

RKSV Securities India Private Limited
Balance Sheet as at 31st March 2021

		Rs. INR	
Particulars	Notes	31 March 2021	31 March 2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	33,774,290	33,774,290
Reserves and surplus	4	1,134,021,554	1,695,217,381
Non-current liabilities			
Long Term Borrowings	5	1,685,689	-
Deferred tax liability (net)		-	-
Long-term provisions	6	28,002,568	15,264,337
Current liabilities			
Short term borrowings	7	-	360,639,123
Trade payables (refer note 24)	8		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		12,424,262,562	5,181,948,499
Other current liabilities	9	168,253,785	91,502,647
Short-term provisions	10	2,626,203	1,561,510
Total of Liabilities		13,792,626,651	7,379,907,787
Non-current assets			
Property, Plant and Equipment			
Tangible assets	11	86,519,961	50,369,191
Intangible assets	11	7,620,001	1,611,034
Intangible assets under development	11	421,348,064	83,445,484
Non-current investments	12	124,654,839	124,468,965
Deferred tax assets (net)	13	-	13,987,669
Long-term loans and advances	14	62,493,907	85,809,132
Current assets			
Trade receivables	15	44,096,831	40,993,737
Cash and bank balances	16	11,330,253,881	6,527,920,991
Short-term loans and advances	14	1,510,585,136	96,970,421
Other current assets	17	205,054,031	354,331,164
Total of Assets		13,792,626,651	7,379,907,787

Significant accounting policies and notes to accounts 1 to 47

The notes referred to above form an integral part of the financial statements

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
RKSV Securities India Private Limited
CIN : U74900DL2009PTC189166

Ashish Gupta
Membership No: 215165
Place : Pune
Date : 29th December 2021

Ravi Chandran Kumar **Amit Chhotalal Lalan**
Director Director
DIN : 02499607 DIN : 03098172
Place : Mumbai Place : Mumbai
Date : 29th December 2021

RKSV Securities India Private Limited
Statement of profit and loss for the year ended 31st March 2021

Particulars	Notes	Year ended 31 March 2021	Rs. INR Year ended 31 March 2020
Revenue			
Revenue from operations	18	3,856,412,356	1,249,007,282
Other income	19	434,738,101	231,072,534
Total Revenue		4,291,150,457	1,480,079,816
Expenses			
Employee benefit expenses	20	652,010,856	323,959,086
Depreciation and amortisation expenses	21	50,472,584	25,017,221
Finance Cost	22	1,771,645	639,123
Other expenses	23	4,269,006,431	1,516,822,061
Total Expenses		4,973,261,516	1,866,437,491
Profit / (loss) before tax		(682,111,059)	(386,357,675)
Income tax expenses			
Current tax		-	-
MAT Asset Reversal (refer note no.33)		20,684,594	826,097
Adjustment related to previous year (Current Tax)		-	577,395
Deferred tax		13,987,669	(7,907,754)
Profit / (loss) for the period		(716,783,322)	(379,853,413)
Earnings per equity share (EPS) (nominal value of shares Rs.10 (previous year Rs.10))	28		
Basic EPS		(477.79)	(253.20)
Diluted EPS		(477.79)	(253.20)

Significant accounting policies and notes to accounts

1 to 47

The notes referred to above form an integral part of the financial statements

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

RKSV Securities India Private Limited

CIN : U74900DL2009PTC189166

Ashish Gupta

Membership No: 215165

Place : Pune

Date : 29th December 2021

Ravi Chandran Kumar

Director

DIN : 02499607

Place : Mumbai

Date : 29th December 2021

Amit Chhotalal Lalan

Director

DIN : 03098172

Place : Mumbai

RKSV Securities India Private Limited
Statement of cashflow for the year ended 31st March 2021

		Rs. INR
Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Cash flows from operating activities		
Profit / (loss) before tax	(682,111,059)	(386,357,673)
Adjustments for:		
Depreciation and amortisation expenses	50,472,584	25,017,221
Employee Compensation expenses	155,587,495	23,722,675
Provisions for gratuity	7,096,807	5,852,125
Provisions for compensated expenses	5,132,394	574,581
Provision for doubtful debts and bad debts w/off	116,056,004	22,872,788
Provision for lease equalisation	1,573,723	561,717
Foreign exchange loss	67,958	4,631,093
Interest expense	1,771,645	639,123
Net gain on sale of non current investments	-	(6,191,077)
Adjustment for changes in working capital :		
(Increase) / Decrease in trade receivables	(119,159,100)	(46,367,312)
(Increase) / Decrease in other current assets	149,277,133	(331,234,328)
(Increase) / Decrease in loans and advances	(1,375,654,282)	25,604,759
(Increase) / Decrease in deposits with bank	(5,440,196,308)	(2,908,025,000)
Increase / (Decrease) in other current liabilities	76,751,139	51,474,335
Increase / (Decrease) in trade payables	7,242,246,105	2,697,303,607
Cash generated from operations	188,912,237	(819,921,364)
Income taxes paid	(35,329,800)	(30,569,257)
Dividends paid	-	-
Net cash (used in) / generated from operating activities	I 153,582,437	(850,490,621)
Cash flows from investing activities		
Purchase of property, plant and equipment	(92,632,322)	(44,939,344)
Payment towards assets under development	(337,902,580)	(83,445,484)
Acquisition of long term investments	(185,874)	(3,600,729,929)
Sale of long term investments	-	3,606,715,489
Net cash (used in) / generated from investing activities	II (430,720,776)	(122,399,266)
Cash flows from financing activities		
Proceeds from issue of preference shares	-	1,784,734,849
Net increase/(Decrease) in long term borrowings	1,685,689	-
Net increase/(Decrease) in short term borrowings	(360,639,123)	355,630,739
Interest expense	(1,771,645)	(639,123)
Net cash (used in) / generated from financing activities	III (360,725,079)	2,139,726,465
Net increase in cash and cash equivalents	I+II+III (637,863,418)	1,166,836,578
Cash and cash equivalents at beginning of year	1,636,145,991	469,359,413
Cash and cash equivalents at end of year	998,282,573	1,636,195,991
Components of cash and cash equivalents at end of year		
Balances with banks	998,278,858	1,636,121,850
Cash on hand	3,715	24,141
Total	998,282,573	1,636,145,991

Note :

The above cash flow statement is prepared under the "Indirect Method" as set out in Accounting Standard (AS) - 3 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
RKSV Securities India Private Limited
CIN : U74900DL2009PTC189166

Ashish Gupta
Membership No: 215165
Place : Pune
Date : 29th December 2021

Ravi Chandran Kumar **Amit Chhotalal Lalan**
Director Director
DIN : 02499607 DIN : 03098172
Place : Mumbai Place : Mumbai
Date : 29th December 2021

RKSV Securities India Private Limited
Notes to the financial statements for the year ended 31 March 2021

Note : 3

Share capital	31 March 2021	31 March 2020
Authorised capital		
2,000,000 of Equity shares of Rs. 10 each [31 March 2020 : 2,000,000 of Equity Shares of Rs. 10 each]	20,000,000	20,000,000
5,00,000 of Preference shares of Rs. 10 each [31 March 2020 : 5,00,000 of Preference Shares of Rs. 10 each]	5,000,000	5,000,000
5,50,000 Preference shares of Rs. 30 each [31 March 2020 : 5,50,000 of Preference Shares of Rs. 30 each]	16,500,000	16,500,000
Issued, Subscribed and paid up capital		
1,677,959 of Equity shares of Rs. 10 each [31 March 2020 : 16,77,959 of Equity Shares of Rs. 10 each]	16,779,590	16,779,590
Less : Amount recoverable from ESOP Trust (face value of 177,759 share allotted to the Trust)	(1,777,590)	(1,777,590)
	<u>15,002,000</u>	<u>15,002,000</u>
3,28,960 of Preference shares of Rs. 10 each of Series A CCPS* [31 Mar 2020 : 3,28,960 of Preference Shares of Rs. 10 each of Series A CCPS]	3,289,600	3,289,600
24,617 of Preference Shares of Rs. 10 each of Series A2 CCPS* [31 Mar 2020 : 24,617 of Preference Shares of Rs. 10 each of Series A2 CCPS]	246,170	246,170
507,884 of Preference Shares of Rs. 30 each of Series B CCPS* [31 Mar 2020 : 507,884 of Preference Shares of Rs. 30 each of Series B CCPS]	15,236,520	15,236,520
Total	<u>33,774,290</u>	<u>33,774,290</u>

*Note * - CCPS is compulsorily convertible preference shares*

(a) Rights, preferences and restriction attached to shares

Equity Shares

The Company has one class of equity shares having a par value of Rs 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing 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 amounts, in proportion to their shareholding.

Preference Shares

The Company has three class of preference shares namely Series A CCPS (Compulsorily Convertible Cumulative Non-Participating Preference Shares), Series A2 CCPS (Compulsorily Convertible Cumulative Non-Participating Preference Shares) and Series B CCPS (Compulsorily Convertible Cumulative Non-Participating Preference Shares). Series A CCPS and Series A2 CCPS are issued at a par value of Rs 10 whereas Series B CCPS are issued at a par value of Rs 30 each.

The Series A CCPS, Series A2 CCPS and Series B CCPS are issued at a minimum preferential dividend rate of 0.001% (Zero point Zero Zero One percent) per annum on a pari passu (the "Preferential Dividend"). The Preferential Dividend is cumulative and shall accrue from year to year whether or not paid, and accrued dividends shall be paid in full (together with dividends accrued from prior years, provided that such dividends are due only when declared) prior and in preference to any dividend or distribution payable upon shares of any other class or series in the same fiscal year; provided that dividend shall be paid to the Series A CCPS on a pari passu basis with the Series A2 CCPS and the Series B CCPS. Notwithstanding the above, the Preferential Dividend shall be due only when declared by the Board. Provided, the holder shall not be entitled to any additional voting rights under the Act on account of non-payment of dividend.

Series A, A2 and B CCPS may be converted into Equity Shares at any time at the option of the holder at the conversion price then in effect upon earlier of (i) one day prior to the expiry of 20 years from the date of issuance thereof or (ii) in connection with any public offering by the Company including the Qualified Institutional Placement, prior to the filing of prospectus (or equivalent document by whatever name called) by the Company with competent authority or such later date as may be permitted under Law. The Series A, A2 and B CCPS shall be converted into 1 (One) Equity Share at the Series A, A2, B Conversion Price, respectively determined as provided under the shareholder agreements in effect at the time of conversion.

Note : 4

Reserves And Surplus	31 March 2021	31 March 2020
Securities Premium		
Balance as at the beginning of the year	2,016,767,622	247,269,293
Additions during the year	-	1,769,498,329
Balance as at the end of the year	<u>2,016,767,622</u>	<u>2,016,767,622</u>
Stock options outstanding account		
Balance as at the beginning of the year	23,722,675	-
Additions during the year	155,587,495	23,722,675
Balance as at the end of the year	<u>179,310,170</u>	<u>23,722,675</u>
Balance in the statement of profit and loss		
Balance as at the beginning of the year	(345,272,916)	34,580,495
Add : Profit/(Loss) for the year	(716,783,322)	(379,853,411)
Balance as at the end of the year	<u>(1,062,056,238)</u>	<u>(345,272,916)</u>
Total	<u>1,134,021,554</u>	<u>1,695,217,381</u>

Note : 5

Long Term Borrowings

Car loan liability*	1,685,689	-
	<u>1,685,689</u>	<u>-</u>

*Company has taken secured loan of Rs. 23,63,000 from Toyota Financial Services Limited payable in Equated Monthly Installment of Rs. 48,995 in 60 months at the rate of 8.96% p.a.

RKSV Securities India Private Limited
Notes to the financial statements for the year ended 31 March 2021

Note : 6

Long Term Provisions

	31 March 2021	31 March 2020
Provision for gratuity	19,252,668	12,759,844
Provision for leave encashment	6,463,793	1,792,109
Provision for lease equalisation	2,286,107	712,384
	28,002,568	15,264,337

Note : 7

Short Term Borrowings

	31 March 2021	31 March 2020
7.2% bank overdraft from IndusInd Bnak Limited, secured by fixed deposits	-	360,639,123
	-	360,639,123

Note : 8

Trade Payables

	31 March 2021	31 March 2020
Payable to clients	9,601,070,634	4,144,116,563
Margin balances	2,198,529,718	636,957,246
Transaction charges payable	59,606,988	37,718,835
Payable to Creditors for expenses	536,533,030	305,505,276
Payable to stock Exchanges	28,522,192	57,650,579
	12,424,262,562	5,181,948,499

Note : 9

Other Current Liabilities

	31 March 2021	31 March 2020
Statutory and other exchange related dues payable	84,388,624	78,569,257
Current maturity of long term Debt	416,599	-
Income received in advance	-	5,660,208
Accrued expenses and expenses payable	83,448,562	7,273,182
	168,253,785	91,502,647

Note : 10

Short Term Provisions

	31 March 2021	31 March 2020
Provision for compensated absences	642,249	181,539
Provision for gratuity	1,983,954	1,379,971
	2,626,203	1,561,510

Note : 12

Non Trade, Long term Investment in Mutual Funds (valued at cost)

	31 March 2021	31 March 2020
198,106.75 units (previous year : 198,106.75 units) of Aditya Birla Sun Life Savings Fund - Growth	62,137,385	62,137,385
188,346.24 units (previous year : 188,346.24 units) of ICICI Prudential Savings Fund Plan - Regular	57,126,064	57,126,064
280,401.09 units of ICICI Prudential Ultra term growth fund (previous year : 280,401.09 units)	5,000,000	5,000,000
193.99 units of HDFC Overnight Fund - Daily dividend (previous year : 193.99 units)	205,516	205,516
	124,468,965	124,468,965

Long term Investment in Quoted Shares (valued at cost)

14,893 units of Yes bank Limited	185,874	-
	185,874	-
	185,874	-

Total

Notes :

Cost of mutual funds under lien with clearing member for margin requirement included in the above	-	113,069,252
Aggregate book value of unquoted investments	124,468,965	124,468,965
Aggregate net asset value of unquoted investments	168,342,955	158,275,412
Aggregate book value of quoted investments	185,874	-
Aggregate market value of quoted investments	185,874	-

RKSV Securities India Private Limited
Fixed Assets as on 31 March 2021

Note 11 : Property, Plant and Equipments

Particulars	Gross Block				Accumulated depreciation			Closing as on 31 March 2021
	Opening as on 01April 2020	Additions	Disposal	Closing as on 31 March 2021	Opening as 01April 2020	Depreciation charge for the period	Closing	
Tangible Assets								
(A) MOTOR VEHICLES	1,046,900	3,076,697	-	4,123,597	994,556	608,187	1,602,743	2,520,854
(B) COMPUTER	55,386,913	68,222,736	-	123,609,649	36,389,490	27,778,107	64,167,597	59,442,052
(C) MOBILE PHONES	5,732,790	992,276	-	6,725,066	2,634,754	1,522,083	4,156,837	2,568,229
(D) OFFICE EQUIPMENTS	10,706,675	1,658,741	-	12,365,416	5,930,564	2,729,356	8,659,920	3,705,495
(E) PLANT & MACHINERY	5,521,099	-	-	5,521,099	5,185,467	59,895	5,245,362	275,738
(F) FURNITURE & FIXTURES	16,298,171	1,080,699	-	17,378,870	5,301,431	3,030,513	8,331,945	9,046,925
(G) LEASEHOLD IMPROVEMENTS	16,699,217	5,069,857	-	21,769,074	4,586,312	8,222,094	12,808,406	8,960,668
Total (A)	111,391,764	80,101,005	-	191,492,769	61,022,574	43,950,235	104,972,809	86,519,961
Intangible Assets								
(F) COMPUTER SOFTWARE	8,092,157	12,531,317	-	20,623,474	6,481,123	6,522,349	13,003,472	7,620,001
Total (B)	8,092,157	12,531,317	-	20,623,474	6,481,123	6,522,349	13,003,472	7,620,001
Intangible assets under development								
(F) COMPUTER SOFTWARE	83,445,484	337,902,580	-	421,348,064	-	-	-	421,348,064
Total (C)	83,445,484	337,902,580	-	421,348,064	-	-	-	421,348,064
Total (A+B+C)	202,929,405	430,534,902	-	633,464,307	67,503,697	50,472,584	117,976,281	515,488,026

Fixed Assets as on 31 March 2020

Particulars	Gross Block				Accumulated depreciation			Closing as on 31 March 2020
	Opening as on 01April 2019	Additions	Disposal	Closing as on 31 March 2020	Opening as on 01April 2019	Depreciation charge for the period	Closing	
Tangible Assets								
(A) MOTOR VEHICLES	1,046,900	-	-	1,046,900	994,556	-	994,556	52,344
(B) COMPUTER	34,569,077	20,817,836	-	55,386,913	22,050,189	14,339,301	36,389,490	18,997,423
(C) MOBILE PHONES	2,741,407	2,991,383	-	5,732,790	1,418,300	1,216,454	2,634,754	3,098,036
(D) OFFICE EQUIPMENTS	7,267,977	3,438,698	-	10,706,675	3,962,106	1,968,458	5,930,564	4,776,110
(E) PLANT & MACHINERY	5,521,099	-	-	5,521,099	5,025,968	159,498	5,185,467	335,633
(F) FURNITURE & FIXTURES	10,118,345	6,179,826	-	16,298,171	3,097,020	2,204,411	5,301,431	10,996,740
(G) LEASEHOLD IMPROVEMENTS	6,928,229	9,770,988	-	16,699,217	469,897	4,116,414	4,586,312	12,112,905
Total (A)	68,193,034	43,198,731	-	111,391,764	37,018,037	24,004,537	61,022,574	50,369,191
Intangible Assets								
(C) COMPUTER SOFTWARE	6,351,544	1,740,613	-	8,092,157	5,468,439	1,012,684	6,481,123	1,611,034
Total (B)	6,351,544	1,740,613	-	8,092,157	5,468,439	1,012,684	6,481,123	1,611,034
Total (A+B)	74,544,578	44,939,344	-	119,483,921	42,486,476	25,017,221	67,503,697	51,980,224

RKSV Securities India Private Limited
Notes to the financial statements for the year ended 31 March 2021

Note : 13

Deferred Tax Assets

	31 March 2021	31 March 2020
Deferred Tax Assets on account of :		
Provision for leave encashment	-	505,759
Provision for gratuity	-	3,623,412
Provision on doubtful debts	-	5,861,289
Provision for lease equalisation	-	143,943
Difference in WDV of property, plant and equipments	-	3,853,265
	<u>-</u>	<u>13,987,669</u>

Note : 14

Loans And Advances (Unsecured, considered good, unless otherwise stated)

	Non-Current Portion 31 March 2021	Current Portion 31 March 2021	Non-Current Portion 31 March 2020	Current Portion 31 March 2020
a) Loan and advances to related parties				
RKSV Commodities India Private Limited	-	13,123,596	-	18,298,596
Loan to director	-	-	-	480,000
b) Loan and advances to others				
Security deposits	11,720,475	1,420,000,000	9,575,919	200,000
Margin funding receivables	-	-	-	52,856,695
(Secured by collateral in the form of cash and securities)				
Deposit with exchanges and clearing member	15,443,632	9,283,502	15,607,988	
Advances receivable in cash or kind	-	52,583,474	-	19,372,601
Advance to creditors	-	7,005,257	-	512,425
Advance to employees	-	767,823	-	914,905
Prepaid expenses	-	7,821,484	-	4,335,199
Advance payment of Income tax	35,329,800	-	39,940,631	-
MAT credit entitlement	-	-	20,684,594	-
	<u>62,493,907</u>	<u>1,510,585,136</u>	<u>85,809,132</u>	<u>96,970,421</u>

Note : 15

Trade receivables

Trade receivables outstanding for a period exceeding six months from the due date

Unsecured, considered doubtful of recovery	10,943,527	10,371,251
Less: Provision for doubtful debts	<u>(10,943,527)</u>	<u>(10,371,251)</u>
	<u>-</u>	<u>-</u>

Other receivables from clients

Unsecured, considered doubtful of recovery	107,997,084	17,955,508
Less: Provision for doubtful debts	<u>(107,997,084)</u>	<u>(17,955,508)</u>
Unsecured considered good	<u>44,096,831</u>	<u>40,993,737</u>
	<u>44,096,831</u>	<u>40,993,737</u>

Note : 16

Cash and bank balances

	31 March 2021	31 March 2020
Cash & Cash equivalent		
Cash in hand	3,715	24,141
Bank Balances in current accounts	49,560,614	73,600,391
Other Bank Balances - Restricted	948,718,244	1,562,521,459
Fixed Deposits with banks		
Lien marked deposits with Clearing member - Restricted	4,628,100,000	1,728,700,000
Lien marked deposits with stock exchange - Restricted	5,153,871,308	1,803,075,000
Other deposits	550,000,000	1,360,000,000
	<u>11,330,253,881</u>	<u>6,527,920,991</u>

Note : 17

Other Current Assets

	31 March 2021	31 March 2020
Interest Accrued On Fixed Deposits	64,011,512	44,177,948
GST Input Credit (Net)	40,345,929	29,325,882
Client remittance in transit	83,156,495	272,873,191
Income receivable	<u>17,540,096</u>	<u>7,954,143</u>
	<u>205,054,031</u>	<u>354,331,164</u>

RKSV Securities India Private Limited
Notes to the financial statements for the year ended 31 March 2021

Note : 18

Revenue from operations

Brokerage and allied services income

Total

Year ended
31 March 2021
3,856,412,356

Year ended
31 Mar 2020
1,249,007,282

3,856,412,356

1,249,007,282

Note : 19

Other Income

Miscellaneous income

Interest on Income tax refund

Net gain on sale of non current investments

Interest on bank deposits

Total

Year ended
31 March 2021
3,752,660
2,302,764
-

Year ended
31 Mar 2020
937,788
-
6,191,077

428,682,677

223,943,669

434,738,101

231,072,534

Note : 20

Employee Benefit Expenses (Refer note 30)

Salaries, wages and bonus

Employee Compensation expenses (Refer note 29)

Compensated absences expenses

Contribution to provident fund

Gratuity expenses

Staff Welfare Expenses

Recruitment cost

Total

Year ended
31 March 2021
455,498,877
155,587,495
15,807,500
5,821,732
7,214,116
3,614,162
8,466,974

Year ended
31 Mar 2020
275,825,079
23,722,675
1,059,514
3,948,186
5,852,125
4,902,963
8,648,543

652,010,856

323,959,086

Note : 21

Depreciation and amortization expenses

Depreciation on tangible assets

Amortisation on intangible assets

Total

Year ended
31 March 2021
43,950,235
6,522,349

Year ended
31 Mar 2020
24,004,537
1,012,684

50,472,584

25,017,221

Note : 22

Finance Cost

Interest

Total

Year ended
31 March 2021
1,771,645

Year ended
31 Mar 2020
639,123

1,771,645

639,123

Note : 23

Other Expenses

Business Promotion Expenses

Transaction Charges

Legal And Professional Charges

Customer Support Expenses

Sub-Brokerage Expenses

Advertisement Charges

Provision For Doubtful Debts

Bad Debts Written Off

Demat And Clearing Member Charges

E-Sign Charges

Office Expenses

Communication Expenses And Lease Line Charges

Rent Expenses

Software, Server And License Charges

Bank Charges

Technology Expenses

Travelling & Conveyance

Interest And Taxes

Stock Exchange Charges

Auditors Remuneration (Excluding Gst) (Refer Note No.35)

- Audit Fees

Printing And Stationery

CSR Expenses

Miscellaneous Expenses

Less : Reimbursement Of Expenses From RKSV Commodities India Private Limited

Total

Year ended
31 March 2021
1,134,705,757
620,918,039
562,134,802
534,123,692
440,261,900
371,453,854
90,613,851
25,442,153
138,442,146
111,821,791
30,618,590
31,718,356
30,424,771
34,316,206
4,288,663
15,244,460
1,876,209
1,316,931
8,373,709

Year ended
31 Mar 2020
224,137,553
278,841,338
201,962,087
251,512,720
151,785,883
245,938,977
22,872,788
-
41,831,922
35,214,561
26,668,733
16,910,896
28,830,472
9,367,857
921,324
5,684,002
6,070,186
1,011,416
9,753,415

5,250,000

1,200,000

251,673

1,681,974

367,055

200,000

105,041,823

21,223,956

(30,000,000)

(66,800,000)

4,269,006,431

1,516,822,061

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

1. Background

RKSV Securities India Private Limited (the 'Company') was incorporated on 6 April 2009 to carry on the business of provider of broking services to its clients in securities capital market. The Company is registered as a 'Stock Broker' with the Securities and Exchange Board of India ('SEBI'). The Company is a member of National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). As a brokerage house, its activities comprise several classes of services including agency transactions, subscription based services and distribution of financial products.

2. Significant accounting policies

(a) *Basis of preparation of financial statements*

These financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under Section 133 and the relevant provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Assets and liabilities have been classified as Current or Non-Current on the basis of the Company's normal operating cycle and other criteria set out in Schedule III to the Act.

The financial statements are prepared and presented on going concern basis.

(b) *Use of estimates*

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions considered in the reporting amounts of assets, liabilities (including contingent liabilities) and the reported incomes and expenses during the year. The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/ materialize.

(c) *Revenue Recognition*

Income from broking and allied services rendered as a broker is recognized upon rendering of the services.

Income from services recognized as aforesaid are exclusive of service tax, goods and service tax, securities transaction tax, stamp duties and other levies by SEBI and stock exchanges.

Interest income is recognized on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable.

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

2. Significant accounting policies (*Continued*)

(d) Fixed assets and depreciation

Tangible assets

Tangible assets are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price and expenses directly attributable to bringing the asset to its working condition for the intended use. Subsequent expenditure related to an item of fixed asset are added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Gains or losses arising from disposal or retirement of tangible fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized net, within "Other Income" or "Other Expenses", as the case maybe, in the Statement of Profit and Loss in the year of disposal or retirement.

Depreciation is provided on a pro-rata basis to fully depreciate the assets using the written down value method from date of put to use

For the following category of assets, Depreciation on tangible fixed assets has been provided on the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013

Class of assets	Estimated Useful Life
Office equipment (excluding mobile)	5 years
Mobile	5 years
Furniture and fittings	10 years
Computers	3 years
Servers	6 years
Vehicles	8 years
Leasehold improvements	Over the remaining period of the lease

Useful lives are reviewed at each financial year end and adjusted if required.

Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

Cost of an intangible asset includes purchase price, non-refundable taxes and duties and any other directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset is charged to the Statement of Profit and Loss as an expense unless it is probable that such expenditure will enable the intangible asset increase the future benefits from the existing asset beyond its previously assessed standard of performance and such expenditure can be measured and attributed to the intangible asset reliably, in which case, such expenditure is capitalized.

Expenditure on software development eligible for capitalization are carried as Intangible assets under development where such assets are not yet ready for their intended use.

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

2. Significant accounting policies (*Continued*)

Intangible assets are amortized on a written down value basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each reporting date. If the expected useful life of the asset is significantly different from the previous estimates, the amortization period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss in the year of disposal.

The estimated useful lives of intangible assets used for amortization are :

Class of assets	Estimated Useful Life
Computer Software	3 years

(e) *Impairment of assets*

The Company assesses at balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or of the cash generating unit to which the asset belongs. If such estimated recoverable amount of the assets or the cash generating unit is less than the carrying amount, the carrying amount is reduced to its estimated recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

(f) *Investments*

Investments are classified into non-current and current based on the management's intention at the time of purchase.

Non-current investments are carried at carrying cost and any decline in the carrying value, other than temporary in nature is provided for, determined separately for each independent investment.

Current investments are valued at cost or market/ net realisable value whichever is lower. The comparison of cost and net realisable value is done separately in respect of each individual investment.

Purchase and sale of investment are recorded on trade date. The gains and losses on sale of investments are recognized in the profit and loss account on the trade date. Profit and loss on sale of investment is determined on weighted average basis.

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

2. Significant accounting policies (*Continued*)

(g) *Employee Benefits*

i) Short term

Short term employee benefits include salaries and performance incentives. A liability is recognized for the amount expected to be paid under short-term cash bonus or target based incentives if the Company has a present legal or informal obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. These costs are recognized as an expense in the Statement of Profit and Loss at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company

ii) Long term

The Company offers its employees long term benefits by way of defined contribution and defined benefit plans.

Defined contribution plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. This comprises of contribution to the employees' provident fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers

Defined benefit plans

Expenses for defined benefit gratuity plan are calculated as at the balance sheet date by an independent actuary in a manner that distributes expenses over the employee's working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. The fair values of the plan assets are deducted in determining the net liability. When the fair value of plan assets exceeds the commitments computed as aforesaid, the recognized asset is limited to the net total of any cumulative past service costs and the present value of any economic benefits available in the form of reductions in future contributions to the plan.

Actuarial losses or gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Other employee benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be availed in twelve months immediately following the year in which the employee has rendered service are reported as expenses during the year in which

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

2. Significant accounting policies (*Continued*)

the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits.

(h) *Share based payment arrangements*

Equity-settled share-based payments to employees are measured at the intrinsic value of the equity instruments at the grant date. The intrinsic value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

(i) *Leases*

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognized in the Company's Balance Sheet. Lease expenses on such operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term. Initial direct costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

(j) *Current and deferred tax*

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

Current tax is measured at the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961

Deferred tax is recognized for all the timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Minimum alternate tax

Minimum Alternative Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognised as current tax in the profit and loss account. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

2. Significant accounting policies (*Continued*)

which the MAT credit can be carried forward for set off against normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(k) Provisions and Contingent Liabilities

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

(l) Earnings per share

The basic earnings per share is calculated by dividing the net profit attributable to equity shareholders by weighted average number of equity shares outstanding during the reporting year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares (other than the conversion of potential equity shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed dilutive only if their conversion into equity shares would decrease the net per share from continuing ordinary operations. Potential equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares).

(m) Foreign Currency transaction

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognized in the Statement of Profit and Loss Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognized in the

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

2. Significant accounting policies (*Continued*)

Statement of Profit and Loss and related assets and liabilities are accordingly restated in the balance sheet.

(n) *Cash & Cash Equivalents:*

Cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with the banks and demand deposits with bank with an original maturity of twelve months or less.

24. Micro, Small and Medium Enterprises:

Trade payable include Rs. Nil (previous year Rs. Nil) and other current liabilities include Rs. Nil (previous year Rs. Nil) payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

Particular	31 March 2021	31 March 2020
The principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
The interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

25. Contingent liabilities and commitments (to the extent not provided for):

Contingent liabilities:

- i. Claims against the Company not acknowledged as debts: Rs. Nil (Previous year : Rs. Nil)
- ii. Guarantees Rs. Nil (Previous year : Rs. Nil)
- iii. Other money for which the company is contingently liable Rs. Nil (Previous year : Rs. Nil)

The amount of dividends proposed to be distributed to equity and preference shareholders for the period Rs. Nil (Previous year : Rs. Nil). Arrears of fixed cumulative dividends on preference shares Rs. 180 (Previous year : Rs. 180)

Commitments:

- i. Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 38,123,249/- (Previous Year: 61,337,813).
- ii. Other commitments: Rs. Nil (Previous year : Rs. Nil)

26. Litigation & Long term contracts:

The Company does not have any pending litigations as at 31 March 2021 (Previous year : Nil)

The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021 (Previous year : Nil).

27. Related Party Disclosures:

i. Name and nature of Relationship

(a) Where control exists: Nil (Previous year : Nil)

(b) Other related parties with whom transactions have occurred during the year:

Individuals or Enterprise owning a significant influence over the Company:

Ravi Chandran Kumar (Director, Founder-Shareholder & Key Management Personnel)

Raghu Nathan Kumar (Founder-Shareholder and Brother of Ravi Chandran Kumar)

Kavitha Subramanian (Director, Founder-Shareholder, Key Management Personnel, wife of Ravi Chandran Kumar)

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

27. Related Party Disclosures (Continued)

Shrinivas Viswanath (Director, Founder-Shareholder & Key Management Personnel)

Kalaari Capital (Shareholder till 15 September 2019)

Internet Fund V Pte Ltd (Shareholder since 16 September 2019)

Enterprise over which the Company and/or Founder-Sharholders are having control or able to exercise significant influence:

RKSV Commodities India Private Limited

RKSV ESOP Trust (Shareholder)

EPowerx Pte Ltd

EPX Uptech Private Limited & Upstox USA Inc. (Subsidiaries of EPowerx Pte Ltd)

Other Key Management Personnel:

Amit Chhotalal Lalan (Director)

Puneet Maheshwari (Director)

ii. Details of transactions carried out with the related parties during the year:

Sr. No.	Particulars	31 March 2021	31 March 2020
1	<u>Ravi Chandran Kumar:</u>		
	Remuneration	20,675,160	20,283,840
	Reimbursement of expenses incurred on behalf of Company	2,948,977	3,203,469
2	<u>Shrinivas Viswanath:</u>		
	Remuneration	20,675,160	29,791,100
	Reimbursement of expenses incurred on behalf of Company	8,796,938	19,590,265
3	<u>Kavitha Subramanian:</u>		
	Remuneration	21,978,400	18,494,600
4	<u>Puneet Maheshwari:</u>		
	Remuneration	11,658,010	7,373,816
	ESOP compensation cost*	51,436,163	11,430,182
5	<u>Amit Chhotalal Lalan:</u>		
	Remuneration	6,277,172	4,152,672
	ESOP compensation cost*	25,702,041	862,311
	Repayment of loan to Company	480,000	480,000

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

6	<u>RKSV Commodities India Private Limited:</u> Reimbursement of expenses incurred by the Company on behalf of the entity	30,000,000	66,800,000
7	<u>Kavitha Subramanian:</u> Provision towards expenses payable	Nil	4,000,000
8	<u>Internet Fund V Pte Ltd:</u> Proceeds from issue of preference shares (including securities premium)	Nil	1,784,734,849
9	<u>RKSV ESOP Trust:</u> Loan given by Company to the entity Proceeds from issue of equity share to the Trust	Nil Nil	1,777,590 1,777,590
10	<u>Expense incurred</u> on behalf of Company by EPowerx Pte Ltd. Upstox USA Inc.	37,688,123 17,056,619	Nil Nil

*This represents cost charged to Profit & Loss Account

iii. Details of closing balances in respect of related parties transactions:

Sr. No.	Particulars	31 March 2021	31 March 2020
1	<u>Loans & Advances receivable:</u> RKSV Commodities India Private Limited Amit Chhotalal Lalan RKSV ESOP Trust	13,123,596 Nil 1,777,590	18,298,596 480,000 1,777,590
2	<u>Accrued expenses payable :</u> Ravi Chandran Kumar Shrinivas Viswanath Puneet Maheshwari Kavitha Subramanian EPowerx Pte Ltd	242,122 Nil Nil Nil 37,688,123	240,255 450,896 7,148 4,000,000 Nil

28. Earnings per share (EPS)

Basic and diluted EPS is computed in accordance with Accounting Standard 20 on 'Earnings Per Share'. The computation of earnings per share is given below:

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

28. Earnings per share (EPS): (Continued)

Particulars	Ref.	31 March 2021	31 March 2020
Profit after tax as per profit and loss account		(716,783,322)	(379,853,411)
Les: Preference Dividend (Accrued)		180	180
Profit after tax attributable to shareholders for basic and diluted earnings	A	(716,783,502)	(379,853,591)
Weighted average number of equity shares outstanding during the year (in units).			
- Basic	B	1,500,200	1,500,200
- Diluted	C	2,361,661	2,128,534
Earnings per share			
- Basic	A/B	(477.79)	(253.20)
- Diluted	A/C	(477.79) #	(253.20) #
Nominal value of shares		10	10

Effects of conversion of preference shares has not been considered since it is anti-dilutive.

29. Employees Stock Option Plan (ESOP) :

- (a) Pursuant to the Board's resolution dated 13 September 2019, the Company issued 177,759 equity shares at a price Rs. 10 per equity share to RKSV ESOP Trust ('The Trust').
- (b) Pursuant to the Board's resolution dated 17 January 2020 the Company introduced RKSV Employee Stock Option Plan 2020 under which the Company may grant options to its employees from time to time. The grant of options to the employees under the ESOP scheme is on the basis of their performance and other eligibility criteria.
- (c) Pursuant to Board Resolution dated 13 August 2021, the Company has further granted options that are planned to be settled in equity at the time of exercise and have maximum period of 2 years from the date of granting. The options existing during the year are as follows:
- (d) All above options are planned to be settled in equity at the time of exercise and have maximum period of 2 years from the date of granting. The options existing during the year are as follows:

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

Details of options granted under ESOP at an exercise price of Rs. 10 are as follows:

Grant Date	21 January, 2020 (Scheme 1)	19 March, 2020 (Scheme 2)	10 September, 2020 (Scheme 3)	03 November, 2020 (Scheme 4)
Vesting Schedule:				
on completion of 1 year.	50%	50%	50%	50%
on completion of 2 year (After 1 Year 12.5% vested after expiry of every 3 Months.)	50%	50%	50%	50%

(e) The information concerning stock options granted, exercised, forfeited and outstanding at the year-end is as follows:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Stock Options	Weighted average exercise price (Rs.)	Number of Stock Options	Weighted average exercise price (Rs.)
Number of shares under option:				
Outstanding at beginning of the year	50,788	Rs.10	NIL	NA
Granted	11,428	Rs.10	50,788	Rs.10
Exercised	NIL	NA	NIL	NA
Cancelled or Expired	NIL	NA	NIL	NA
Outstanding at the year end	62,216	Rs.10	50,788	Rs.10
Exercisable at the year end	62,216	Rs.10	50,788	Rs.10

(f) The fair value of the options granted was estimated on the date of grant using the Black-Scholes model with the following assumptions:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Risk Free Interest Rate	4.49%	5.48%
Expected Life	2 years graded as above (c)	2 years graded as above (c)
Dividend Yield	0.00%	0.00%

(g) The Company has elected to account the employee compensation cost by the Intrinsic Value Method. The total expense recognised for the period arising from stock option plan as per Intrinsic Value Method is Rs. 155,587,495 (Previous Year Rs. 23,722,675). Considering the grant price is same as face value, use of fair value method would not have any material impact on net results and basic and diluted EPS.

(h) Unamortized employee compensation cost as at 31 March 2021 in respect of ESOP: 59,862,397 (Previous year : Rs. 154,241,566). The company has granted 62,216 stock options as at 31 March 2021 out of total pool of 177,759 shares earmarked for ESOP's.

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

30. Employee benefits:

The Company makes contributions towards provident fund which are defined contribution retirement benefit plans for qualifying employees. The provident fund are administered by office of the Regional Provident Fund Commissioner.

A sum of Rs. 5,821,732 (Previous year Rs. 3,948,186) has been charged to the statement of Profit and Loss towards Provident Fund.

The Company contributes funds to a post retirement benefit plan for gratuity, details of which are as follows :

(i) Reconciliation of Defined Benefit Plan:

Particulars	FY 2020-21	FY 2019-20
Opening Defined Benefit Obligation	14,139,815	8,287,690
Current Service Cost	5,763,652	3,228,630
Interest Cost	969,991	555,275
Past Service Cost	-	-
Benefits paid	117,309	-
Actuarial (gain) / loss on obligation	480,473	2,068,220
Closing Defined Benefit Obligation	21,236,622	14,139,815

(ii) Amount to be recognised in the Balance Sheet and movement in Net liability

Particulars	FY 2020-21	FY 2019-20
Present value of unfunded obligation	21,236,622	14,139,815
Fair value of Plan Assets	-	-
Net liability recognized in the Balance Sheet	21,236,622	14,139,815

(iii) Expenses recognised in the Statement of Profit and Loss

Particulars	FY 2020-21	FY 2019-20
Current Service Cost	5,763,652	3,228,630
Interest Cost	969,991	555,275
Past Service Cost	-	-
Actuarial (gain) / loss on obligation	480,473	2,068,220
Expenses recognised in the Statement of Profit and Loss	7,214,116	5,852,125

(iv) Experience Adjustments

Particulars	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
Defined Benefit Obligation	21,236,622	14,139,815	8,287,690	6,705,626	5,313,533
Fair Value of Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(21,236,622)	(14,139,815)	(8,287,690)	(6,705,626)	(5,313,533)
Experience adjustments on Plan liabilities	(721,780)	(1,296,990)	924,927	222,238	413,688
Experience adjustments on Plan Assets	-	-	-	-	-

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

(v) **Summary of Actuarial Assumptions**

The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions which if changed, would affect the defined benefit commitments, size and expense.

Particulars	FY 2020-21	FY 2019-20
Discount rate p.a.	6.86%	6.70%
Salary Escalation Rate	6.00%	6.00%
Mortality	Indian Assured Lives Mortality tables (2006-08)	Indian Assured Lives Mortality tables (2006-08)

The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

31. Expenditure in foreign currency:

Particulars	31 March 2021	31 March 2020
Expenditure in foreign currency (on an accrual basis)	458,503,861	186,575,316

32. Leases:

Disclosures as required by Accounting Standard 19, are given below :

The Company has taken various premises under leave and license agreements. Lease payments are recognised in the Statement of Profit and Loss under 'Rent expenses' in Note no.20. Rent expenses of Rs. 30,431,485 (Previous year - Rs. 28,830,472) in respect of obligation under cancellable operating leases and Rs. Nil (Previous year - Rs. Nil) in respect of non-cancellable operating leases.

The future minimum lease payments are as follows :

Particulars	FY 2020-21	FY 2019-20
Not later than one year	27,510,645	29,036,050
Later than one year but not later than five years	20,920,000	48,030,000
Later than five years	-	-

33. Minimum Alternate Tax (MAT)

For the year ended 31 March 2021, the Company is liable to pay MAT of Rs. Nil (Previous Year : Nil) in terms of Section 115JB of Income Tax Act, 1961 (The 'IT Act'). Pursuant to the provision of Section 115 JAA of the IT Act, The Company has Unutilised MAT Credit of Rs. 20,684,594 as per Income tax act. The Company has reversed during the current year said MAT asset created in earlier years.

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

34. Disclosure under Specified Bank Notes (SBN) disclosure as per MCA Notification dated 30 March 2017

The disclosures regarding details of specified bank notes held and transacted during 8th November 2016 to 30th December 2016 has not been made since it does not pertain to financial year ended 31 March 2021.

35. Auditors Remuneration

Particulars	FY 2020-21	FY 2019-20
Statutory Audit fees (excluding GST & OPE's)	5,250,000	1,200,000
Total	5,250,000	1,200,000

36. Information with regard to other matters specified in revised schedule III of the Companies Act 2013, is either Nil or not applicable to the Company for the year and hence have not been given.

37. Margins collected by the Company in the form of securities from its clients towards their margin obligations have been held by the Company in the demat accounts of the clients with appropriate lien thereon and accordingly, such margins in form have not been recorded in these financials statements.

38. Segment information:

The Company operates in single segment viz. securities broking business in India. Since there is only one business segment and no geographical segments, the segmental reporting disclosures as required by Accounting Standard (AS) – 17, issued by the ICAI has not been made.

39. Provision for doubtful debts

Details of movements in the provision for doubtful debts are as under :

Particulars	FY 2020-21	FY 2019-20
Related to trade receivables		
Opening balance	28,326,759	5,453,971
Add : Net change in provision during the year	90,613,851	22,872,788
Closing balance	118,940,610	28,326,759

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

40. Estimation of uncertainties relating to the global health pandemic on covid-19

Covid-19 outbreak was declared as a global pandemic by World Health Organisation (WHO) on 11 March 2020. Indian authorities had followed an approach of complete lockdown since 24 March 2020 starting with three-week complete lockdown, during which only defined essential services were operating with limited capacity. The lockdown kept on getting extended with gradual and modest relaxations. Stock broking service was declared as an essential service and considering that Company's operations are primarily technology based / Online, accordingly the Company has been in operation consistently with minimal staff in office and others working remotely. As at 31 March 2021, based on the facts and circumstances existing as of that date and based on the assessment of the current situations, management of the Company has determined that COVID-19 outbreak has not adversely affected the business operations and the abilities of the Company to continue to manage the operations of the Company. Further, the Company does not anticipate any material uncertainties which affects its liquidity position and also ability to continue as a going concern for a foreseeable future. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

41. Deferred Taxes:

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised.

In the absence of virtual certainty, the Company has, as a matter of prudence, not recognized deferred tax asset in respect of any item of timing difference (Including carried forward losses) and have reversed the full amount of Deferred Tax Assets of Rs. 13,987,669 during the current year

42. Non Current Investments:

The company has not made any purchase or sale of investments in unquoted mutual funds.

43. Unhedged Foreign Currency Exposure:

Foreign currency exposures on account of payables not hedged as on 31 March 2021 is Rs. 58,348,743 (Previous Year:Rs. 56,626,072).

44. Statement of Corporate Social Responsibility Expenditure:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

Particulars	31 March 2021	31 March 2020
Gross amount required to be spent	Nil	427,055
Amount spent during the period	367,055	200,000

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

45. In March 2021, the Company suffered a data breach / cyber extortion incident resulting in exposure of sensitive information of its clients in India. The attackers exploited the data warehouse to gain unauthorized access to data. In response, the Management has carried out an analysis of the incident and its information technology environment and believes that the incident did not have any impact on the Company's financial information. The Company also appointed independent agencies with oversight from the Board of Directors to conduct a detailed investigation on the said matter. The investigation pointed out that the unauthorised access occurred between February 2021 and April 2021. Based on the independent investigation and consultations with external legal counsel, management believes that the Company has not been in non-compliance including with the provisions of the Information Technologies Act, 2000 read with the rules and regulations made thereunder and the Indian Contract Act, 1872. Consequently, the impact, if any, shall not be material to the financial statements of the Company for the current and subsequent periods.

46. Subsequent Events

Subsequent to period ended 31 March 2021, the Company has allotted 23,129 Series C CCPS of FV of Rs. 30 each to EPX Uptech Private Limited each at a premium of INR 98,578/- on 30 June 2021.

Subsequent to period ended 31 March 2021, the Company has allotted 18,761 Series C CCPS of FV of Rs. 30 each to Internet Fund V Pte Ltd Limited each at a premium of INR 98,578/- on 01 November 2021.

The SEBI, along with other MII's, conducted a joint inspection of books of accounts and records of RKSV across all segments in the months of August 2019 and September 2019, covering a period from April 1, 2018, to July 31, 2019. Pursuant thereto, based on the findings of the said inspection, SEBI issued a Letter of Findings (LoF) dated December 2, 2019. In response to the SEBI's LoF, RKSV submitted its reply dated January 3, 2020. Consequently SEBI did not find any material deviations and imposed a monetary penalty of Rs. 464,000 vide its final letter dated 26 July 2021.

RKSV Securities India Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

47. Comparative figures

Previous year's numbers have been regrouped / re-classified wherever necessary to match with the current year's presentation. The Company has reclassified:

1. Interest on bank deposits from Revenue from operations to Other income
2. Foreign Exchange expense from Other expense to Miscellaneous expenses
3. Postage and courier from Other expense to Miscellaneous expenses
4. Car running and maintenance from Other expense to Miscellaneous expenses.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

RKSV Securities India Private Limited

Ashish Gupta

Partner

Membership No: 215165

Place : Pune

Date : 29th December 2021

Ravi Chandran

Kumar

Director

DIN : 02499607

Mumbai

Amit Chhotalal

Lalan

Director

DIN : 03098172

Mumbai