

Reliance Ventures Limited
Financial Statements
2020 – 21

INDEPENDENT AUDITOR'S REPORT

To the Members of RELIANCE VENTURES LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Ventures Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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, 2021, its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

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

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

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

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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 fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those 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 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report

to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we 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, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act.
 - e) On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such

controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting with reference to these financial statements;

- g) 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 does not have any pending litigations which would impact on its financial position.
 - 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 Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration no. 101720W/W100355

For Rajendra & Co.
Chartered Accountants
Firm Registration no. 108355W

Amit Chaturvedi
Partner
Membership No.: 103141
UDIN: 21103141AAAAJK9616

K.K Desai
Partner
Membership No.: 100805
UDIN: 21100805AAAACY3853

Place: Mumbai
Date: April 21, 2021

Place : Mumbai
Date : April 21, 2021

“ANNEXURE A” TO INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE VENTURES LIMITED

(Referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date)

- i) As the Company had no Fixed Assets during the year, clause (i) of paragraph 3 of the order is not applicable to the Company.
- ii) As the Company had no Inventories during the year, clause (ii) of paragraph of 3 of the Order is not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) Company has not directly or indirectly advanced loan to the person or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act. The provisions of section 186 of the Act, in respect of investments, loans, guarantee or security given are not applicable to the company.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- vii) In respect of Statutory dues :
 - a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, goods and service tax, duty of customs, duty of excise, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax , duty of customs, duty of excise, cess on account of any dispute, which have not been deposited.
- viii) In our opinion and according to the information and explanation given to us the company has not raised loans from financial institutions or banks or government or by issue of debentures and hence clause (viii) of paragraph 3 of the Order is not applicable to the Company.

- ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) and terms loans have been used for the purpose for which it has been raised.
- x) 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 by its officers or employees has been noticed or reported during the year.
- xi) The Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii) In our opinion Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii) In our opinion and according to the information and explanations given to us, the Companies transaction with its related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act, hence, reporting under clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi) Based on information and explanation given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and necessary registration has been obtained by the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration no. 101720W/W100355

For Rajendra & Co.
Chartered Accountants
Firm Registration no. 108355W

Amit Chaturvedi
Partner
Membership No.: 103141
UDIN: 21103141AAAAJK9616

K.K Desai
Partner
Membership No.: 100805
UDIN: 21100805AAAACY3853

Place: Mumbai
Date: April 21, 2021

Place : Mumbai
Date : April 21, 2021

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE VENTURES LIMITED

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

We have audited the Internal Financial Control over financial reporting of **Reliance Ventures Limited** (“the company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference To These Financial Statements

A company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company ; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference To These Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration no. 101720W/W100355

For **Rajendra & Co.**
Chartered Accountants
Firm Registration no. 108355W

Amit Chaturvedi
Partner
Membership No.: 103141
UDIN: 21103141AAAAJK9616

K.K Desai
Partner
Membership No.: 100805
UDIN: 21100805AAAACY3853

Place: Mumbai
Date: April 21, 2021

Place : Mumbai
Date : April 21, 2021

Reliance Ventures Limited
Balance Sheet as at 31st March, 2021

₹ in lakhs

	Note	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Financial Assets			
Cash and Cash Equivalents	1	53	43
Loans	2	3689 42	2721 28
Investments	3	527 50	1168 07
Other Financial Assets	4	1 78	12 91
Total Financial Assets		<u>4219 23</u>	<u>3902 69</u>
Non-Financial Assets			
Current Tax Assets (net)	5	-	26 25
Total Non-Financial Assets		<u>-</u>	<u>26 25</u>
Total Assets		<u>4219 23</u>	<u>3928 94</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
Trade Payables Due to:			
Micro and Small Enterprises		-	-
Other than Micro and Small Enterprises		-	-
Other Financial Liabilities	6	7	7
Total Financial Liabilities		<u>7</u>	<u>7</u>
Non-Financial Liabilities			
Provisions	7	2 24	-
Other Non Financial Liabilities	8	2	98
Total Non-Financial Liabilities		<u>2 26</u>	<u>98</u>
Total Liabilities		<u>2 33</u>	<u>1 05</u>
Equity			
Equity Share Capital	9	2 69	2 69
Other Equity	10	4214 21	3925 20
Total Equity		<u>4216 90</u>	<u>3927 89</u>
Total Liabilities and Equity		<u>4219 23</u>	<u>3928 94</u>

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 24

As per our Report of even date

For **Chaturvedi & Shah LLP**
Firm Registration No : 101720W/W100355
Chartered Accountants

Amit Chaturvedi
Partner
Membership No. 103141

Mumbai
Date : 21st April, 2021

For **Rajendra & Co.**
Firm Registration No : 108355W
Chartered Accountants

K.K Desai
Partner
Membership No. 100805

For and on behalf of the Board

Jayashri Rajesh
Director

Dhiren Dalal
Director

Jasmine Jiwani
Company Secretary

Suresh Jagannathan
Chief Financial Officer

Reliance Ventures Limited
Profit and Loss Statement for the year ended 31st March, 2021

	Note	2020-21	₹ in lakhs 2019-20
Revenue from Operations	11		
Interest income		259 79	154 64
Dividend income		-	27
Net gain on fair value changes		<u>141 32</u>	<u>76 97</u>
		401 11	231 88
Other Income			
Interest on IT refund		1 37	-
Total Income		<u>402 48</u>	<u>231 88</u>
EXPENSES			
Finance Cost	12	70	23 43
Other Expenses	13	37 30	16 52
Total Expenses		<u>38 00</u>	<u>39 95</u>
Profit before tax		364 48	191 93
Tax Expenses			
Current Tax	14	76 30	39 75
Adjustment of tax relating to earlier period		<u>(83)</u>	<u>(15)</u>
		<u>75 47</u>	<u>39 60</u>
Profit for the year		289 01	152 33
Other Comprehensive Income		-	-
Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income)		<u>289 01</u>	<u>152 33</u>
Earnings per Equity Share of face value of ₹ 10 each	15		
Basic (in ₹)		1,073.93	566.05
Diluted (in ₹)		1,073.93	566.05
Significant Accounting Policies See accompanying Notes to the Financial	1 to 24		

As per our Report of even date

For **Chaturvedi & Shah LLP**
 Firm Registration No : 101720W/W100355
 Chartered Accountants

Amit Chaturvedi
 Partner
 Membership No. 103141

Mumbai
 Date : 21st April, 2021

For **Rajendra & Co.**
 Firm Registration No : 108355W
 Chartered Accountants

K.K Desai
 Partner
 Membership No. 100805

For and on behalf of the Board

Jayashri Rajesh
 Director

Dhiren Dalal
 Director

Jasmine Jiwani
 Company Secretary

Suresh Jagannathan
 Chief Financial Officer

Reliance Ventures Limited

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

A. Equity Share Capital

₹ in lakhs

Balance at the beginning of the reporting period i.e. 1st April 2019	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period i.e. 31st March, 2020	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e. 31st March, 2021
2 69	-	2 69	-	2 69

B. Other Equity

₹ in lakhs

	Reserves and Surplus				Other Comprehensive Income	Total
	Capital Redemption Reserve	Securities Premium	Statutory Reserve Fund	Retained Earnings		
As on 31st March, 2020						
Balance at the beginning of the reporting period i.e. 1st April, 2019	10	2347 85	252 38	1172 53	-	3772 87
Total Comprehensive Income of the year	-	-	-	152 33	-	152 33
Transferred from retained earnings	-	-	30 50	(30 50)	-	-
Balance at the end of the reporting period i.e. 31st March, 2020	10	2347 85	282 88	1294 37	-	3925 20
As on 31st March, 2021						
Balance at the beginning of the reporting period i.e. 1st April, 2020	10	2347 85	282 88	1294 37	-	3925 20
Total Comprehensive Income of the year	-	-	-	289 01	-	289 01
Transferred from retained earnings	-	-	57 85	(57 85)	-	-
Balance at the end of the reporting period i.e. 31st March, 2021	10	2347 85	340 73	1525 53	-	4214 21

As per our Report of even date

For **Chaturvedi & Shah LLP**

Firm Registration No : 101720W/W100355

Chartered Accountants

Amit Chaturvedi

Partner

Membership No. 103141

Mumbai

Date : 21st April, 2021

For **Rajendra & Co.**

Firm Registration No : 108355W

Chartered Accountants

K.K Desai

Partner

Membership No. 100805

For and on behalf of the Board

Jayashri Rajesh

Director

Dhiren Dalal

Director

Jasmine Jiwani

Company Secretary

Suresh Jagannathan

Chief Financial Officer

Reliance Ventures Limited

Cash Flow Statement for the year ended 31st March, 2021

	2020-21	2019-20	₹ in lakhs
A Cash Flow from Operating Activities			
Net Profit Before Tax as per Statement of Profit and Loss	364 48		191 93
Adjusted for :			
Finance costs	70	23 43	
Interest income	(261 16)	(154 64)	
Dividend income	-	(27)	
General provision on standard assets	7 61	6 58	
Net (Gain) / Loss on Sale of Investments	(141 32)	(69 91)	
	<u>(394 17)</u>		<u>(194 81)</u>
Operating Loss before Working Capital Changes	(29 69)		(2 87)
Adjusted for :			
Trade and other Receivables	40	47 90	
Trade and other Payables	(1)	30	
Movement in loans	(975 75)	(1646 82)	
Interest income	261 00	159 81	
	<u>(714 36)</u>		<u>(1438 81)</u>
Cash Generated from Operations	(744 05)		(1441 68)
Income Taxes paid	(46 99)		(49 08)
Net cash flow (used in) Operating Activities	(791 04)		(1490 76)
B Cash flow from Investing Activities			
Payment for purchase of Investments	(246 55)	(526 56)	
Proceeds from sale of Investments	1039 35	4360 65	
Dividend received	-	27	
Net cash flow from Investing Activities	792 80		3834 36
C Cash flow from financing Activities			
Proceeds from Borrowing - Current (from Holding compar	-	1285 00	
Repayment of Borrowings - Current (to Holding company	-	(3597 40)	
Interest paid	(1 65)	(30 97)	
Net cash flow (used in) Financing Activities	(1 65)		(2343 37)
Net Increase in Cash and Cash Equivalents	10		23
Opening Balance of Cash and Cash Equivalents	43		20
Closing Balance of Cash and Cash Equivalents (Refer Note 1)	<u>53</u>		<u>43</u>

As per our Report of even date

For **Chaturvedi & Shah LLP**
Firm Registration No : 101720W/W100355
Chartered Accountants

Amit Chaturvedi
Partner
Membership No. 103141

Mumbai
Date : 21st April, 2021

For **Rajendra & Co.**
Firm Registration No : 108355W
Chartered Accountants

K.K Desai
Partner
Membership No. 100805

For and on behalf of the Board

Jayashri
Director

Dhiren Dalal
Director

Jasmine Jiwani
Company Secretary

Suresh Jagannathan
Chief Financial Officer

Reliance Ventures Limited

Notes to the Financial Statements

A. CORPORATE INFORMATION

Reliance Ventures Limited ['the company'] is a limited Company incorporated in India having CIN U24120MH1999PLC121009. The registered office of the company is located at 9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400021, India. The Company is a registered Non-Banking Financial Company - Systemically Important Non-Deposit taking Company.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value :

i) Certain financial assets (including derivative instruments) are measured at fair value,

Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

B.2 Summary of Significant Accounting Policies

(a) Finance Cost

Borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

b) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

c) Tax Expenses

The tax expense for the period comprises current and deferred tax, same is recognised in Statement of Profit and Loss.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

d) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of

Reliance Ventures Limited

Notes to the Financial Statements

payment and excluding taxes or duties collected on behalf of the government.

Interest income

Interest Income from a Financial Assets is recognised using effective interest rate method.

Dividends

Revenue is recognised when the Company's right to receive the payment is established.

(e) Financial instruments

i) Financial Assets

A. Initial recognition and measurement:

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

C. Investment in subsidiaries and Fellow subsidiaries

The Company has accounted for its investments in subsidiaries and fellow subsidiaries at cost less impairment loss (if any).

D. Other Equity instruments

All equity investments are measured at fair value, with value changes recognised in statement of profit and loss.

ii) Financial liabilities

A. Initial recognition and measurement:

Reliance Ventures Limited

Notes to the Financial Statements

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derivative financial instruments:

The company uses various derivative financial instruments such as commodity contracts to mitigate the risk of changes in market. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of profit

iv) Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's financial statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial year.

a) Recoverability of trade receivable:

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken

b) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted

c) Impairment of financial assets:

The Company applies the ECL model in accordance with Ind-AS 109 for recognizing impairment loss on financial assets. The expected credit loss is calculated i.e., 12-month expected loss for all facilities in stage 1 and lifetime expected credit loss for all other facilities. The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind-AS 109. Accordingly, the

Reliance Ventures Limited

Notes to the Financial Statements

financial assets are classified into one of the three stages (Stage 1, Stage 2 or Stage 3) based on the assessed credit risk of the instrument/facility. There are three stages:

Stage 1 would include all facilities which have not undergone a significant increase in credit risk since initial recognition

Stage 2 would include facilities meeting the criteria for Significant Increase in Credit Risk and facilities with DPD 30 or more

Stage 3 will have facilities classified as NPA and facilities with DPD 90 or more and are credit impaired

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. Ind AS 109 requires the use of separate PD for a 12-month duration and lifetime duration depending on the stage allocation of the borrower. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

The measurement of impairment losses across all categories of financial assets requires judgement in determining impairment losses and the assessment of a significant increase in credit risk. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions. The inputs and models used for calculating ECLs may not always capture all factors at the date of the financial statements. Adjustments including reversal of ECL is recognized through statement of profit and loss.

d) Recognition of Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of

e) Fair value measurement

For estimates relating to fair value of financial instruments refer note 22 of financial statements

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
1 Cash and Cash Equivalents		
Cash on hand	-	-
Balance with banks:		
In current accounts	53	43
	<u>53</u>	<u>43</u>

	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
2 Loans		
At Amortised Cost		
Unsecured Loans to		
Related parties (Refer note 20)	2885 00	1885 00
Loan to others	472 96	847 21
Secured Loan to others (secured by tangible assets)	350 00	-
Total Gross Loan	<u>3707 96</u>	<u>2732 21</u>
Less ECL and Contingent provision on standard asset #	18 54	10 93
	<u>3689 42</u>	<u>2721 28</u>

Includes provision created pursuant to Section 45JA of the Reserve Bank of India Act, 1934 and Para 14 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Loans in India :		
Other than to Public Sector	3707 96	2732 21
Loans outside India	-	-
	<u>3707 96</u>	<u>2732 21</u>

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

2.1 Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification and analysis of changes in the Impairment loss allowance in relation to Loans :

		₹ in lakhs							
Particulars	As at 31st March, 2021								
	Stage 1		Stage 2		Stage 3		Total		
	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance	
As at 1st April, 2020	2732.21	10.93	-	-	-	-	2732.21	10.93	
Add: Changes in Credit Exposure (Additional disbursement net of repayment)	975.75	7.61	-	-	-	-	975.75	7.61	
Transfer to Stage 1	-	-	-	-	-	-	-	-	
Transfer to Stage 2	-	-	-	-	-	-	-	-	
Transfer to Stage 3	-	-	-	-	-	-	-	-	
Closing Balance	3707.96	18.54	-	-	-	-	3707.96	18.54	

Particulars	As at 31st March, 2020							
	Stage 1		Stage 2		Stage 3		Total	
	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance
As at 1st April, 2019	1086.39	4.35	-	-	-	-	1086.39	4.35
Add: Changes in Credit Exposure (Additional disbursement net of repayment)	1645.82	6.58	-	-	-	-	1645.82	6.58
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Closing Balance	2732.21	10.93	-	-	-	-	2732.21	10.93

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

₹ in lakhs

3 Investments	As at 31st March, 2021			As at 31st March, 2020		
	Cost	At fair value through Profit or Loss	Total	Cost	At fair value through Profit or Loss	Total
Quoted Debentures	-	-	-	-	694 68	694 68
Equity instruments						
Subsidiary *	97 00	-	97 00	97 00	-	97 00
Fellow Subsidiary *	3 32	-	3 32	3 32	-	3 32
Government Securities #	-	6 79	6 79	-	7 29	7 29
Debentures and Bonds #	-	14 86	14 86	-	18 14	18 14
Venture Funds	-	342 96	342 96	-	267 64	267 64
Security Receipt	-	62 57	62 57	-	80 00	80 00
Total (A)	100 32	427 18	527 50	100 32	1067 75	1168 07
Investments outside India	-	-	-	-	-	-
Investments in India	100 32	427 18	527 50	100 32	1067 75	1168 07
Total (B)	100 32	427 18	527 50	100 32	1067 75	1168 07
Less :						
Allowance for impairment Loss (C)	-	-	-	-	-	-
Total (A-C)	100 32	427 18	527 50	100 32	1067 75	1168 07

* The Company has accounted for its investments in Subsidiary and Fellow Subsidiary company at cost less impairment loss (if any)

Investments held as stock-in-trade

Refer note no. 19

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
4 Other Financial Assets		
Accrued interest	78	1 00
Income receivable from Venture funds	-	10 91
Security Deposit *	1 00	1 00
	1 78	12 91

* Deposit with bank of ₹ 100 lakhs (previous year ₹ 100 lakhs) are given as collateral securities.

	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
5 Current Tax Asset (net)		
Advance payment of taxes (net of provisions)	-	26 25
	-	26 25

	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
6 Other Financial Liabilities		
Others payables *	7	7
Interest accrued but not due	0	-
	7	7

* Includes provision for revenue expenditure

	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
7 Provisions		
Provision for Taxation (net)	2 24	-
	2 24	-

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
8 Other Non Financial Liabilities		
Others payables **	2	98
	2	98

** Mainly includes statutory dues

	As at 31st March, 2021		₹ in lakhs As at 31st March, 2020	
	Units	Amount	Units	Amount
9 Equity Share Capital				
Authorised :				
Equity Shares of ₹ 10 each	2,900,000	2 90	2,900,000	2 90
Preference Shares of ₹ 1 each	1,000,000	10	1,000,000	10
		300		300
Issued, Subscribed and Paid up:				
Equity Shares of ₹ 10 each fully paid up	2,691,150	2 69	2,691,150	2 69
		2 69		2 69

Note

a) Details of Share holders holding more than 5% shares

	As at 31st March, 2021		As at 31st March, 2020	
Name of the Shareholders	No. of shares	Held (%)	No. of shares	Held (%)
Reliance Industries Limited (Holding Company)	2,691,150	100.00	2,691,150	100.00

b) Reconciliation of Equity shares outstanding at the beginning and at the end of the year

	As at 31st March, 2021	As at 31st March, 2020
	Nos.	Nos.
Equity shares at the beginning of the year	2,691,150	2,691,150
Add : Shares issued during the year	-	-
Equity shares at the end of the year	2,691,150	2,691,150

c) Rights, Preferences and Restrictions attached to shares

The Equity Shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

	As at 31st March, 2021	As at 31st March, 2020	₹ in lakhs
10 Other Equity			As at
			31st March, 2020
Capital Redemption Reserve			
As per last Balance Sheet	10		10
Securities Premium			
As per Last Balance Sheet	2347 85		2347 85
Statutory Reserve Fund			
As per last Balance Sheet	282 88	252 38	
Add: Transferred from Retained Earnings	<u>57 85</u>	<u>30 50</u>	
	340 73		282 88
Retained Earnings			
As per Last Balance Sheet	1294 37	1172 54	
Add: Profit for the year	<u>289 01</u>	<u>152 33</u>	
	1583 38	1324 87	
Less: Appropriations			
Transferred to Statutory Reserve Fund	<u>57 85</u>	<u>30 50</u>	
	1525 53		1294 37
Total	<u><u>4214 21</u></u>	<u><u>3925 20</u></u>	

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

	2020-21	2019-20	
11 Revenue from Operations			₹ in lakhs
Interest Income			
On Financial Assets measured at Amortised cost			
Interest on Loans	208 71	101 72	
Interest on Fixed Deposits	6	2	
Other interest income	47 36	47 28	
On Financial Assets classified at fair value through profit or loss			
Interest income on investments	<u>3 66</u>	<u>5 62</u>	
	259 79	154 64	
Dividend Income from Financial Assets classified at fair value through profit and loss			
On Investments	-	27	
On stock in trade	<u>-</u>	<u>-</u>	
	-	27	
Net gain on fair value changes			
On Investments (Refer note 11.1)	138 74	78 35	
On stock in trade (Refer note 11.2)	<u>2 58</u>	<u>(1 38)</u>	
	141 32	76 97	
	<u>401 11</u>	<u>231 88</u>	

11.1 Net gain / (loss) on fair value changes - Investments

Net Gain / (Loss) on Financial instrument at fair value through profit and loss

On investments	42 78	92 41
Others - Venture funds	<u>95 96</u>	<u>(14 06)</u>
Total net gain / (loss) on fair value changes	<u>138 74</u>	<u>78 35</u>
Fair Value changes		
Realised	48 74	85 40
Unrealised	<u>90 00</u>	<u>(7 05)</u>
Total net gain / (loss) on fair value changes	<u>138 74</u>	<u>78 35</u>

11.2 Net gain / (loss) on fair value changes - Stock in trade

Net Gain / (Loss) on Financial instrument at fair value through profit and loss

On Investments	2 58	(8 44)
On dealing in interest rate futures	-	7 06
Total net gain / (loss) on fair value changes	<u>2 58</u>	<u>(1 38)</u>
Fair Value changes		
Realised	2 29	(1 74)
Unrealised	<u>29</u>	<u>36</u>
Total net gain / (loss) on fair value changes	<u>2 58</u>	<u>(1 38)</u>

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

	2020-21	₹ in lakhs 2019-20
12 Finance Cost		
Interest on Borrowings (measured at amortised cost)	70	23 43
	<u>70</u>	<u>23 43</u>

	2020-21	₹ in lakhs 2019-20
13 Other Expenses		
Auditors remuneration		
Statutory audit fees	7	6
Tax audit fees	1	1
Certification fees (₹ 10000/-, previous year ₹ 17000/-)	0	0
	<u>8</u>	<u>7</u>
Professional fees	89	89
Brokerage	1	29
Securities transaction tax	3	2 28
Demat/Custodian charges	-	4
Directors sitting fees	10	9
ECL and Contingent provision on standard asset	7 61	6 58
Charity and donations *	28 37	6 00
General expenses	21	27
	<u>37 30</u>	<u>16 52</u>

* Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof

- a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 337 lakhs (previous year ₹ 600 lakhs).
- b) Expenditure related to CSR is ₹ 337 lakhs (previous year ₹ 600 lakhs) is spent through Reliance Foundation.

	2020-21	₹ in lakhs 2019-20
Particulars		
Rural Transformation	2 37	-
Education	-	1 27
Support to Preventive Healthcare Facilities	1 00	473
Total	<u>3 37</u>	<u>6 00</u>

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

	Year ended 31st March, 2021	₹ in lakhs Year ended 31st March, 2020
14 Taxation		
a) Income Tax recognised in Statement of Profit and Loss		
Current Tax		
In respect of the current year	76 30	39 75
In respect of prior year	(83)	(15)
Deferred Tax	-	-
Total income tax expenses recognised in the current year	75 47	39 60

The income tax expenses for the year can be reconciled to the accounting profit as follows:

	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
Profit Before Tax	364 48	191 93
Applicable Tax Rate	17.16%	17.16%
Computed Tax Expense	62 54	32 94
Tax Effect of :		
Income not taxable	-	(46)
Expenses disallowed	12 93	7 12
Tax Expenses recognised in Statement of Profit and Loss	75 47	39 60

	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
b) Current Tax Assets (Net)		
At start of year	26 25	17 06
Charge for the year	(75 47)	(39 75)
Tax paid during the year	46 99	48 94
At end of year	(2 23)	26 25

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

15 Earnings per share (EPS)	2020-21	2019-20
i) Net Profit after Tax as per Statement of Profit and Loss Account attributable to Equity Shareholders (₹ in lakhs)	289 01	152 33
ii) Weighted average number of equity shares used as denominator for calculating EPS	26 91 150	26 91 150
iii) Basic, as well as diluted earnings per equity share (₹)	1,073.93	566.05
iv) Face value per equity share (₹)	10	10

16 The Previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

		₹ in lakhs
		As at
17 Contingent Liabilities	As at	As at
	31st March, 2021	31st March, 2020
i) Commitments towards venture fund units	37 93	43 09

18 Segment Reporting

The Company is engaged in business of finance, trading / investments in shares and securities in India only and there are no separate business / geographical segments as per Ind AS 108- "Operating Segment". The Board (the 'Chief Operating Decision Maker' as defined in Ind AS 108 'Operating Segments'), monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

19 Investments	₹ in lakhs			
	As at 31st March, 2021		As at 31st March, 2020	
	Units	Amount	Units	Amount
I Long term investments				
(A) Investments measured at Cost				
In Equity Shares of Fellow Subsidiary Company				
Quoted, fully paid up				
Den Network Limited of ₹ 10 each	461,520	3 32	461,520	3 32
In Equity Shares of Subsidiary Company				
Unquoted, fully paid up				
Model Economic Township Limited of ₹ 10 each	97,000,000	97 00	97,000,000	97 00
Total (A)		100 32		100 32
(B) Investments measured at Fair Value				
Through Profit and Loss				
In Debentures - Quoted, fully paid up				
HDB Financial Services Limited 0% Secured Redeemable Non Convertible Debentures - Series 113 of ₹ 1000000 each	-	-	3,000	359 01
Bajaj Housing Finance Limited 0% Secured Redeemable Non Convertible Debentures of ₹ 1000000 each	-	-	3,000	335 68
		-		694 68
In Venture fund Unquoted - fully paid up				
HDFC India Real Estate Fund of ₹ 1000 each	-	-	88,880	2
Urban Infrastructure Opportunities Fund of ₹ 27430 each (previous year ₹ 27930 each)	21,600	24 17	21,600	26 23
JM Financial Property Fund - I of ₹ 3720.65 each (previous year ₹ 3720.65 each)	50,000	4 31	50,000	3 66
Faering Capital India Evolving Fund of ₹ 1000 each	1,166,581	159 55	1,502,630	103 16
KKR India Debt Fund I of ₹ 1000 each	147,766	95	147,766	1 09
Paragon Partners Growth Fund - I of ₹ 100 each	4,543,052	61 61	4,427,780	63 18
IIFL Special Opportunities Fund Class A5.1 of ₹ 10 each	49,506,919	56 81	49,506,919	44 24
LICHFL Housing & Infrastructure Fund of ₹ 100 each	516,000	5 16	116,000	1 16
		312 56		242 74
Unquoted, Partly paid up				
3one4 Capital Fund Scheme II of ₹ 100000 each (paid up ₹ 85000, previous year ₹ 85000 each)	2,000	30 40	2,000	24 90
		30 40		24 90

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

In Security Receipt - Unquoted, fully paid up

JMFARC - MARCH 2018 - Trust - Series I of ₹ 782.07 each (previous year ₹ 1000 each)	800,000	62 57	800,000	80 00
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Total (B)	405 53		1042 32	
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Total Long term investments (A+B)	505 85		1142 64	
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Investments outside India	-		-	
Investments in India	505 85		1142 64	
	505 85		1142 64	

Aggregate amount of Quoted Investments	3 32		698 00	
Market Value of Quoted Investments	2 27		697 99	
Aggregate amount of Unquoted Investments	502 53		444 64	
Aggregate provision for impairment in value of Investments	-		-	

1.1 Category-wise Long term Investment

	As at 31st March, 2019		As at 31st March, 2018	
Financial assets measured at Cost	100 32		100 32	
Financial assets carried at amortised cost	-		-	
Financial assets measured at Fair value through other comprehensive income	-		-	
Financial assets measured at Fair value through Profit and Loss	405 53		1042 32	
Total	505 85		1142 64	

₹ in lakhs

II Stock in Trade

Investments measured at Fair Value Through Profit and Loss

	As at 31st March, 2021		As at 31st March, 2020	
In Government Securities - Quoted	6 79		7 29	
In Debenturs or Bonds - Quoted	14 86		18 14	
Total	21 65		25 43	

Investments outside India	-		-	
Investments in India	21 65		25 43	
	21 65		25 43	

Aggregate amount of Quoted Investments	21 65		25 43	
Market Value of Quoted Investments	21 65		25 43	

Category-wise Investment (Stock in Trade)

	As at 31st March, 2021		As at 31st March, 2020	
Financial assets carried at amortised cost	-		-	
Financial assets measured at Fair value through other comprehensive income	-		-	
Financial Assets measured at Fair value through Profit and Loss	21 65		25 43	
Total	21 65		25 43	

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

20 Related Party

i) As per Ind AS 24, the disclosures of transactions with the related parties are given below :

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Holding Company
2	Model Economic Township Limited	Subsidiary Company
3 4 5 6 7 8 9 10 11 12	Reliance Strategic Investments Limited Reliance Industrial Investments and Holdings Limited Reliance Corporate IT Park Limited Reliance Projects & Property Management Services Limited Reliance Commercial Dealers Limited Reliance Strategic Business Ventures Limited Jio Platforms Limited Den Networks Limited Digital Fibre Infrastructure Trust Tower Infrastructure Trust	Fellow Subsidiary Companies / Entities
13 14 15	Jasmine Jiwani Suresh Jagannathan Vishal Kumar	Key Managerial Personnel

ii) Transactions during the year with related parties:

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiary Company/ Entity	KMP	₹ in lakhs
					Total
1 Loans taken / (repaid) (net)	-	-	-	-	-
	(2312 40)	-	-	-	(2312 40)
2 Loan given / (returned) (net)	-	-	1000 00	-	1000 00
	-	-	1635 00	-	1635 00
3 Purchases	-	-	-	-	-
	-	-	117 12	-	117 12
4 Interest income	-	-	171 10	-	17,110
	-	-	68 15	-	68 15
5 Interest expense	-	-	-	-	-
	9 44	-	-	-	9 44
6 Professional Fees	31 *	-	55	10	96
	37 *	-	65	10	1 12

* includes remuneration paid to Key Managerial Personnel on secondment basis ₹ 10 lakhs (previous year ₹ 10 lakhs)

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

20 Related Party (Contd..)	Holding Company	Subsidiary Company	Fellow Subsidiary Company/ Entity	KMP	₹ in lakhs Total
Balance as on 31st March, 2021					
1 Equity share capital (including premium)	2350 55 <i>2350 55</i>	-	-	-	2350 55 <i>2350 55</i>
2 Loans given	-	-	2885 00 <i>1885 00</i>	-	2885 00 <i>1885 00</i>
3 Investments	-	97 00 <i>97 00</i>	3 32 <i>3 32</i>	-	100 32 <i>100 32</i>

Note : Figures in Italic represents previous year's amount.

Disclosure in Respect of Material Related Party Transactions during the year:			₹ in lakhs	
Particulars	Relationship	2020-21	2019-20	
1 Loans taken / (repaid) (net)				
Reliance Industries Limited	Holding Company	-	(2312 40)	
2 Loan Given / (returned) (net)				
Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary Company	1000 00	2964 00	
Reliance Strategic Business Ventures Limited	Fellow Subsidiary Company	-	(1329 00)	
3 Purchases				
Reliance Strategic Investments Limited	Fellow Subsidiary Company	-	117 12	
4 Interest Income				
Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary Company	171 10	47 72	
Reliance Strategic Business Ventures Limited	Fellow Subsidiary Company	-	20 42	
5 Interest expense				
Reliance Industries Limited	Holding Company	-	9 44	
6 Professional fees				
Reliance Industries Limited *	Holding Company	31	37	
Jio Platforms Limited	Fellow Subsidiary Company	19	-	
Reliance Corporate IT Park Limited	Fellow Subsidiary Company	-	16	
Reliance Projects & Property Management Services Limited	Fellow Subsidiary Company	36	49	
Suresh Jaganathan	Key Managerial Personnel	5	5	
Vishal Kumar	Key Managerial Personnel	3	3	
Jasmine Jiwani	Key Managerial Personnel	2	2	

* includes remuneration paid to Key Managerial Personnel on secondment basis ₹ 10 lakhs (previous year ₹ 10 lakhs)

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

21 Capital Management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The company manages its capital structure and make adjustment in light of changes in business condition. The overall strategy remains unchanged as compare to last year.

	₹ in lakhs	
The Net Gearing Ratio at end of the reporting period was as follows	As at 31st March, 2021	As at 31st March, 2020
Gross Debt	-	-
Cash and Marketable Securities	427 71	1068 18
Net debt (A)	-	-
Total Equity (as per Balance Sheet) (B)	4216 90	3927 89
Net Gearing Ratio (A/B)	-	-

22 Financial Instruments

A) Fair Valuation Measurement hierarchy

Particulars	As at 31st March, 2021				As at 31st March, 2020			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amortised Cost								
Investments*	-	-	-	-	-	-	-	-
Cash and Cash Equivalent	53	-	-	-	43	-	-	-
Loans	3689 42	-	-	-	2721 28	-	-	-
Other Financial Assets	1 78	-	-	-	12 91	-	-	-
At FVTPL								
Investments	427 18	21 65	405 53	-	1067 75	25 43	1042 32	-
At FVTOCI	-	-	-	-	-	-	-	-
Financial Liabilities								
At Amortised Cost								
Other Financial liabilities	7	-	-	-	7	-	-	-
At FVTPL	-	-	-	-	-	-	-	-
At FVTOCI	-	-	-	-	-	-	-	-

* Excludes financial assets measured at cost (Refer note no.19)

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below :

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs based on unobservable market data.

Valuation Methodology

All financial instruments are initially recognized and subsequently re-measured at fair value as described below :

The fair value of investment in quoted Equity Shares, Bonds, and Mutual / Venture Funds is measured at quoted price or NAV.

B) Financial Risk Management

Different type of risk the Company is exposed are as under:

Interest rate risk

Company has no borrowing from Bank/FI etc except reverse repo. Interest payable against such borrowing is as per agreed terms.

Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company manages liquidity risk by maintaining adequate reserves and matching maturity profiles of financial assets and financial liabilities.

Reliance Ventures Limited**Notes to the Financial Statements for the year ended 31st March, 2021****Credit risk**

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. The Company assesses the credit quality of all financial instruments that are subject to credit risk. The company categorizes financial assets into stages based on the days past due (DPD) status as under:

Stage 1: Low credit risk i.e. 0 to 30 dpd

Stage 2: Significant increase in credit risk i.e. 31 to 90 dpd

Stage 3: Impaired assets i.e. more than 90 dpd

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which a 12 month ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognised for stage 2 and stage 3 financial assets

The Company calculates ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

Market risk

Companies main activity is to do trading in financial instruments viz. equity shares, debentures, bonds, derivatives etc. This market is influenced by domestic / international political, financial and other events occurring on day to day basis. Hence the market is constantly volatile and uncertain. Company has strong treasury philosophies and practices and is well geared to meet the challenges of volatile market conditions.

23 Approval of Financial Statements

The Financial statements were approved for issue by the Board of Directors on April 21, 2021.

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

24 NBFC Disclosures

Disclosures of details as required by Paragraph 17, 19 and 73 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, are given to the extent applicable.

Liabilities side	Amount outstanding	₹ in lakhs Amount overdue	
I Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid			
a) Inter-corporate loans and borrowing	-	-	
		₹ in lakhs Amount Outstanding	
II Break-up of Loans and Advances including bills receivables			
Secured		350 00	
Unsecured		3358 74	
III Break up of Leased Assets and Stock on hire and other assets counting towards AFC activities		NIL	
IV Break-up of Investments			
Current Investments (Incl. Stock-in-trade)			
1. Quoted			
i) Shares : Equity		NIL	
2. Unquoted			
i) Government Securities and Bonds		21 65	
Long Term investments			
1. Quoted			
i) Shares : Equity		3 32	
ii) Debentures / Bonds		NIL	
2. Unquoted			
i) Shares : Equity		97 00	
ii) Units of venture funds		342 96	
iii) Securities receipt		62 57	
V Borrower group-wise classification of assets financed as in (II) and (III) above :			
Category	Secured	Amount net of provision Unsecured	Total
1. Related Parties			
i) Subsidiaries	-	-	-
ii) Companies in same group	-	2885 00	2885 00
iii) Other related parties	-	-	-
2. Other than related parties	350 00	473 74	823 74
Total	350 00	3358 74	3708 74
VI Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		Market value/ Break up or fair value or NAV	Book value (net of provisions)
Category			
1. Related Parties			
i) Subsidiary company		97 00	97 00
ii) Companies in same group		2 27	3 32
iii) Other related parties		-	-
2. Other than related parties		427 18	427 18
Total		526 45	527 50
VII Other information			Amount
Particulars			
1. Gross Non-Performing Assets			NIL
2. Net Non-Performing Assets			NIL
3. Assets acquired in satisfaction of debt			NIL

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

24 NBFC Disclosures

Disclosures of details as required by Paragraph 17, 19 and 73 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, are given to the extent applicable.

24.2	1. Capital to Risk Assets Ratio (CRAR)	As at 31st March, 2021	As at 31st March, 2020									
		(%)	(%)									
	i) CRAR	98.13	99.60									
	ii) CRAR - Tier I Capital	97.04	99.12									
	iii) CRAR - Tier II Capital	1.09	0.48									
	2. Exposure to Real Estate Sector		₹ in lakhs									
	Category	As at 31st March, 2021	As at 31st March, 2020									
	a) Direct exposure											
	i) Residential Mortgages	NIL	NIL									
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹.15 lakh may be shown separately)											
	ii) Commercial Real Estate	NIL	NIL									
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential building, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;											
	iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures											
	- Residential	NIL	NIL									
	- Commercial Real Estate	NIL	NIL									
	b) Indirect Exposure *	33 63	40 72									
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)											
	* Loan / Investment in Property Venture Funds / Debentures / Equity shares											
	3. Asset Liability Management - maturity pattern of certain items of assets and liabilities		₹ in lakhs									
		1 day to 7 days	8 days to 14 days	15 days to 30 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
	Liabilities											
	Borrowings from Banks	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Market Borrowings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Loan from Holding Company	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Assets											
	Advances	NIL	NIL	10	11	89	34	11 13	2838 67	406 02	451 48	3708 74
	Investments	NIL	NIL	5 00	5 00	5 00	31 77	NIL	283 24	92 02	105 48	527 50

24.3 The frauds detected and reported for the year amounted to ₹ Nil (Previous year ₹ Nil).

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

24 Disclosures of details as required by Paragraph 17, 19 and 73 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, are given to the extent applicable.

24.4 a) Capital	As at 31st March, 2021	As at 31st March, 2020
i) CRAR (%)	98.13	99.60
ii) CRAR – Tier I Capital (%)	97.04	99.12
iii) CRAR – Tier II Capital (%)	1.09	0.48
iv) Amount of subordinated debt raised as Tier-II capital (₹)	NIL	NIL
v) Amount raised by issue of Perpetual Debt instruments (₹)	NIL	NIL
		₹ in lakhs
b) Investments (Incl. Stock - in - Trade)	As at 31st March, 2021	As at 31st March, 2020
i) Value of Investments		
(a) Gross Value of Investments		
i) In India	527 50	1168 07
ii) Outside India	NIL	NIL
(b) Provision for Depreciation		
i) In India	NIL	NIL
ii) Outside India	NIL	NIL
(c) Net Value of Investments		
i) In India	527 50	1168 07
ii) Outside India	NIL	NIL
ii) Movement of provisions held towards depreciation on investments	NIL	NIL
		₹ in lakhs
c) Derivatives	As at 31st March, 2021	As at 31st March, 2020
i) Forward Rate Agreement / Interest Rate Swap	NIL	NIL
ii) Exchange Traded Interest Rate (IR) Derivatives	NIL	NIL
iii) Disclosures on Risk Exposure in Derivatives		
i) Qualitative Disclosure	NIL	NIL
ii) Quantitative Disclosures	NIL	NIL
d) Securitisation	NIL	NIL
i) Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction	NIL	NIL
ii) Assignment transactions	NIL	NIL
iii) Non-Performing Financial Assets Purchased	NIL	NIL
iv) Non-Performing Financial Assets Sold	NIL	NIL
e) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities - Refer note : 24(2)(3)		
f) Exposures		
i) Exposure to Real Estate Sector - Refer 24 (2)(2)		
ii) Exposure to Capital Market		
i) Investment in quoted equity shares, Government Securities and bonds	24 97	723 43
ii) Exposure to Venture Capital Funds	342 96	278 55
	367 93	1001 98

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

- 24** Disclosures of details as required by Paragraph 17, 19 and 73 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, are given to the extent applicable.

	₹ in lakhs As at 31st March, 2021
g) Details of financing of parent company products	NIL
h) Details of Single Borrower Limit / Group Borrower Limit exceeded	NIL
i) Unsecured Advances Total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral	NIL
j) Registration obtained from other financial sector regulators	NIL
k) Penalties imposed by RBI and other regulators	NIL
l) Related party transaction - Refer note no. 20	
m) Ratings assigned by credit rating agencies and migration of ratings during the year	NIL
n) Remuneration of Directors and Transactions with non executive directors (Directors sitting fees)	10
o) Impact of prior period items on current year's profit and loss	NIL
p) Revenue recognition has been postponed:	NIL
q) Indian Accounting Standard 110 - Consolidated Financial Statements (CFS)	Refer note I
r) Provisions and Contingencies - Refer note : 2, 7 & 17	58 70
s) Draw Down from Reserves	
t) Country of Operation is whole of India and there are no joint venture partners and Overseas Subsidiaries of the Companies	NIL
u) Concentration of Deposits, Advances, Exposures and NPAs	
i) Concentration of Deposits	NIL
ii) Concentration of Advances	
Total Advances to twenty largest borrowers	3707 96
Percentage of Advances to twenty largest borrowers to total advances	100
iii) Concentration of Exposure	
Total exposure to twenty largest borrowers / customers	3707 96
Percentage of exposures to twenty largest borrowereres / customers to total exposure	100
iv) Concentration of NPAs	NIL
v) Sector-wise NPAs	NIL
vi) Movement of NPAs	NIL
v) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)	NIL
w) Off-balance Sheet SPVs sponsored	NIL
x) Customer Complaints	NIL

Note I : Exemption availed under Rule 6 of Companies (Accounts) Rules, 2014

	As at 31st March, 2021
24.5 Additional Ratios	
a) Short – term liability to Total Assets	0.00
b) Short Term liability to long term assets	0.00
c) Commercial papers to total assets	NA
d) Non Convertible Debentures to Total Assets	NA
e) Short Term Liabilities to Total liabilities	0.04
f) Long term Assets to Total Assets	0.99
g) Liquidity Coverage Ratio : High Quality Liquid Assets / Total Net Cash Outflow over next 30 days	3,629.62

Reliance Ventures Limited

Notes to the Financial Statements for the year ended 31st March, 2021

- 24 Disclosures of details as required by Paragraph 17, 19 and 73 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, are given to the extent applicable.

₹ in lakhs

(1)	(2)	(3)	(4)	(5=3-4)	(6)	(7=4-6)
h) Assets Classification as per RBI Norms	Assets Classification as per INDAS 109	Gross carrying amount as per INDAS	Loss allowances (provisions) as required under INDAS	Net Carrying amount	Provisions required as per IRACP norms	Difference between INDAS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	3707 96	18 54	3689 42	14 83	3 71
	Stage 2	NIL	NIL	NIL	NIL	NIL
Sub total		3707 96	18 54	3689 42	14 83	3 71
Non Performing Assets (NPA)						
Substandard	Stage 3	NIL	NIL	NIL	NIL	NIL
Doubtful upto 1 year	Stage 3	NIL	NIL	NIL	NIL	NIL
1 to 3 years	Stage 3	NIL	NIL	NIL	NIL	NIL
More than 3 years	Stage 3	NIL	NIL	NIL	NIL	NIL
Subtotal for doubtful		NIL	NIL	NIL	NIL	NIL
Loss						
Subtotal for NPA	Stage 3	NIL	NIL	NIL	NIL	NIL
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	NIL	NIL	NIL	NIL	NIL
	Stage 2	NIL	NIL	NIL	NIL	NIL
	Stage 3	NIL	NIL	NIL	NIL	NIL
Sub total		NIL	NIL	NIL	NIL	NIL
Total	Stage 1	3707 96	18 54	3689 42	14 83	3 71
	Stage 2	NIL	NIL	NIL	NIL	NIL
	Stage 3	NIL	NIL	NIL	NIL	NIL
	Total	3707 96	18 54	3689 42	14 83	3 71

As per our Report of even date

For **Chaturvedi & Shah LLP**
Firm Registration No : 101720W/W100355
Chartered Accountants

Amit Chaturvedi
Partner
Membership No. 103141

Mumbai
Date : 21st April, 2021

For **Rajendra & Co.**
Firm Registration No : 108355W
Chartered Accountants

K.K Desai
Partner
Membership No. 100805

For and on behalf of the Board

Jayashri Rajesh
Director
Dhiren Dalal
Director
Jasmine Jiwani
Company Secretary
Suresh Jagannathan
Chief Financial Officer