

Reliance Capital Limited  
Reliance Centre, 6<sup>th</sup> Floor, North Wing  
Off Western Express Highway  
Santacruz (East), Mumbai - 400 055.

T +91 22 4303 1000  
F +91 22 4303 6664

February 14, 2020

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Fort, Mumbai 400 001  
**BSE Scrip Code: 500111**

**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai 400 051  
**NSE Scrip Symbol: RELCAPITAL**

Dear Sir(s),

**Sub.: Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2019 and Limited Review Report**

Further to our earlier letter dated February 14, 2020, we enclose herewith a statement of Unaudited Standalone Financial Results alongwith Limited Review Report for the quarter and nine months ended December 31, 2019.

Thanking you.

Yours faithfully,  
For **Reliance Capital Limited**



**Atul Tandon**  
**Company Secretary & Compliance Officer**

Encl.: As Above.

**c.c:**  
**National Securities Depository Limited**  
Trade World, 4<sup>th</sup> Floor,  
Kamala Mills Compound,  
Senapati Bapat Marg, Lower Parel,  
Mumbai 400 013

**Central Depository Services (India) Limited**  
Unit No. A-2501, A Wing, Marathon Futurex,  
25<sup>th</sup> Floor, Mafatlal Mill Compounds,  
N M Joshi Marg, Lower Parel (E),  
Mumbai 400 013

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**Reliance Capital Limited**  
**Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2019**

(Rs. in crore except per share data)

Sr. No.	Particulars	Quarter Ended			Nine months Ended		Year Ended
		31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	<b>Income</b>						
I	<b>Revenue from operations</b>						
	Interest Income	347	294	566	911	1 684	2 113
	Dividend Income	2	12	-	93	72	150
	Rental Income	1	1	1	3	6	8
	Fees and commission Income	8	9	9	26	27	36
	Net gain on fair value changes	239	6	1	395	355	-
	Other operating income (* Rs 2 76 688, ** Rs 9 40 226)	*	-	-	**	5	5
	<b>Total Revenue from operations</b>	<b>597</b>	<b>322</b>	<b>577</b>	<b>1 428</b>	<b>2 149</b>	<b>2 312</b>
II	Other Income (* Rs 86 000)	*	-	-	4	3	5
III	<b>Total Income (I+II)</b>	<b>597</b>	<b>322</b>	<b>577</b>	<b>1 432</b>	<b>2 152</b>	<b>2 317</b>
IV	<b>Expenses</b>						
	Finance costs	417	462	501	1 354	1 476	1 937
	Net loss on fair value changes	-	-	-	-	-	699
	Impairment on financial instruments	183	2,653	( 32)	2,959	176	( 653)
	Employee benefits expense	12	15	15	44	38	51
	Depreciation and amortization expense	2	2	3	7	10	53
	Other expenses	11	10	1	32	55	73
	<b>Total expenses (IV)</b>	<b>625</b>	<b>3 142</b>	<b>488</b>	<b>4 396</b>	<b>1 755</b>	<b>2 160</b>
V	<b>Profit/(loss) before tax (III-IV)</b>	<b>( 28)</b>	<b>( 2 820)</b>	<b>89</b>	<b>( 2 964)</b>	<b>397</b>	<b>157</b>
VI	<b>Tax expense</b>						
	(1) Current tax	-	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-	-
	(3) Taxation for earlier years	-	-	-	-	-	-
	<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
VII	<b>Profit/(loss) for the period / year (V-VI)</b>	<b>( 28)</b>	<b>( 2 820)</b>	<b>89</b>	<b>( 2 964)</b>	<b>397</b>	<b>157</b>
VIII	<b>Other Comprehensive Income</b>						
A	(i) Items that will not be reclassified to profit or loss *(Rs 1 23 671))	*	( 4)	8	(7)	(17)	(167)
	(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	-	-	-	-	-	-
	<b>Other comprehensive income for the period / year, net of tax *(Rs 1 23 671))</b>	<b>*</b>	<b>(4)</b>	<b>8</b>	<b>(7)</b>	<b>(17)</b>	<b>(167)</b>
IX	<b>Total Comprehensive Income for the period / year (VII+VIII)</b>	<b>( 28)</b>	<b>( 2 824)</b>	<b>97</b>	<b>( 2 971)</b>	<b>380</b>	<b>( 10)</b>
X	<b>Earnings per equity share face value of Rs. 10 each fully paidup (quarter not annualised):</b>						
	(1) Basic	(1.07)	(112.38)	3.56	(118.03)	15.83	6.26
	(2) Diluted	(1.07)	(112.38)	3.52	(118.03)	15.79	6.25



**Notes:**

- 1 Reliance Capital Limited (the 'Company') is primarily engaged in the Finance & Investment activities and all other activities revolve around the main business of the Company. 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".
- 2 The Listed Secured Non-Convertible Debentures of the Company aggregating to Rs. 14 827 crore as on December 31, 2019 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 of the Company as specifically mentioned in the respective Trust Deeds and the asset cover thereof exceeds hundred percent of the principal amount of the said Debentures.
- 3 a) The Company had entered into Binding Share Purchase Agreement on May 23, 2019 for sale of its shareholding in Nippon Life India Asset Management Limited (NLIAML) to Nippon Life Insurance Company, Japan. The same has been executed and accordingly NLIAML has ceased to be associate of the Company w.e.f. September 27, 2019.  
b) During the year the Company has sold its 100 % holding in Reliance Capital Trustee Company Limited & Reliance Capital AIF Trustee Company Private Limited and accordingly ceased to be subsidiary of the Company w.e.f. September 27, 2019.  
c) Company has entered in to binding agreement with the existing management team of Reliance Securities Limited and Reliance Financial Limited for buying out the business from Company, subject to regulatory and other customary approvals.  
d) On account of the above transactions, the Company has recognised net realised gain on fair value change of Rs. 876 crore and recognised unrealised loss on fair value change of Rs. 594 crore in the financial results.
- 4 Reliance Commercial Finance Limited and Reliance Home Finance Limited have entered into Inter-Creditor Agreement (ICA) for the resolution of their debt in accordance with the circular dated June 7, 2019 issued by Reserve Bank of India on Prudential Framework for Resolution of Stressed Assets. Both the entities are progressing on implementing their Resolution Plans during Financial Year 2019-20. Accordingly, the Company has not carried out any impairment provision on loans provided to and investments made in these entities, as Company is expected to recover the entire amount.
- 5 The Company had pledged its entire equity holding in Reliance General Insurance Company Limited (RGIC) 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 RGIC in their custody. IRDAI, on February 4, 2020, has informed the Company that the shares are being held by the Trustee in the capacity as Trustee and the shares have not been transferred. Accordingly, RGIC continues to be a wholly owned subsidiary of the Company.
- 6 The Company had pledged 3.35% equity shares of Nippon Life India Asset Management Limited 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 High Court has referred the matter to the arbitration. Accordingly, the Company continues to consider its rights on the above referred shares.
- 7 The Trustee to the Debenture holders of the Company has initiated proceedings against the Company before the Debt Recovery Tribunal, Mumbai. The Company is considering to file an appeal before Debt Recovery Appellate Tribunal against such proceedings.
- 8 The Scheme of Amalgamation of Reliance Health Insurance Limited (RHIL), 100% subsidiary of the Company with Reliance General Insurance Company Limited (RGICL) has been approved by board of directors of RHIL & RGICL. The application for approval of amalgamation has been filed with IRDAI on January 13, 2020 and the process has begun. Considering the proposed Scheme of Amalgamation, no impairment has been considered necessary in the books of account on the investment held by the Company in RHIL.
- 9 The Company's previous auditor, 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 has examined the matter and also appointed legal experts, who independently carried out an in-depth examination of the matters and issues raised therein and have 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.



- 10 The Company has given Inter corporate deposits to two entities aggregating to Rs.810 crore net of provisions which are fully secured by way of first charge on their assets and additionally secured by a corporate guarantee by a group company. The balance amount is expected to be recovered soon. The Company has evaluated the financial position and the repayment capacity of the above entities and believes that no adjustments are required to the carrying value of the said exposures.
- 11 The Company has defaulted in repayment of obligation to the Lenders & Debenture holders, and has incurred losses during the period and also during the previous year, which indicate material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a Going Concern. The Company is in the process of meeting its obligations by way of time bound monetization of its assets and accordingly the financial results of the Company have been prepared on a "Going Concern" basis.
- 12 Previous period figures have been regrouped and rearranged wherever necessary.
- 13 The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on February 14, 2020 approved the above results and its release.

Dated: February 14, 2020



for Reliance Capital Limited

A handwritten signature in black ink, appearing to read "Dhananjay Tiwari".

Dhananjay Tiwari  
Director & Chief Executive Officer





**Limited Review Report on Standalone Unaudited Statement of Reliance Capital Limited for the quarter and nine months ended December 31, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Board of Directors of  
Reliance Capital Limited**

1. We have reviewed the accompanying statement of standalone unaudited Statement of Reliance Capital Limited ('the Company') for the quarter and nine months ended December 31, 2019 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on February 14, 2020, has been prepared accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of standalone unaudited Statement prepared in accordance with applicable Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note no. 11 of the Statement wherein the Company has defaulted in repayment of the obligations to its lenders and debenture holders which is outstanding as on December 31, 2019 and has incurred losses during the period and also during the previous year, which indicate material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a Going Concern. The Company is in the process of meeting its obligations by way of time bound monetization of its assets, and accordingly the financial results of the Company have been prepared on a "Going Concern" basis.



6. We draw attention to Note no. 4 of the Statement wherein the Company has exposure by way of Loans & Investments (including interest accrued thereon) in two subsidiary Companies amounting to Rs. 3,649 Crore outstanding as on December 31, 2019. These subsidiaries have entered into an Inter Creditor Agreement with the Lenders and their resolution plan is being finalized. The Company has not carried out the impairment provision of the said loans and investments and is confident of recovering the entire amount, as the subsidiaries are confident of implementing its resolution plan during Financial Year 2019-20.
7. We draw attention to Note no. 9 of the Statement referring, to filing under Section 143(12) of the Companies Act, 2013 to Ministry of Corporate Affairs by one of the previous auditors for the financial year 2018-19. Based on the facts fully described in the aforesaid note, views of the Company, in-depth examination carried out by the independent legal experts of the relevant records, there were no matters attracting the said Section.
8. We draw attention to Note no. 10 of the Statement which describes that the Company has Inter corporate deposits to 2 entities aggregating to Rs.810 Crore which are fully secured by way of first charge on their assets and additionally fully secured by a corporate guarantee by a group company. Based on the evaluation of the financial position and the repayment capacity of the above entities the Company has made adequate provision during the quarter and no further provision is required.

Our Conclusion on the Statement is not modified in respect of matters stated in paragraph 5 to 8.

For **Pathak H. D. & Associates LLP**  
Chartered Accountants  
Firm's Registration No:107783W/W100593



**Vishal D. Shah**  
Partner

Membership No: 119303  
UDIN: 20119303AAAAAM5464



Date: February 14, 2020  
Place: Mumbai