

Reliance Capital Limited  
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Off Western Express Highway  
Santacruz (East), Mumbai - 400 055.

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February 1, 2021

**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, 2020**

Further to our earlier letter dated February 1, 2021 we enclose herewith a statement of Unaudited Standalone Financial Results alongwith the Limited Review Report for the quarter and nine months ended December 31, 2020.

Thanking you.

Yours faithfully,  
For **Reliance Capital Limited**



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

Encl.: As Above.

**Limited Review Report on Standalone Unaudited Financial Results of Reliance Capital Limited for the quarter and nine months ended December 31, 2020 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 Financial Results of Reliance Capital Limited ('the Company') for the quarter and nine months ended December 31, 2020 ('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 01, 2021, 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 ("the Act") 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 financial results 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. 8 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, 2020 and also has incurred losses during the period as well as 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 more fully described in the aforesaid note, and accordingly the standalone unaudited financial results of the Company have been prepared on a "Going Concern" basis. Our Conclusion on the Statement is not modified in respect of this matter.





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) and Guarantees in its associate company and subsidiary company viz. Reliance Home Finance Limited and Reliance Commercial Finance Limited aggregating to Rs.4,970 Crore outstanding as on December 31, 2020. The lenders of these associate company and subsidiary company have entered into an Inter Creditor Agreement and their resolution plan is being finalized. Though the Company is confident of implementation of the resolution plan, pending finalization of the same, the Company on a conservative basis made an impairment provision of Rs.1,181 Crore against the above exposure in the books of account. Our Conclusion on the Statement is not modified in respect of this matter.
7. We draw attention to Note no. 7 of the Statement referring, to filing under Section 143(12) of the Act 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. Our Conclusion on the Statement is not modified in respect of this matter.

For **Pathak H. D. & Associates LLP**

Chartered Accountants

Firm's Registration No:107783W/W100593



**Vishal D. Shah**

Partner

Membership No: 119303

UDIN: 21119303AAAABC9314



Date: February 1, 2021

Place: Mumbai

Reliance Capital Limited  
Statement of Standalone Financial Results for the quarter and nine months ended December 31, 2020

		(Rs. in crore except per share data)					
Sr. No.	Particulars	Quarter Ended			Nine months Ended		Year Ended
		31-Dec-2020	30-Sep-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Mar-2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
I	Revenue from operations						
	Interest income	2	271	347	541	911	1 258
	Dividend income	-	3	2	3	93	94
	Rental income	1	-	1	2	3	4
	Fees and commission income	7	-	8	15	26	33
	Other operating income	0.01	0.08	0.28	0.11	0.09	0.12
	<b>Total Revenue from operations</b>	<b>10</b>	<b>274</b>	<b>358</b>	<b>561</b>	<b>1 033</b>	<b>1 389</b>
II	Other income	0.05	0.03	0.01	0.09	4.00	3.98
III	<b>Total Income (I+II)</b>	<b>10</b>	<b>274</b>	<b>358</b>	<b>561</b>	<b>1 037</b>	<b>1 393</b>
IV	Expenses						
	Finance costs	405	398	417	1 312	1 354	1 764
	Net loss / (gain) on fair value changes	66	202	( 239)	331	( 395)	445
	Impairment on financial instruments	3 777	2,139	183	5,992	2,959	4,519
	Employee benefits expense	2	2	12	12	44	50
	Depreciation and amortization expense	2	3	2	7	7	35
	Other expenses	2	5	11	14	32	45
	<b>Total expenses (IV)</b>	<b>4 254</b>	<b>2 749</b>	<b>386</b>	<b>7 668</b>	<b>4 001</b>	<b>6 858</b>
V	<b>Profit/(loss) before tax (III-IV)</b>	<b>( 4 244)</b>	<b>( 2 475)</b>	<b>( 28)</b>	<b>( 7 107)</b>	<b>( 2 964)</b>	<b>( 5 465)</b>
VI	Tax expense						
	(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>( 4 244)</b>	<b>( 2 475)</b>	<b>( 28)</b>	<b>( 7 107)</b>	<b>( 2 964)</b>	<b>( 5 465)</b>
VIII	Other Comprehensive Income / (Loss)						
	(i) Items that will not be reclassified to profit or loss	*	**	***	(1)	(7)	(31)
A	(*Rs 7 43 733, **Rs 37 41 985, ***Rs 1 23 671)						
	(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 / (loss) for the period / year, net of tax (*Rs 7 43 733, **Rs 37 41 985, ***Rs 1 23 671)</b>	<b>*</b>	<b>**</b>	<b>***</b>	<b>(1)</b>	<b>(7)</b>	<b>(31)</b>
IX	<b>Total Comprehensive Income / (Loss) for the period / year (VII+VIII)</b>	<b>( 4 244)</b>	<b>( 2 475)</b>	<b>( 28)</b>	<b>( 7 108)</b>	<b>( 2 971)</b>	<b>( 5 496)</b>
X	Earnings per equity share face value of Rs. 10 each fully paidup (quarter and nine months not annualised):						
	(1) Basic	(169.0)	(98.55)	(1.07)	(283.01)	(118.03)	(217.63)
	(2) Diluted	(169.0)	(98.55)	(1.07)	(283.01)	(118.03)	(217.63)
XI	<b>Paid-up Equity Share Capital</b>	<b>253</b>	<b>253</b>	<b>253</b>	<b>253</b>	<b>253</b>	<b>253</b>
XII	<b>Other equity</b>						<b>3 121</b>





**Notes:**

- 1 Reliance Capital Limited (the 'Company') is primarily engaged in the Finance and 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, 2020 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 and adequate steps are being taken by the Company as explained in point no. 8.
- 3 The 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. Accordingly, the investment in Reliance Securities Limited and Reliance Financial Limited are not classified as assets held for sale in accordance with the Ind AS 105 "Non Current Assets held for Sale and Discontinued operations".
- 4 The Company has exposure by way of Loans, investments (including interest accrued thereon) and Guarantees in Reliance Commercial Finance Limited (RCFL) and Reliance Home Finance Limited (RHFL) aggregating to Rs. 4 970 crore outstanding as on December 31, 2020. The lenders of these companies have entered into Inter-Creditor Agreement (ICA) for the resolution of their exposure in accordance with the notification 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 under ICA. RHFL ICA is valid till March 31, 2021 and RCFL ICA is likely to be extended from January 31, 2021 to March 31, 2021. Though the Company is confident of implementation of the resolution plans, pending finalisation of the same, the Company on a conservative basis has made an adequate impairment provision of Rs. 1 181 crore against the above exposure in the books of account.
- 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. Vide orders dated December 4, 2019 and December 27, 2019, Insurance Regulatory and Development Authority of India (IRDAI), 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. The said order was challenged in Securities Appellate Tribunal, Mumbai (SAT) and SAT vide its Order dated February 27, 2020 also confirmed that the Trustee is also holding shares as Trustee / custodian and will not exercise any control over RGIC and cannot exercise any voting rights on shares of RGIC. Accordingly, RGIC continues to be a wholly owned subsidiary of the Company.
- 6 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 High Court has referred the matter to the arbitration who upon hearing the Interim Applications filed by the Company. Sole Arbitrator 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.
- 7 One of previous auditor of the Company's, 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.
- 8 The Company has defaulted in repayment of obligation to the Lenders and Debenture holders against which various lenders have filed litigations and the company has incurred losses during the period, 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 in cognizance with Debenture Trustee (Visra) & Debenture holders. Committee of Debenture holders have sought Expression of Interest for submission of Asset Monetization Plans for certain subsidiaries/investments of the Company. The invitation for this Expression of Interest has been issued on October 31, 2020 and accordingly the financial results of the Company have been prepared on a "Going Concern" basis.
- 9 The financial results for the quarter and nine months ended December 31, 2020 of the Company have been subjected to a "Limited Review" by the Statutory Auditors of the Company.
- 10 The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on February 01, 2021 approved the above results and its release.
- 11 Previous period figures have been regrouped/ rearranged wherever necessary.

Mumbai, February 01, 2021

for Reliance Capital Limited

Dhananjay Tiwari  
Director & Chief Executive Officer