Investments	-	20,211	-	-	-	20,211
Other financial assets	-	18,203	479	23	-	18,705
Total financial assets	3,329	47,834	4,028	73	-	55,264
Financial liabilities						
Derivative financial instruments	-	-	-	-	-	-
Payables						
(I) Trade payables	-	22,336	-	-	-	22,336
(II) Other payables	-	-	-	-	-	-
Debt securities	-	-	-	251	-	251
Other financial liabilities	-	7,154	-	1,149	9,091	17,394
Total financial liabilities	-	29,490	-	1,400	9,091	39,981
Net	3,329	18,345	4,028	(1,327)	(9,091)	15,283

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

As at March 31, 2023

Contractual maturities of assets and liabilities	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial assets						
Cash and cash equivalents	2,264	-	-	-	-	2,264
Bank balance other than cash and cash equivalents above	-	2,361	3,115	428	-	5,904
Derivative financial instruments	-	26	-	-	-	26
Receivables						
(I) Trade receivables	-	1,748	-	-	-	1,748
(II) Other receivables	-	43	-	-	-	43
Loans	-	1,346	-	-	-	1,346
Investments	-	23,287	-	-	-	23,287
Other financial assets	-	24,442	490	23	-	24,955
Total financial assets	2,264	53,253	3,604	451	-	59,573
Financial liabilities						
Derivative financial instruments	-	195	-	-	-	195
Payables						
(I) Trade payables	-	22,112	-	-	-	22,112
(II) Other payables	-	-	-	-	-	-
Debt securities	-	410	73	219	-	702
Other financial liabilities	-	12,418	-	988	10,108	23,514
Total financial liabilities	-	35,135	73	1,207	10,108	46,523
Net	2,264	18,118	3,532	(756)	(10,108)	13,050

c) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and equity prices.

Cash flow and fair value interest rate risk

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

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

i) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Variable rate borrowing	251	702
Fixed rate borrowing	-	-
Total Borrowing	251	702

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

Particulars	As at March 31, 2024			As at March 31, 2023		
	No of contracts	Units		No of contracts	Units	
		Long	Short		Long	Short
Options						
Index option Long	-	-	-	2,581	1,06,740	-
Index option Short	-	-	-	3,482	-	(1,00,100)
Stock option Long	-	-	-	62	40,100	-
Stock option Short	-	-	-	137	-	(93,700)
Futures						
Stock futures long	-	-	-	-	-	-
Stock futures short	-	-	-	-	-	-
Index future long	-	-	-	30	1,125	-
Index future short	-	-	-	23	-	(1,100)
Net exposure in future & option contract					1,47,965	(1,94,900)

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

ii) Price risk Exposure

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

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

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

iii) Financial liabilities designated at FVPL

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

B Capital management

Risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital and accumulated profits. The Company avails borrowings only for day to day working capital requirement for daily core business operations.

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

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

36 Maturity analysis of assets and liabilities

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

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	3,329	-	3,329	2,264	-	2,264
Bank balance other than cash and cash equivalents above	9,396	50	9,446	5,476	428	5,904
Derivative financial instruments	-	-	-	26	-	26
Receivables						
(I) Trade receivables	1,435	-	1,435	1,748	-	1,748
(II) Other receivables	47	-	47	43	-	43
Loans	2,091	-	2,091	1,346	-	1,346
Investments	20,211	-	20,211	23,287	-	23,287
Other financial assets	18,682	23	18,705	24,932	23	24,955
Non-financial assets						
Inventories	2,048	-	2,048	2,559	-	2,559
Current tax assets (Net)	-	538	538	-	668	668
Investment property	-	14	14	-	13	13
Property, plant and equipment	-	261	261	-	390	390
Capital Work-in-Progress	-	136	136	-	-	-
Goodwill	-	8	8	-	8	8
Other intangible assets	-	295	295	-	455	455
Other non-financial assets	556	32	587	687	110	797
Total assets	57,795	1,356	59,151	62,368	2,094	64,463

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Derivative financial instruments	-	-	-	195	-	195
Payables						
(I) Trade payables	22,336	-	22,336	22,112	-	22,112
(II) Other payables	-	-	-	-	-	-
Debt securities	-	251	251	483	219	702
Other financial liabilities	7,154	10,240	17,394	12,418	11,096	23,514
Non-financial Liabilities						
Provisions	106	1,356	1,461	104	1,356	1,460
Other non-financial liabilities	1,946	-	1,946	2,040	-	2,040
Total liabilities	31,542	11,847	43,388	37,352	12,671	50,023
Net	26,253	(10,491)	15,763	25,016	(10,577)	14,440

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

37 Segment reporting

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

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

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

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

Particulars	Broking activity	Proprietary trading	Unallocated	Total
As at March 31, 2024				
Segment Revenue	9,279	11,970	16	21,265
Segment Results	(3,315)	4,607	16	1,308
Less: Tax expenses				33
Total Segment Profit after tax	(3,315)	4,607	16	1,275
Segment Assets	36,196	22,417	538	59,151
Segment Liabilities	40,864	1,168	1,356	43,388
Other Information				
Non cash items Income/(Expense)	(309)	1,206	-	897
Depreciation, amortization and impairment	283	71	-	354
As at March 31, 2023				
Segment Revenue	10,750	15,312	-	26,062
Segment Results	(3,667)	5,721	-	2,054
Less: Tax expenses				26
Total Segment Profit after tax	(3,667)	5,721	-	2,028
Segment Assets	37,736	26,059	668	64,463
Segment Liabilities	41,361	7,306	1,356	50,023
Other Information				
Non cash items Income/(Expense)	(836)	2,164	-	1,329
Depreciation, amortization and impairment	337	84	-	421

a) Segment assets includes financial and non financial assets and are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment. Unallocated assets include deferred tax asset current tax assets.

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

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

38 Employee Benefits

The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans:

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particular	As at March 31, 2024	As at March 31, 2023
Employer's Contribution to Provident Fund (Included in 'Contribution to provident and other funds' under Employee Benefits Expense) - refer note no. 30	240	265

B. Defined Benefit Plans:

Gratuity:

I. Change in present value of obligation:	Gratuity Benefits	
	As at March 31, 2024	As at March 31, 2023
Present value of obligations at the beginning of the year	378	360
Interest Cost	28	23
Current Service Cost	41	43
Benefit Paid	(200)	(118)
Actuarial (gain)/loss on obligations	(49)	12
Liability for Transferred In / (out)	63	58
Present value of obligations at the end of the year	260	378

II. Change in the fair value of Plan Assets :	As at March 31, 2024	As at March 31, 2023
Fair Value of Plan Assets at the beginning of the year	274	321
Expected Return on Plan Assets	20	21
Contributions	0	-
Benefit Paid	(200)	(118)
Actuarial gain/(loss) on Plan Assets	(2)	(8)
Assets Transferred In/(out)	63	58
Fair Value of Plan Assets at the end of the year	155	274

III. Reconciliation of present value of obligation and fair value of assets :	As at March 31, 2024	As at March 31, 2023
Liability at the end of the year	260	378
Fair value of plan assets at the end of the year	155	274
Asset / (Liability) Recognised in the Balance Sheet	(106)	(104)

IV. Expenses recognised during the year :	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Service Cost	41	43
Interest Cost	28	23
Expected Return on Plan Assets	(20)	(21)
Net Actuarial (Gain)/Loss recognised	(47)	20
Expense Recognised in statement of profit and loss	1	66

Amount recorded in Other comprehensive Income (OCI)	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurements during the year due to		
Experience, Financial Assumptions & Demographic Assumptions Adjustment on Plan Liability (Gain)/Loss	(49)	12
Actuarial Gain / (Loss) due to Plan Asset	(2)	(8)
Amount recognised in OCI during the year (Gain)/Loss	(47)	20

V. Investment details :

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

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

VI. Assumptions :	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate (per annum)	7.19%	7.30%
Rate of Return on Plan Assets	7.19%	7.30%
Salary Escalation	6.00%	6.00%
Rate of Employee Turnover	For service 4 years and below 36.00% p.a & For service 5 years and above 5.00% p.a.	For service 4 years and below 36.00% p.a & For service 5 years and above 5.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

VII. - Particulars of amounts for the year and previous years	Gratuity for the year ended March 31,				
	2024	2023	2022	2021	2020
Present value of obligations at the end of the year	260	378	360	413	437
Fair value of plan assets at the end of the year	155	274	321	107	207
Excess of Obligation Over Plan Asset	106	104	38	307	231
Experience Adjustment on Plan Liability (Gain)/Loss	(49)	12	(27)	(0)	74
Actuarial Gain/(Loss) due to Plan Asset	(2)	(8)	(2)	(4)	4

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

C. Sensitivity analysis:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Particulars	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate	1%	1%	(20)	(32)	23	37
Salary growth rate	1%	1%	23	37	(21)	(32)
Employee Turnover	1%	1%	1	3	(1)	(3)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(D) Major Category of Plan Asset as a % of total Plan Assets

Category of Assets (% Allocation)	For the year ended March 31, 2024	For the year ended March 31, 2023
Insurer managed funds	100%	100%
Total	100%	100%

(E) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The gratuity fund is administered through Reliance Nippon Life Insurance Ltd. (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investments is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

The gratuity fund is administered through insurer under its Group Gratuity Scheme. Unique advantage of this scheme is that contribution made by the Company and interest credited by insurer are irreversible. This ensures higher level of safety for the total corpus and consistency in future contribution. The total corpus comprising of money contributed by the Company and the interest credited by insurer is available for claim settlements to 100% subject to availability of funds. On the exit of the employees due to retirement/death/resignation the gratuity trust makes a claim on insurer which is then paid to the employees after receipt of such claim. The investment risk in this case is not borne by the Company.

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

(F) Defined benefit liability and employer contribution

The Company generally eliminates the deficit in the defined benefit gratuity plan within next one year.

Expected contribution to the post employment benefit plan (Gratuity) for the year ending March 31, 2025 are ₹ 125.68 lakhs

The weighted average duration of the defined benefit obligation is 10 years (previous year - 11 years).

The expected maturity analysis of undiscounted post employment benefit plan (gratuity) is as follows :

Particulars	Less than a year	Between 1-2 years	Between 3-5 years	Over 5 years	Total
March 31, 2024					
Defined benefit obligation (gratuity)	14	15	51	446	525
March 31, 2023					
Defined benefit obligation (gratuity)	21	22	72	712	827

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

39 Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims not acknowledged as debts in respect of:		
i. Guarantees given by scheduled banks	-	-
ii. Guarantees given by scheduled banks on behalf of the company to Unique Identification Authority of India	25	25
A. Indirect Tax		
Demand received from indirect tax authorities.		
(a) Service tax demanded on services provided to Western Union Financial Services, INC (WU) on the ground that the ultimate beneficiary of service are located in India. Thus liable to service tax under Business Auxiliary Services. (Period 2005-06 to September 2010)	5,314	5,041
(b) Service tax demanded on services provided to Western Union Financial Services, INC (WU) on the ground that RMEL as an agent provided service on behalf of WU and is liable to service tax under Business Auxiliary Services (Period October 2014 to September 2015)	1,389	1,302
(c) Service tax demanded on delay payment interest collected from the Customers (Period July 2012 to June 2017)	-	2,642
(d) Service tax demanded on difference of Income reported in ITR vis-à-vis STR (Period April 2014 to March 2016)	686	1,133
(e) VAT demand denying the Input tax Credit, considering it ineligible under Rule 53(6) of MVAT Rules (Period April 2009 to March 2010)	161	161
(f) GST demanded on delayed payment interest collected from the customers (Period April 2018 to March 2022)	393	-
(g) Excess ITC claimed on account of mismatch between GSTR 2A and GSTR 3B and short reversal of ITC in line with Rule 42 of the CGST Rules, 2017 (Period: July 2017 to March 2019)	85	-
B. Direct Tax		
Demand received from direct tax authorities.		
(a) AY 2020-21 - The A.O. wrongly made double disallowance of ICDS adjustment of ₹ 245 Lakhs in order U/S 154. Appeal filed on February 07, 2022. CIT(A) order received u/s 250 in our favor on December 15, 2022. Further submission made on December 12, 2022 & February 19, 2023. Order is awaited.	18	14
(b) AY 2021-22 - In the Assessment Order u/s 143(3), the Assessing Officer has made disallowance of ₹ 1784 Lakhs and demand was raised on account of some group expenditure. The appeal filed on January 24, 2023.	226	195
C. Other Legal Matters;		
Demand raised for various legal matters from respective forum/court.	1,894	1,106

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

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

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

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

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

In reference to note No. A (f) - Other claim, the show cause notice has been issued alleging that the Delay payment interest collected is liable to GST. The Issue is industrywide. The Management is of the opinion that the amount collected is in nature of interest being exempted from GST and hence not liable to GST. Accordingly, no provision for the same has been made in the financial statements.

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

40 Capital commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances)	32	-

41 Earnings per share (EPS)

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

Particulars	As at March 31, 2024	As at March 31, 2023
Net profit after tax available for equity shareholders (₹)	1,275	2,028
Weighted average number of shares for computation of Basic EPS	22,00,00,000	22,00,00,000
Basic EPS	0.58	0.92
Weighted average number of shares for computation of Diluted EPS	22,00,00,000	22,00,00,000
Diluted EPS	0.58	0.92

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

Particulars	As at March 31, 2024	As at March 31, 2023
Basic earnings per share	0.58	0.92
Diluted earnings per share	0.58	0.92

42 Lease

The Company has entered into cancellable leasing agreement for office, renewable by mutual consent on mutually agreeable terms. The Company has accounted ₹ 678 lakhs (net) as lease rental for the current year (₹ 623 lakhs (net) for the Previous Year.)

43 Foreign currency transactions

Details of foreign currency transactions are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Expenditure incurred in foreign currency*	-	-
Income earned in foreign currency*	-	-

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

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

Particulars	Outstanding balance	
	As at March 31, 2024	As at March 31, 2023
i) Loans and advances in the nature of loans to subsidiaries	-	-
ii) Loans and advances in the nature of loans to associates	-	-
iii) Loans and advances in the nature of loans to firms / companies in which directors are interested	-	-
iv) Investments by loanee in the shares of parent company and subsidiary company when the company has made a loan or advance in the nature of loan.	-	-
* Loans and advances does not include investment in Bonds and debentures	-	-

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

- 45 Securities received from clients as collateral are held by the Company in its own name in a fiduciary capacity.
- 46 The Company has been unable to obtain Bank Confirmation for the year ended March 31, 2024 for certain Fixed Deposit Receipts (FDRs) amounting to ₹ 11.88 crore from a Scheduled Commercial Bank (Bank), which includes "Client Margin" FDRs amounting to ₹ 9.75 Crore. The Bank has adjusted said FDRs against amounts due and payable by the parent company (Reliance Capital Limited) to the Bank. The Company has obtained legal advise / opinion from a reputed law firm confirming that the action of the Bank to adjust "Client Margin" FDRs can be challenged as being illegal and untenable in law. The regulatory provisions from SEBI also support this position. The Company has also initiated necessary actions against the Bank for said adjustments for Client Margin FDRs, but there is no positive update on the matter and following prudence accounting practices, company has done a 100% provision against the said FDRs.

Further Bank of Maharashtra has confirmed and retained the matured FDRs amounting to ₹ 22.46 Crore against the group receivable (Reliance Capital Limited) which is under NCLT. Hence company has provided for proportionate own fund FDRs amounting to ₹ 10.44 Crore.

- 47 Disclosure as required by clause 2 of regulation 31(1) (Maintenance of books of accounts, record etc.) of IRDAI (Registration of Corporate Agents) Regulations, 2015:-

Name of Insurance Company	Income for FY 2023-24	Income for FY 2022-23
Bajaj Allianz Life Insurance Company Limited	79	93
Care Health Insurance Limited	20	20
HDFC Life Insurance Company Limited	134	106
ICICI Prudential Life Insurance Company Limited	31	-
Liberty General Insurance Limited	4	3
Manipal Cigna Health Insurance Company Limited	7	5
Pramerica Life Insurance Company Limited	3	-
Reliance General Insurance Company Limited	10	8
Reliance Nippon Life Insurance Company Limited	82	81
Royal Sundaram General Insurance Company Limited	3	-
TATA AIA Life Insurance Company Limited	64	-
Total	438	315

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

48 Additional notes of schedule III

- (i) Details of Immovable Properties whose title deeds are not held in name of the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company (also indicate if in dispute)
NIL						

- (ii) **Revaluation of Intangible assets and/or PPE (including Right-of-Use Asset) and Fair Value of Investment Property**

The Company has not revalued its Intangible assets and PPE (including Right-of-Use Asset) during the year. The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

- (iii) **Loans or Advances granted to promoters, directors, KMPs and the related parties**

No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

- (iv) **Capital Work-in-progress: i) CWIP Ageing Schedule ii) CWIP completion schedule**

CWIP aging schedule

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	136	-	-	-	136
Projects temporarily suspended	-	-	-	-	-

CWIP completion schedule

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	-	136	-	-
Projects temporarily suspended	-	-	-	-

- (v) **Intangible assets under development:**

(i) Intangible assets under development aging schedule

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	NIL				
Projects temporarily suspended	NIL				

(ii) Intangible assets under development completion schedule **

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years
NIL				

**Details of projects where activity has been suspended shall be given separately.

- (vi) The company does not have any benami property under the Benami Transactions (Prohibition) Act, 1988)

- (vii) The company does not have any borrowings from banks or financial institution on security of current assets.

- (viii) Information in respect of transactions with companies struck off under section 248 of companies Act, 2013.

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
NIL			

- (ix) No cases of charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

- (x) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

(xi) Ratios

Particulars	Year ended March 31,	Year ended March 31,
	2024	2023
Debt-Equity Ratio	0.02	0.05
Debt Service Coverage Ratio	6.69	2.78
Interest services coverage ratio	4.50	**
Asset Cover Ratio	130.84	55.11
Bad debts to account receivable ratio(%)	0.00%	32.09%
Total debts to total assets ratio	0.00	0.01
Debtors turnover*	NA	NA
Return on Equity Ratio	0.08	0.14
Net profit ratio	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.

Above Ratio is calculated as per below formula-

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

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

(xiii) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities/Intermediaries during the year.

(xiv) The company has not recorded in the books of accounts, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(xv) Details in respect of Corporate Social Responsibility Activities

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) amount required to be spent during the year	35	22
(b) amount of expenditure incurred,	35	22
(c) shortfall at the end of the year,	Nil	Nil
(d) total of previous years shortfall,	Nil	Nil
(e) reason for shortfall,	Nil	Nil
(f) nature of CSR activities,	Rehabilitation of Poor community women, Distribution of sewing Machine and Distribution of Grocery and basic need item to poor family, Solar lamp distribution	Rehabilitation of Poor community women, Distribution of sewing Machine and Distribution of Grocery and basic need item to poor family, Solar lamp distribution
(g) details of related party transactions,	Nil	Nil
(h) If provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil	Nil

(xvi) Details pertaining to Crypto Currency or Virtual Currency

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) profit or loss on transactions involving Crypto currency or Virtual Currency,		
(b) amount of currency held	Nil	Nil
(c) deposits or advances from any person for the purpose of trading or investing in Crypto Currency or virtual currency		

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

- 49 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").
- 50 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company uses the accounting software SAP & Class for maintaining books of account. During the year ended March 31, 2024, the Company had complied with the above provisions.

Reliance Securities Limited

Notes to the financial statements for the year ended March 31, 2024

(Currency: Indian rupees in lakhs)

51 The financial statements were authorised for issue by the Board of Directors at its meeting held on May 03, 2024.

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

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

For Pathak H. D. & Associates LLP

Chartered Accountants

FRN. :- 107783W/W100593

Sd/-

Jigar T. Shah

Partner

M. No. :- 161851

Place : Mumbai

Date: May 03, 2024

For and on behalf of Board of Directors

Sd/-

Lav Chaturvedi

Executive Director & CEO

DIN: 02859336

Sd/-

Sanjay Sharma

Whole Time Director & CFO

DIN: 09592199

Sd/-

Vrunda Dhanesha

Company Secretary

M. No. :- A35255

Reliance Securities Limited

Registered Office: 11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway,
Goregaon East, Mumbai – 400063

CIN: U65990MH2005PLC154052 [Tel.: +91 22 4168 1200 Fax.: +91 22 4168 1220]

**ATTENDANCE SLIP
ANNUAL GENERAL MEETING**

*DP ID. / Client ID.		Name and Address of the registered Shareholder
Regd. Folio No.		
No. of Share(s)held		

(* Applicable for members holding share(s) in electronic form)

I /We hereby record my/our presence at the **19th Annual General Meeting** of the Members of Reliance Securities Limited held on **Monday, September 30, 2024 at 11:00 a.m.** at 11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway, Goregaon East, Mumbai – 400063

Member's/Proxy's Signature

Note: Please complete this and hand it over at the entrance of the venue.

-----TEAR HERE-----

Reliance Securities Limited

Registered Office: 11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway,
Goregaon East, Mumbai – 400063

CIN: U65990MH2005PLC154052 [Tel.: +91 22 4168 1200 Fax.: +91 22 4168 1220]

Proxy Form

Form No. MGT-11

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

Name of the Member (s):			
Registered Address:			
E-mail Id:			
*DP Id. / Client Id.		Regd. Folio No.	

(* Applicable for members holding share(s) in electronic form)

I/We, being the member(s) of shares of the above-named company, hereby appoint:

- (1) Name.....Address:.....
E-mail Id:Signature.....or failing him
- (2) Name.....Address:.....
E-mail Id:Signature.....or failing him
- (3) Name.....Address:.....
E-mail Id:Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **19th Annual General Meeting** of the Company, to be held on **Monday, September 30, 2024 at 11:00 a.m.** at 11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway, Goregaon East, Mumbai – 400063 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution no. and Matter of Resolution	For	Against
1. Considering adoption of the audited financial statement of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon		
2. Approval for appointment of a Director in place of Mr. Lav Chaturvedi, Whole-time Director, who retires by rotation and being eligible, offers himself for re-appointment as director		
3. To approve the re-appointment of Mr. Lav Chaturvedi as a Whole-time Director of the Company		
4. To consider and approve remuneration payable to Mr. Sanjay Sharma, Whole-time Director of the Company		

Signed this ____ day of _____, 2024.

Signature of the Shareholder(s) _____

Affix Revenue Stamp

Signature of Proxyholder(s) _____

Note: This form of Proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, *not less than 48 hours before the Meeting.*

Route Map to the Annual General Meeting Venue

Venue: 11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway, Goregaon East, Mumbai– 400063

Landmark : Next to Hub Mall

