

Reliance Capital Limited

Statement of Standalone Financial Results for the quarter and half-year ended September 30, 2022

(Rs. in lakh except per share data)

Sr. No.	Particulars	Quarter Ended			Half-year ended		Year Ended
		30-Sep-2022	30-Jun-2022	30-Sep-2021	30-Sep-2022	30-Sep-2021	31-Mar-2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
I	Revenue from operations						
	Interest Income	185	162	127	347	227	457
	Dividend Income	451	-	385	451	385	730
	Rental Income	1	-	24	1	60	387
	Fees Income	-	-	-	-	-	-
	Other operating income	-	-	-	-	12	13
	Total Revenue from operations	637	162	536	799	684	1 587
II	Other income	4	106	4	110	5	6
III	Total Income (I+II)	641	268	540	909	689	1,593
IV	Expenses						
	Finance costs	-	(26)	40 355	(26)	80 455	1 10 893
	Net loss / (Gain) on fair value changes (net)	2 111	18 477	(15 586)	20 588	(22 886)	(2 561)
	Impairment on financial instruments	-	-	(49)	-	(88)	(29)
	Employee benefits expense	299	187	507	486	807	1 567
	Depreciation and amortisation expense	112	115	234	227	334	585
	Other expenses	686	2 990	400	3 676	700	1 718
	Total expenses (IV)	3 208	21 743	25 861	24 951	59 322	1 12 173
V	Profit/(loss) before tax (III-IV)	(2 567)	(21 475)	(25 321)	(24 042)	(58 633)	(1 10 580)
VI	Tax expense						
	(1) Current tax	-	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-	-
	(3) Taxation for earlier years	-	-	-	-	-	-
	Total tax expense	-	-	-	-	-	-
VII	Profit/(loss) for the period / year (V-VI)	(2 567)	(21 475)	(25 321)	(24 042)	(58 633)	(1 10 580)
VIII	Other Comprehensive Income / (Loss)						
A	(i) Items that will not be reclassified to profit or loss	5	(29)	(13)	(24)	(27)	(7)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Other comprehensive income / (Loss) for the period / year, net of tax	5	(29)	(13)	(24)	(27)	(7)
IX	Total Comprehensive Income / (Loss) for the period / year (VII+VIII)	(2 562)	(21 504)	(25 334)	(24 066)	(58 660)	(1 10 587)
X	Earnings per equity share face value of Rs. 10 each fully paidup (quarter not annualised)						
	(1) Basic	(1.02)	(8.56)	(10.07)	(9.58)	(23.35)	(44.04)
	(2) Diluted	(1.02)	(8.56)	(10.07)	(9.58)	(23.35)	(44.04)
XI	Paid-up Equity Share Capital	25 324	25 324	25 324	25 324	25 324	25 324
XII	Other equity						(8 96 901)

Notes:

- Reliance Capital Limited is registered as Non-Banking Financial Company Core Investment Company – Non-Deposit Taking Systemically Important (NBFC-CIC-ND-SI) under Section 45-IA of Reserve Bank of India Act, 1934. The Financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended and as prescribed under Section 133 of the Companies Act, 2013, and all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 "Operating Segments". The Company has followed the same accounting policies as applicable to annual financial statements.
- The Reserve Bank of India (RBI) vide Press Release dated November 29, 2021 in exercise of the power conferred under Section 45 IE (1) of the Reserve Bank of India Act, 1934, superseded the Board of Directors of Reliance Capital Limited ("RCL" or "Company"). Thereafter RBI vide press release dated November 30, 2021 in exercise of the power conferred under Section 45-IE (5A) of the Reserve Bank of India Act, 1934 constituted a three-member advisory committee to assist the Administrator in the discharge of his duties. On December 02, 2021 the RBI filed the Petition before the NCLT under sub-Clause (i) of clause (a) of Rule 5 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudication Authority) Rules, 2019 (FSP Rules) to initiate Corporate Insolvency Resolution Process ("CIRP") against RCL read with Section 227 of Insolvency and Bankruptcy Code, 2016, read with the rules and regulations framed there under and amended from time to time (the "Code"). Further CIRP was initiated against the Company under Section 227 read with clause (zk) of sub section (2) of section 239 of the Code and read with rules 5 and 6 of the FSP Rules by an order dated December 06, 2021 of the Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT/Adjudicating Authority). The Adjudicating Authority vide the above order, appointed the Administrator to perform all the functions of a resolution professional to complete the CIRP of the Company as required under the provisions of the Code and a moratorium was declared by the NCLT. It is also incumbent upon the Administrator (exercising same powers as Resolution Professional under the Code), under section 20 of the Code to manage the operations of the Company as a going concern. Accordingly, the statement for the quarter and half year ended September 30, 2022 has been prepared on going concern assumptions.



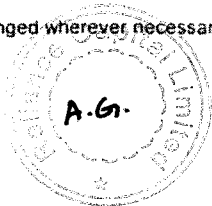
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As disclosed previously, the Company was prohibited from making any payment to secured or unsecured creditors with respect to certain of its assets either directly or indirectly or otherwise part with the possession, of any assets except in the ordinary course of business with the payment of taxes and statutory dues, vide (a) orders dated December 3, 2019 and December 5, 2019 passed by the Hon'ble Delhi High Court, (b) orders dated November 20, 2019 and March 15, 2021 passed by the Hon'ble Delhi High Court, and, (c) Orders dated November 29, 2019, November 4, 2020, and March 6, 2021 passed by the Hon'ble Bombay High Court. The Administrator, on behalf of the Company has obtained orders nullifying the aforesaid orders and the same orders will not come in the way of the Company's CIRP.

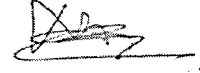
Separately, in relation to the timelines of the CIRP, it may be noted CIRP commenced on December 6, 2021 i.e. with the coming of the NCLT Order NCLT wide it order dated October 18, 2022 has granted exclusion of 90 days for completion of CIRP till January 31, 2023.

- 3 The Administrator and the Advisory Committee members along with the management team and the employees of the Company will take all steps which are taking various efforts to improve the operational, financial, and managerial efficiency of the Company.
- 4 The Administrator has taken charge with effect from November 29, 2021 and has relied on information, data, and declaration provided by the existing Key Management Personnel (KMP's) of the Company for the purpose of the financial results. With respect to the financial statements for the quarter and half year ended September 30, 2022, the Administrator has signed the same solely for the purpose of ensuring compliance by the Company with applicable law, and subject to the following:
 - (i) The Administrator has taken charge with effect from November 29, 2021 and therefore was not in control of the operations or the management of the Company prior to November 29, 2021.
 - (ii) The Administrator has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceedings shall be against the Administrator in terms of Section 233 of the Code.
 - (iii) The Administrator, while signing this statement of financial results, has relied solely upon the assistance provided by the existing staff and present key management personnel (KMP's) of the Company in review of the financial results as well as the certifications, representations and statements made by the KMP's of the Company, in relation to these financial results. The statement of financial results of the Company for the quarter and half year ended September 30, 2022 have been taken on record by the Administrator solely on the basis of and on relying on the aforesaid certifications, representations and statements of the aforesaid existing staff and present key management personnel (KMP's). For all such information and data, the Administrator has assumed, without any further assessment, that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Company as of the dates and periods indicated therein.
- 5 Pursuant to the admission and commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016 (IBC) with effect from December 06, 2021, there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans shall be determined during the CIRP. The above limited review financial results are drawn on the basis of September 30, 2022 figures as per the books of accounts of the Company.
- 6 The Listed Secured Non-Convertible Debentures of the Company aggregating to Rs.14,82,728 lakh as on September 30, 2022 are secured by way of first pari-passu mortgage/charge on the Company's immovable property and on present and future book debts, business receivables, investment property and other receivables of the Company as specifically mentioned in the respective Trust Deeds. The asset cover has fallen below hundred percent of the outstanding debentures. Since the CIRP has commenced, all steps are taken as provided under the Code.
- 7 The Company had pledged its entire equity holding in Reliance General Insurance Company Limited (RGICL) in favour of IDBI Trusteeship Services Limited (Trustee) against dues guaranteed by the Company. The Trustee, on November 19, 2019, invoked the pledge and presently holds the shares of RGICL in their custody. Vide orders dated December 4, 2019 and December 27, 2019, Insurance Regulatory and Development Authority of India (IRDAI) has informed the Company that the transfer of shares was void ab initio. The said order was challenged in Securities Appellate Tribunal, Mumbai (SAT) and SAT vide its order dated February 27, 2020 held that the Trustee is holding shares as Trustee / custodian and will not exercise any control over RGICL and cannot exercise any voting rights on shares of RGICL. Accordingly, RGICL continues to be a subsidiary of the Company. The Administrator on behalf of the Company has filed an application before the National Companies Law Tribunal, Mumbai on April 27, 2022, against the Trustee inter alia seeking direction against the Trustee to return the custody and control of the RGICL shares owned by the Company.
- 8 The Company had pledged 3.35% comprising of 2,04,97,423 equity shares of Nippon Life India Asset Management Limited (NLAML) in favour of IndusInd Bank Limited (IBL). IBL has illegally invoked the pledge, which has been challenged by the Company before the Hon'ble High Court of Bombay. The Hon'ble High Court of Bombay has referred the matter to the arbitration, the Sole Arbitrator who upon hearing the Interim Applications filed by the Company passed an interim order on April 23, 2020 wherein it stated that a status quo (as ordered by Bombay High Court vide Order dated December 11, 2019) will continue and the NLAML shares, whose pledge was invoked by IndusInd Bank, will remain in a separate demat account, where they are lying currently. Accordingly, the Company continues to consider its rights on the above referred shares.
- 9 The Company, pursuant to approval granted by the Committee of Creditors in terms of Regulation 29 of the CIRP Regulations and in pursuance of the implementation of the resolution plan of RCFL in terms of the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019, has for a consideration of Rs. 100 lacs disposed off its holding of Equity shares, 12% Non-Convertible Cumulative Compulsory Redeemable Preference Shares and Inter Corporate Deposits in its wholly owned subsidiary viz. Reliance Commercial Finance Limited (RCFL) to Authum Investment and Infrastructure Limited on October 14, 2022. Consequently, RCFL and Gulfoss Enterprises Private Limited a subsidiary of RCFL, have ceased to be subsidiaries of the Company w.e.f. October 14, 2022 and Global Wind Power Limited and Reinplast Advanced Composites Private Limited, have ceased to be associates of the Company w.e.f. October 14, 2022.
- 10 One of previous auditor of the Company, after resigning from the office in June 2019 submitted a report under Section 143(12) of the Companies Act, 2013 with the Ministry of Corporate Affairs for matters relating to Financial Year 2018-19. The Company had, prior to the commencement of the CIRP examined the matter and had appointed legal experts, who independently carried out an in-depth examination of the matters and issues raised therein and had concluded that there was no matter attracting the provisions of Section 143(12) of the Companies Act, 2013. The matter is under consideration with the Ministry of Corporate Affairs.
- 11 In view of ongoing CIRP, interest expense of Rs 81,254 lakh for the half year ended September 30, 2022 has not been provided.
- 12 The Company is undergoing Corporate Insolvency Resolution Process ("CIRP") under the provisions of the Insolvency & Bankruptcy Code 2016 (IBC). As per the provisions of the IBC, the fair value and liquidation value of the assets of the Company as on the insolvency commencement date is required to be determined. In compliance with the same, the Administrator has appointed 2 registered valuers and the said exercise is currently underway. As per Ind AS 36- "Impairment of Assets", impairment testing of assets is to be conducted on an annual basis. On completion of the CIRP, the Company will consider carrying out a comprehensive review of all the assets including investments, other assets and intangible assets, liabilities and accordingly provide for impairment loss on assets and write back of liabilities, if any.
- 13 The figures for the quarter and half year ended September 30, 2022 of the Company have been subjected to a "Limited Review" by Statutory Auditors of the Company.
- 14 Previous period figures have been regrouped and rearranged wherever necessary.



- 15 Disclosure under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as certified by the management, is given in Annexure A.
- 16 The above results were reviewed and approved by the Administrator on November 11, 2022 and has approved its release while discharging the powers of the Board of Directors of the Company which were conferred upon him by the RBI order dated November 29, 2021 and subsequently, powers conferred upon him in accordance with the NCLT order dated December 06, 2021. Please refer to note no. 4 above for the basis of the review and approval of the above results by the Administrator.

for Reliance Capital Limited
(a Company under Corporate Insolvency Resolution Process by an order dated
December 06, 2021 passed by Hon' NCLT, Mumbai)



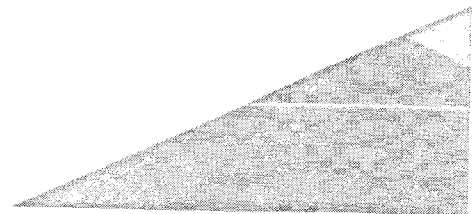
Nageswara Rao Y
Administrator appointed under IBC

Mumbai, November 11, 2022

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016. The affairs, business and property of Reliance Capital Limited are being managed by the Administrator, Mr Nageswara Rao Y, who acts as agent of the Company only and without any personal liability. Correspondence Address : Administrator, Reliance Capital Limited, Trade World, B-Wing, 7th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai City MH 400 013 IN and for Correspondence Email Id :- rbi.administrator@relianceada.com

For future correspondences, you may reach out to the undersigned at the address/ contact details set out below:

- a. Correspondence Address : Administrator, Reliance Capital Limited, Trade World, B-Wing, 7th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai City MH 400 013 IN
- b. Contact No : 9844214021
- c. Email : rbi.administrator@relianceada.com/ rcap.administrator@relianceada.com



Reliance Capital Limited
Standalone Balance Sheet as at September 30, 2022

(Rs. in lakh)

Particulars	As at	As at
	September 30, 2022	March 31, 2022
	Unaudited	Audited
ASSETS		
Financial assets		
Cash and cash equivalents	14 653	8 394
Bank balance other than cash and cash equivalents above	1 286	1 307
Receivables		
(I) Trade receivables	26	69
(II) Other receivables	-	-
Loans	89 018	92 500
Investments	11 66 835	11 89 085
Other financial assets	17 600	20 309
Total Financial Assets	12 89 418	13 11 664
Non-financial assets		
Current tax assets (Net)	1 062	914
Investment Property	7 392	7 496
Property, plant and equipment	4 066	4 187
Other intangible assets	-	-
Other non-financial assets	39 798	41 877
Total Non - Financial Assets	52 318	54 474
Total assets	13 41 736	13 66 138
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
Derivative Financial Instrument	(55)	(88)
Debt securities	16 25 956	16 25 956
Borrowings	1 18 639	1 18 639
Payables		
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Other financial liabilities	4 50 268	4 50 269
Total Financial Liabilities	21 94 808	21 94 776
Non-financial Liabilities		
Provisions	40 502	40 503
Other non-financial liabilities	2 072	2 436
Total Non - Financial Liabilities	42 574	42 939
EQUITY		
Equity share capital	25 324	25 324
Other equity	(9 20 970)	(8 96 901)
Total equity	(8 95 646)	(8 71 577)
Total liabilities and equity	13 41 736	13 66 138

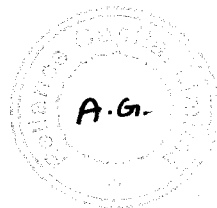




Reliance Capital Limited
Standalone statement of cash flow for the half year ended September 30, 2022

(Rs. in lakh)

Particulars	As at September 30, 2022	As at September 30, 2021
	Unaudited	Audited
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(Loss) before tax:	(24 042)	(58 633)
Adjustments		
Depreciation and amortisation expense	227	334
Net Impairment on financial instruments and balances written off	-	(88)
Provision for gratuity	5	35
Dividend income on investments	(451)	(385)
Net loss on fair value of investment (net)	20 588	(22 886)
Share based payment / (reversal) to employees	(3)	50
Amortised brokerage on borrowings	-	-
Interest income	(347)	(226)
Interest expenses (net)	(26)	80 455
Operating profit before working capital changes	(4 049)	(1 344)
Adjustments for (increase)/ decrease in operating assets:		
Interest received	466	213
Financial assets and non financial assets	8 186	(3 295)
Financial liabilities and non financial liabilities	(309)	3 066
Cash used in operations	4 294	(1 360)
Less Income taxes paid (net of refunds)	(148)	(85)
Net cash used in operating activities	4 146	(1 445)
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipments (including capital advances)	-	2
Proceeds from sale of investments (net)	1 662	1 187
Dividend received	451	385
Net cash flow from investing activities	2 113	1 574
CASH FLOW FROM FINANCING ACTIVITIES :		
Debt securities issued / (repaid) (net)	-	-
Borrowing other than debt securities issued / (repaid) (net)	-	-
Net cash used in financing activities	-	-
NET INCREASE/(DECREASE) IN CASH AND BANK EQUIVALENTS	6 259	129
Add : Cash and cash equivalents at beginning of the year	8 394	193
Cash and cash equivalents at end of the period	14 653	322



Disclosure pursuant to Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for half year ended September 30, 2022 :

(Rs. in lakh)

Sr. No.	Particulars	Details Required
1	Debt-Equity Ratio	Note 1 (a)
2	Outstanding Redeemable Preference Shares (Quantity And Value)	-
3	Capital Redemption Reserve/Debenture Redemption Reserve	-
4	Net Worth	(8,95,646 00)
5	Net Profit After Tax	(24,042 00)
6	Earnings Per Share (Not annualised)	Basic Rs (1 02) Diluted Rs (1 02)
7	Total Debts To Total Assets	1.30 times
8	Net Profit Margin	Note 1 (b)
9	Sector Specific Equivalent Ratios, As Applicable	
a	Gross NPA (Stage 3 Asset Gross) Ratio	99.93%
b	Net NPA (Stage 3 Asset Gross) Ratio	99.33%

Note 1: (a) The Company has negative equity balance as a result, debt equity ratio cannot be presented

(b) Since there is loss for the quarter ended September 30, 2022, Net Profit Margin cannot be presented.

Note 2: Debt Service Coverage Ratio, Interest Service Coverage Ratio, Current Ratio, Long Term Debt To Working Capital, Bad Debts To Account Receivable Ratio, Current Liability Ratio, Debtors Turnover, Inventory Turnover and Operating Margin are not applicable to the Company.

