

**Financial Statement**  
**2020-21**  
**Reliance Exchangenext Limited**

# Reliance Exchangenext Limited

## Balance Sheet as at March 31, 2021

Particulars	Note No.	Amount in Rs.	
		As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	3	1 58 205	3 92 065
Investments	4	96 07 99 932	101 60 44 432
<b>Non-financial assets</b>			
Other non-financial assets	5	16 21 603	16 36 342
<b>Total Assets</b>		<b>96 25 79 740</b>	<b>101 80 72 839</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	6	4 83 00 000	19 56 00 000
Other financial liabilities	7	20 39 75 279	5 32 28 247
<b>Non-financial Liabilities</b>			
Provisions	8	-	45 000
Other non-financial liabilities	9	-	6 250
<b>Equity</b>			
Equity share capital	10	42 26 00 000	42 26 00 000
Other equity	11	28 77 04 461	34 65 93 342
<b>Total equity</b>		<b>71 03 04 461</b>	<b>76 91 93 342</b>
<b>Total Liabilities and Equity</b>		<b>96 25 79 740</b>	<b>101 80 72 839</b>

Significant Accounting Policies

2

The accompanying notes are integral part of these financial statements.

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

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

**Ashish Bakliwal**  
 Partner  
 Membership No.: 133823

**Atul Tandon**  
 Director  
 DIN: 00030091

**Yogesh Deshpande**  
 Director  
 DIN: 01585511

**Abhishek Pacharia**  
 Chief Financial Officer

**Ishan Shah**  
 Company Secretary &  
 Manager

Place : Mumbai  
 Date : May 7, 2021

# Reliance Exchangenext Limited

## Statement of Profit and Loss for the year ended March 31, 2021

Amount in Rs.

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
<b>Revenue from Operations</b>		-	-
<b>Total income</b>		<u>-</u>	<u>-</u>
<b>Expenses</b>			
Finance costs	12	35 23 093	2 73 02 747
Net loss on fair value changes	13	5 52 44 500	19 40 05 983
Other expenses	14	92 854	1 73 134
<b>Total expenses</b>		<u>5 88 60 447</u>	<u>22 14 81 864</u>
<b>Profit / (Loss) before tax</b>		<b>(5 88 60 447)</b>	<b>(22 14 81 864)</b>
<b>Income tax expense:</b>			
- Current tax		-	-
- Tax related to earlier years		28 434	-
- Deferred tax		-	-
<b>Profit / (Loss) for the year</b>		<u><b>(5 88 88 881)</b></u>	<u><b>(22 14 81 864)</b></u>
<b>Other comprehensive income</b>			
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive income for the year</b>		<u><b>(5 88 88 881)</b></u>	<u><b>(22 14 81 864)</b></u>
<b>Earnings per share face value of Rs. 10 each fully paid-up</b>			
- Basic (Rs.)	16	<b>(1.39)</b>	<b>(5.24)</b>
- Diluted (Rs.)	16	<b>(1.39)</b>	<b>(5.24)</b>

**Significant Accounting Policies**

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As per our Report of even date

**For Bakliwal & Co**

Chartered Accountants

Firm Registration No. : 130381W

For and on behalf of the Board of Directors of

**Reliance Exchangenext Limited**

**Ashish Bakliwal**

Partner

Membership No.: 133823

**Atul Tandon**

Director

DIN: 00030091

**Yogesh Deshpande**

Director

DIN: 01585511

**Abhishek Pacheria**

Chief Financial Officer

**Ishan Shah**

Company Secretary &  
Manager

Place : Mumbai

Date : May 7, 2021

**Reliance Exchangenext Limited**  
Cash Flow Statement for the year ended March 31, 2021

Amount in Rs.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>Cash flows from operating activities</b>		
<b>Profit / ( Loss) before tax:</b>	(5 88 88 881)	(22 14 81 864)
Adjusted for:		
Net gain/loss on fair value changes	5 52 44 500	19 40 05 983
Interest expense	35 23 093	2 73 02 747
<b>Operating profit before working capital changes</b>	<b>( 1 21 288)</b>	<b>( 1 73 134)</b>
Adjusted for:		
Other non-financial assets	14 739	( 27 900)
Other liabilities	17 21 86 650	82 02 500
<b>Cash generated in operations</b>	<b>17 20 80 101</b>	<b>80 01 467</b>
Taxes paid (net)	-	-
<b>Net Cash generated / (used) in operating activities</b>	<b>17 20 80 101</b>	<b>80 01 467</b>
<b>Cash flows from investing activities</b>	-	-
<b>Net cash inflow / (outflow) from investing activities</b>	-	-
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	-	-
Repayment of borrowings	(14 73 00 000)	-
Interest paid	(2 50 13 961)	( 81 24 106)
<b>Net cash from financing activities</b>	<b>(17 23 13 961)</b>	<b>( 81 24 106)</b>
<b>Net Increase / (Decrease) in Cash and Bank Balances</b>	<b>( 2 33 860)</b>	<b>( 1 22 639)</b>
Add : Cash and cash equivalents at beginning of the year	3 92 065	5 14 705
<b>Cash and cash equivalents at end of the year</b>	<b>1 58 205</b>	<b>3 92 065</b>

Significant Accounting Policies refer note no. 2

The accompanying notes are integral part of these financial statements.

As per our Report of even date

**For Bakliwal & Co**

Chartered Accountants

Firm Registration No. : 130381W

**Ashish Bakliwal**

Partner

Membership No.: 133823

Place : Mumbai

Date : May 7, 2021

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

**Atul Tandon**

Director

DIN: 00030091

**Yogesh Deshpande**

Director

DIN: 01585511

**Abhishek Pacharia**

Chief Financial Officer

**Ishan Shah**

Company Secretary &  
Manager

## Reliance Exchangenext Limited

### Statement of Changes in Equity for the year March 31, 2021

Amount in Rs.

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Number	Amount	Number	Amount
	<b>A Equity share capital</b> (Refer Note - 10)			
Balance at the beginning of the Year	4 22 60 000	42 26 00 000	4 22 60 000	42 26 00 000
Issued during the year	-	-	-	-
Balance at the end of the Year	<b>4 22 60 000</b>	<b>42 26 00 000</b>	<b>4 22 60 000</b>	<b>42 26 00 000</b>
<b>B Other equity</b> (Refer Note - 11)				
	<b>Securities premium</b>	<b>Retained Earnings</b>	<b>Other comprehensi ve income</b>	<b>Total other equity</b>
<b>Balance as at April 01, 2019</b>	62 10 00 000	(5 29 24 794)	-	56 80 75 206
Surplus/(deficit) in the statement of profit and loss	-	(22 14 81 864)	-	(22 14 81 864)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	-	(22 14 81 864)	-	(22 14 81 864)
<b>Balance as at March 31, 2020</b>	<b>62 10 00 000</b>	<b>(27 44 06 658)</b>	<b>-</b>	<b>34 65 93 342</b>
<b>Balance as at April 01, 2020</b>	62 10 00 000	(27 44 06 658)	-	34 65 93 342
Surplus/(deficit) in the statement of profit and loss	-	(5 88 88 881)	-	(5 88 88 881)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	-	(5 88 88 881)	-	(5 88 88 881)
<b>Balance as at March 31, 2021</b>	<b>62 10 00 000</b>	<b>(33 32 95 539)</b>	<b>-</b>	<b>28 77 04 461</b>

Significant Accounting Policies refer note no. 2

The accompanying notes are integral part of these financial statements.

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

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

**Atul Tandon**  
 Director  
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**Ashish Bakliwal**  
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 Membership No.: 133823

**Abhishek Pacharia**  
 Chief Financial Officer

**Ishan Shah**  
 Company Secretary &  
 Manager

Mumbai  
 Date : May 7, 2021

## Reliance Exchangenext Limited

### Notes forming part of the Financial Statements for the year ended March 31, 2021

#### Note 1 : Background

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

#### Note 2: Significant Accounting Policies

##### Note 2.01 Basis of preparation

(i) The financial statements have been prepared on a historical cost basis, except for the assets and liabilities that require measurement at fair value in accordance with Ind AS.

(ii) The financial statements of the company are in accordance with Indian Accounting Standards as IND AS is applicable to Reliance Capital Limited, the Holding Company.

(iii) These financial statements are presented in Indian Rupees which is functional currency of the Company. All amounts are rounded off to the nearest rupee, unless stated otherwise.

##### Note 2.02 Compliance with Ind AS

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

##### Note 2.03 Use of Estimates

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

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

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

#### Critical Estimates and Judgements

##### (i) Estimation of current tax expense and payable

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

##### Note 2.04 Cash and cash equivalents

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

##### Note 2.05 Financial Instruments

###### A. Financial Assets

###### i) Classification

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

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

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

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

## Reliance Exchangenext Limited

### Notes forming part of the Financial Statements for the year ended March 31, 2021

#### ii) Measurement

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

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

#### Debt instruments:

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

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

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

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

#### iii) Impairment of financial assets

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

#### iv) Derecognition of Financial Assets

A financial asset is derecognized only when

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

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

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

### B. Financial Liabilities

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

#### Derecognition of Financial Liabilities

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

#### Note 2.06 Borrowings

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

#### Note 2.07 Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

## Reliance Exchangenext Limited

### Notes forming part of the Financial Statements for the year ended March 31, 2021

#### Note 2.08 Revenue Recognition

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

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

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

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

#### Note 2.09 Income Taxes

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

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

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

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

#### Note 2.10 Earnings Per Share

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



Reliance Exchangenext Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

	As at March 31, 2021	Amount in Rs. As at March 31, 2020
<b>3 Cash and cash equivalents</b>		
Balances with banks:		
In current accounts	1 58 205	3 92 065
	<u>1 58 205</u>	<u>3 92 065</u>

**4 Investments**

**Unquoted, fully paid-up at FVTPL**

**- Fellow Subsidiary Companies**

	Face Value Rs.	Quantity		Value	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Reliance Corporate Advisory Services Limited	10	1 76 50 000	1 76 50 000	1 05 90 000	6 58 34 500
Reliance Capital Pension Fund Limited	10	42 50 000	42 50 000	4 54 86 501	4 54 86 501

**- Others**

Indian Commodity Exchange Limited	5	8 71 00 000	8 71 00 000	85 61 93 000	85 61 93 000
Grover Zampa Vineyards Limited	10	23 54 132	23 54 132	4 85 30 431	4 85 30 431
				<u>96 07 99 932</u>	<u>101 60 44 432</u>

**5 Other non-financial assets**

	As at March 31, 2021	As at March 31, 2020
Advances given	19 000	19 000
Less: Provision for doubtful debts	19 000	-
Balance with government authorities	<u>16 21 603</u>	<u>16 36 342</u>
	<u>16 21 603</u>	<u>16 36 342</u>

Reliance Exchangenext Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

Amount in Rs.

	As at March 31, 2021	As at March 31, 2020
<b>6 Borrowings (Other than debt securities)</b>		
<b>At amortised cost</b>		
Inter-corporate Deposits - Unsecured		
- Related parties (refer note 22 & 24)	4 83 00 000	4 83 00 000
- Others	-	14 73 00 000
	<u>4 83 00 000</u>	<u>19 56 00 000</u>
Borrowings in India	4 83 00 000	19 56 00 000
Borrowings outside India	-	-
	<u>4 83 00 000</u>	<u>19 56 00 000</u>
	As at March 31, 2021	As at March 31, 2020
<b>7 Other financial liabilities</b>		
Interest accrued and due on borrowings (refer note 24)	58 11 879	2 73 02 747
Advances from related parties (refer note 22)	19 81 00 000	2 59 00 000
Other payables	63 400	25 500
	<u>20 39 75 279</u>	<u>5 32 28 247</u>
	As at March 31, 2021	As at March 31, 2020
<b>8 Provisions</b>		
Provision for expenses	-	45 000
	<u>-</u>	<u>45 000</u>
	As at March 31, 2021	As at March 31, 2020
<b>9 Other non-financial liabilities</b>		
Statutory dues	-	6 250
	<u>-</u>	<u>6 250</u>

**Reliance Exchangenext Limited**  
**Notes forming part of the Financial Statements for the year ended March 31, 2021**

Amount in Rs.

	As at March 31, 2021	As at March 31, 2020
<b>10 Equity share capital</b>		
<b>Authorised</b>		
4,30,00,000 (Previous Year 4,30,00,000 ) Equity Shares of Rs 10/- each	43 00 00 000	43 00 00 000
	<u>43 00 00 000</u>	<u>43 00 00 000</u>
<b>Issued, Subscribed and Paid-up</b>		
4,22,60,000 (Previous Year 4,22,60,000 ) Equity Shares of Rs 10/- each fully paid-up	42 26 00 000	42 26 00 000
	<u>42 26 00 000</u>	<u>42 26 00 000</u>

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

	As at March 31, 2021		As at March 31, 2020	
	Qty	Amount	Qty	Amount
Number of Shares Outstanding at the beginning of the year	4 22 60 000	42 26 00 000	4 22 60 000	42 26 00 000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Number of Shares Outstanding at the end of the year	4 22 60 000	42 26 00 000	4 22 60 000	42 26 00 000

**b) Terms and rights attached to equity shares**

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

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

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

Name of the holder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares Held	%	No. of Shares Held	%
Reliance Capital Limited	4 22 60 000	100%	4 22 60 000	100%

	As at March 31, 2021	As at March 31, 2020
<b>11 Other Equity</b>		
Securities premium account *	62 10 00 000	62 10 00 000
	(A) <u>62 10 00 000</u>	<u>62 10 00 000</u>
<b>Surplus/(deficit) in the Statement of Profit and Loss</b>		
Opening balance	(27 44 06 658)	(5 29 24 794)
Net profit / (loss) for the year	(5 88 88 881)	(22 14 81 864)
	(B) <u>(33 32 95 539)</u>	<u>(27 44 06 658)</u>
Closing balance	(A+B) <u>28 77 04 461</u>	<u>34 65 93 342</u>

**\* Securities premium**

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

Reliance Exchangenext Limited  
Notes forming part of the Financial Statements for the year ended March 31, 2021

		Amount in Rs.	
		Year ended March 31, 2021	Year ended March 31, 2020
<b>12</b>	<b>Finance costs</b>		
	<b>On financial liabilities</b>		
	Inter corporate deposits ( refer note 24)	35 23 093	2 73 02 747
		<u>35 23 093</u>	<u>2 73 02 747</u>
		Year ended March 31, 2021	Year ended March 31, 2020
<b>13</b>	<b>Net loss on fair value changes</b>		
	- on financials instruments at fair value through profit and loss	5 52 44 500	19 40 05 983
		<u>5 52 44 500</u>	<u>19 40 05 983</u>
		Year ended March 31, 2021	Year ended March 31, 2020
<b>14</b>	<b>Other expenses</b>		
	Bank charges	4	4 148
	Rates and taxes	43 850	94 986
	Legal & Professional Fees	24 000	24 000
	Payments to auditors [refer note (a) below]	25 000	50 000
		<u>92 854</u>	<u>1 73 134</u>
	<b>Particulars</b>	Year ended March 31, 2021	Year ended March 31, 2020
	<b>a) Remuneration</b>		
	Audit fees	25 000	50 000
	<b>Total</b>	<u>25 000</u>	<u>50 000</u>

15 Income tax

a) The components of income tax expense for the year ended March 31, 2021 and March 31, 2020 are:

Particulars	Amount in Rs.	
	Year ended March 31, 2021	Year ended March 31, 2020
Current tax	-	-
Adjustment in respect of current income tax of prior years	28 434	-
Deferred tax	-	-
<b>Total</b>	<b>28 434</b>	<b>-</b>

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Accounting profit / (loss) before tax	(5 88 60 447)	(22 14 81 864)
<b>Statutory income tax rate</b>	<b>26.00%</b>	<b>26.00%</b>
<b>Tax at India's statutory income tax rate</b>	<b>(1 53 03 716)</b>	<b>(5 75 85 285)</b>
Tax effect of the amount which are not taxable in calculating taxable income :		
- Expenses/ (receipts) not allowable / (offered) for tax purpose	1 43 63 570	5 04 41 556
- Other	9 16 004	70 98 714
- Tax Losses on which no deferred tax has been created	24 142	45 015
<b>Income tax expense at effective tax rate</b>	<b>-</b>	<b>-</b>
<b>Effective tax rate</b>	<b>0%</b>	<b>0%</b>

c) Deferred tax assets / liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax liability :</b>		
Net gain on changes in fair value of investments	-	7 75 328
	-	<b>7 75 328</b>
<b>Deferred tax asset :</b>		
Tax losses and unabsorbed depreciation	41 88 046	1 04 25 962
	<b>41 88 046</b>	<b>1 04 25 962</b>
<b>Net deferred tax (asset) / liability</b>	<b>( 41 88 046)</b>	<b>( 96 50 634)</b>

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

16 Earnings per share (EPS)

Amount in Rs.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net profit / (loss ) after tax available for equity shareholders Face Value is Rs 10 each	(5 88 88 881)	(22 14 81 864)
Weighted average number of equity shares	4 22 60 000	4 22 60 000
<b>Earnings per equity share (Basic and Diluted) as restated</b>	<b>(1.39)</b>	<b>(5.24)</b>

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

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

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

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

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

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

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

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

The Company responded to the petition, challenging the maintainability of the petition filed by MMTC Limited before the Hon'ble Company Law Board. Subsequently the Company has submitted its response to the aforesaid petition before the Hon'ble Company Law Board on February 10, 2012 refuting and denying the purported allegations against the exchange. MMTC on January 19, 2016 sold 10% of its stake in Exchange to outside investors at Rs. 10 per shares (including premium of Rs.5 per share). The matter is listed for hearing before NCLT on July 27, 2021.

### 18 Maturity analysis of assets and liabilities

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

Amount in Rs.

Particulars	As at March 31, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	1 58 205	-	1 58 205	3 92 065	-	3 92 065
Investments	-	96 07 99 932	96 07 99 932	-	101 60 44 432	101 60 44 432
<b>Non-financial assets</b>						
Other non-financial assets	16 21 603	-	16 21 603	16 36 342	-	16 36 342
<b>Total assets</b>	<b>17 79 808</b>	<b>96 07 99 932</b>	<b>96 25 79 740</b>	<b>20 28 407</b>	<b>101 60 44 432</b>	<b>101 80 72 839</b>
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Borrowings	-	4 83 00 000	4 83 00 000	-	19 56 00 000	19 56 00 000
Other financial liabilities	20 39 75 279	-	20 39 75 279	5 32 28 247	-	5 32 28 247
<b>Non-financial Liabilities</b>						
Provisions	-	-	-	45 000	-	45 000
Other non-financial liabilities	-	-	-	6 250	-	6 250
<b>Total liabilities</b>	<b>20 39 75 279</b>	<b>4 83 00 000</b>	<b>25 22 75 279</b>	<b>5 32 79 497</b>	<b>19 56 00 000</b>	<b>24 88 79 497</b>

### 19 Fair value measurement

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

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

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

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

**Fair value hierarchy:**

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

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

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

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

**Financial instruments by category**

Particulars	March 31, 2021				
	Level 1	Level 2	Level 3	Amortised cost	Total
<b>Financial assets at FVTPL</b>					
- Investment	-	90 47 23 431	-	-	90 47 23 431
<b>Financial assets at Deemed cost</b>					
- Investment	-	-	5 60 76 501	-	5 60 76 501
<b>Financial assets at Amortised cost</b>					
- Cash and cash equivalents	-	-	-	1 58 205	1 58 205
	-	90 47 23 431	5 60 76 501	1,58,205.00	96 09 58 137
<b>Financial liabilities</b>					
<b>Financial liabilities at Amortised cost</b>					
- Borrowings	-	-	-	4 83 00 000	4 83 00 000
- Other Financial Liabilities	-	-	-	20 39 75 279	20 39 75 279
	-	-	-	25 22 75 279	25 22 75 279

Particulars	March 31, 2020				
	Level 1	Level 2	Level 3	Amortised cost	Total
<b>Financial assets at FVTPL</b>					
- Investment	-	90 47 23 431	-	-	90 47 23 431
<b>Financial assets at Deemed cost</b>					
- Investment	-	-	11 13 21 001	-	11 13 21 001
<b>Financial assets at Amortised cost</b>					
- Cash and cash equivalents	-	-	-	3 92 065	3 92 065
	-	90 47 23 431	11 13 21 001	3 92 065	101 64 36 497
<b>Financial liabilities</b>					
<b>Financial liabilities at Amortised cost</b>					
- Borrowings	-	-	-	19 56 00 000	19 56 00 000
- Other Financial Liabilities	-	-	-	5 32 28 247	5 32 28 247
	-	-	-	24 88 28 247	24 88 28 247

**20 Financial Risk Management**

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

**Credit risk management:**

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

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

**Liquidity risk management:**

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

**Market Risk Management :**

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

**Sensitivity analysis**

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

(Amount in Rs.)

Particulars	Impact on other components of equity	
	As at March 31, 2021	As at March 31, 2020
For unquoted equity instruments		
Price increase by 5%	4 80 39 997	5 08 02 222
Price decrease by 5%	(4 80 39 997)	(5 08 02 222)

**21 Capital management**

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



**Reliance Exchangenext Limited**  
**Notes forming part of the Financial Statements for the year ended March 31, 2021**

**22 Related party transactions**

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

**A. List of Related Parties and their relationship:**

- i) Holding Company  
 Reliance Capital Limited
- ii) Key management personnel  
 Mr. Atul Tandon (Director)  
 Mr. Madan Mohan Chaturvedi (Director)  
 Mr. Yogesh Deshpande (Director)  
 Mr. Abhishek Pacheria (Chief Financial Officer)  
 Mr. Ishan Shah (Company Secretary & Manager)

**B. Fellow Subsidiaries**

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

**D. Transactions during the year and closing balance**

(Amount in Rs.)

Particulars	Reliance Capital Limited	Reliance Capital Pension Fund Limited	Reliance Corporate Advisory Services Limited	Total
<b>Share Capital</b>				
Balance of Equity Shares as at				
March 31 2021	42 26 00 000	-	-	42 26 00 000
March 31 2020	(42 26 00 000)	(-)	(-)	(42 26 00 000)
<b>Borrowings</b>				
Balance as at				
March 31 2021	4 83 00 000	-	-	4 83 00 000
March 31 2020	(4 83 00 000)	(-)	(-)	(4 83 00 000)
<b>Interest accrued</b>				
Balance as at				
March 31 2021	58 11 879	-	-	58 11 879
March 31 2020	( 58 11 879)	(-)	(-)	( 58 11 879)
<b>Advances Received</b>				
Received during				
March 31 2021	-	-	17 22 00 000	17 22 00 000
March 31 2020	(-)	(-)	(8 20 00 000)	(8 20 00 000)
Balance as at				
March 31 2021	-	-	19 81 00 000	19 81 00 000
March 31 2020	(-)	(-)	(2 59 00 000)	(2 59 00 000)
<b>Investments</b>				
Balance as at				
March 31 2021	-	4 54 86 501	1 05 90 000	5 60 76 501
March 31 2020	(-)	(4 54 86 501)	(6 58 34 500)	(11 13 21 001)
<b>Income from operations</b>				
<b>Expenses</b>				
Fair value change				
2020-21	-	-	(5 52 44 500)	(5 52 44 500)
2019-20	-	( 17 73 499)	(11 96 65 500)	(12 14 38 999)
Interest on ICD				
2020-21	-	-	-	-
2019-20	( 58 11 879)	-	-	( 58 11 879)

Notes :

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

**Reliance Exchangenext Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2021**

- 23 Segment Disclosure  
The Company has no separate reportable business segment. Further, the Company has no geographical segment other than India.
- 24 The Company is facing liquidity issues in repaying it's borrowings and interest there upon. The Company has also defaulted on repayment of principal Rs. 483 Lakh and interest Rs. 58.11 Lakh for 180 days and 184 days respectively till March 31, 2021 payable to Reliance Capital Limited (its holding company) . The Company with its holding company through Expression of Interest (EOI) has initiated for selling some of its investment. Post outcome of EOI the amount will be settled. Accordingly, the interest payable to Holding Company amounted to Rs. 57.96 Lakh has not been accounted for F.Y. 2020-21 and has been considered as contingent liabilities.
- 25 The Management has assessed the potential impact of the COVID-19 on the financial statements of the Company. In assessing the carrying value of its assets, the Company has considered internal and certain external information up to the date of approval of these financial statements, including economic forecasts. The Company expects to recover the carrying amount of these assets. The extent to which global health pandemic will impact the Company's assessment and resultant provision on investments will depend on future developments, which are highly uncertain. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements.
- 26 Based on the information and records available with the Company, there are no suppliers which fall under categories defined under Micro , Small and Medium Enterprises Development Act , 2006. This has been relied upon by the auditors.
- 27 Details of loan given, investment made, Guarantee given and security provided covered u/s 186 (4) of the Companies Act, 2013.  
There were no loan given, guarantee given and security provided by the Company during the year under review. For disclosure related to investment , refer Note number 4 of the Financial Statements.
- 28 The figures of the previous year have been regrouped and reclassified wherever necessary.
- 29 The financial statements are authorised for issue by the Company's Board of Directors on May 7, 2021. The Management and authorities have the power to amend the financial Statement in accordance with Section 130 and 131 of the Companies Act 2013.

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

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

**Ashish Bakliwal**  
Partner  
Membership No.: 133823

**Atul Tandon**  
Director  
DIN: 00030091

**Yogesh Deshpande**  
Director  
DIN: 01585511

**Abhishek Pacharia**  
Chief Financial Officer

**Ishan Shah**  
Company Secretary & Manager

Place : Mumbai  
Date : May 7, 2021