

Independent Auditor's Report

**To,
The Members,
Reliance Home Finance Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Home Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Independent Auditor's Report (Continued)

Reliance Home Finance Limited

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

Independent Auditor's Report (Continued)
Reliance Home Finance Limited

CHATURVEDI & SHAH
Chartered Accountants

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Shah
Chartered Accountants
Firm's Registration No:101720W

Vijay Napawaliya
Partner
Membership No: 109859

Mumbai
Dated : May 7, 2015

(Referred to in our report of even date)

- (i) In respect of its fixed assets: -
 - a. The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
 - b. The Company has a program of physical verification of its fixed assets by which all fixed assets has been verified during the year and no discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) The Company is primarily engaged in the housing finance business. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loan secured/unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clauses (iii) (a) and (iii)(b) of paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. During the year the Company did not undertake any activities of purchase of inventories and sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and hence directives issued by the National Housing Bank under the Housing Finance Companies (NHB) Directions, 2010 and the provisions of Sections 73 to 76 and any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable. During the year under audit, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for whether the same has been complied with or not.
- (vi) According to the information and explanations given to us, the Central Government has not specified for maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of activities carried on by the Company. Hence the provisions of clause 3 (vi) of the Order is not applicable to the Company.

Annexure to the Independent Auditor's Report (Continued)

(Referred to in our report of even date)

(vii) In respect of statutory dues:

- a) According to the records of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, except in case of provident fund and professional tax in which case there are few delays in payment of said dues. Further, there are no undisputed amounts payable outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute.
- c) According to the information and explanations given to us, there is no outstanding amount, which is required to be transferred to investor education and protection fund in accordance with the relevant provision of the Companies Act, 1956 and rules made there under.

(viii) The Company neither has accumulated losses nor it has incurred any cash losses during the current financial year and in the immediate preceding financial year.

(ix) Based on our audit procedures and the information and explanations given by management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institutions, banks or debenture holders.

(x) The Company has not given any guarantees for loans taken by others from banks or financial institutions.

(xi) According to the information and explanations given to us, the term loans availed by the Company, were prima facie applied by the Company during the year for the purpose for which loans were obtained other than Rs.255 crore which as at balance sheet date were temporary deployed in banks current accounts, pending utilization and was subsequently utilized for the purpose for which loan has been taken.

Reliance Home Finance Limited

CHATURVEDI SHAH

Annexure to the Independent Auditor's Report (*Continued*) Chartered Accountants

(Referred to in our report of even date)

- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For **Chaturvedi & Shah**

Chartered Accountants

Firm's Registration No:101720W

Vijay Napawaliya

Partner

Membership No: 109859

Mumbai

Dated : May 7, 2015

RELIANCE HOME FINANCE LIMITED
BALANCE SHEET AS AT MARCH 31, 2015

			(Rupees)
Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES :			
1 Shareholders' Funds			
(a) Share Capital	3	65,82,00,000	65,82,00,000
(b) Reserves and Surplus	4	4,67,54,28,500	3,98,47,96,220
2 Non-current liabilities			
(a) Long-term borrowings	5	28,23,98,02,004	21,69,22,85,975
(b) Deferred tax liabilities (Net)	6	9,75,00,000	5,42,95,000
(c) Other non-current liabilities	7	3,36,36,336	-
(d) Long-term provisions	8	23,46,15,054	16,51,21,236
3 Current liabilities			
(a) Short-term borrowings	9	8,15,51,73,002	2,07,63,11,896
(b) Trade payables	10	2,31,82,745	1,46,79,108
(c) Other current liabilities	11	13,41,27,42,804	8,75,15,94,238
(d) Short-term provisions	12	4,36,47,015	5,17,19,310
TOTAL		55,57,39,27,460	37,44,90,02,983
II. ASSETS :			
1 Non-current assets			
(a) Fixed assets	13		
(i) Tangible assets		39,40,11,439	6,45,781
(ii) Intangible assets		5,18,082	2,14,107
(b) Long-term loans and advances	14	43,70,71,61,335	26,44,08,63,789
(c) Other non-current assets	15	36,04,91,283	66,79,26,958
2 Current assets			
(a) Current investments	16	-	3,20,00,00,000
(b) Cash & bank balance	17	3,55,13,21,707	2,01,27,18,074
(c) Short-term loans and advances	18	7,14,34,89,412	4,80,69,73,451
(d) Other current assets	19	41,69,34,202	31,96,60,823
TOTAL		55,57,39,27,460	37,44,90,02,983

See accompanying notes to the financial statements '1-43

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
 Firm Registration No. : 101720W

Vijay Napawaliya
Partner
 Membership .No. 109859

Mumbai
Date: May 7, 2015

For and on behalf of the Board

Padmanabh Vora
(Director)
(DIN: 00003192)

Deena Mehta
(Director)
(DIN: 00168992)

Gautam Doshi
(Director)
(DIN: 00004612)

Soumen Ghosh
(Director)
(DIN: 01262099)

K.V.Srinivasan
(Director)
(DIN: 01827316)

Sandip Parikh
(Manager)

Amrish Shah
(Chief Financial Officer)

Deepali Bhatt
(Company Secretary)

Mumbai
Date: May 7, 2015

RELIANCE HOME FINANCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

		(Rupees)	
Particulars	Note No.	2014-15	2013-14
REVENUE			
(I) Revenue from operation	20	5,00,94,92,739	4,22,82,48,244
(II) Other Income	21	11,65,49,352	6,88,64,304
(III) TOTAL REVENUE (I+II)		5,12,60,42,091	4,29,71,12,548
EXPENSES			
Employee Benefits expense	22	34,83,74,046	33,41,60,606
Finance Cost	23	3,16,69,88,367	2,76,97,73,348
Depreciation and Amortisation	13	3,12,567	18,77,598
Other expenses	24	55,12,79,831	53,08,50,298
(IV) TOTAL EXPENSES		4,06,69,54,811	3,63,66,61,850
(V) PROFIT BEFORE TAX (III-IV)		1,05,90,87,280	66,04,50,698
(VI) TAX EXPENSE :			
Current Tax		32,52,50,000	22,69,00,000
Income tax for Earlier Year		-	(55,84,077)
Deferred Tax		4,32,05,000	52,45,000
(VII) PROFIT AFTER TAX (V-VI)		69,06,32,280	43,38,89,775
(VIII) EARNING PER EQUITY SHARE	35		
(Face value of Rs. 10 each fully paid up)			
Basic & Diluted		10.49	6.59

See accompanying notes to the financial statements '1-43

As per our report of even date

For and on behalf of the Board

For Chaturvedi & Shah

Chartered Accountants

Firm Registration No. : 101720W

Padmanabh Vora

(Director)

(DIN: 00003192)

Deena Mehta

(Director)

(DIN: 00168992)

Gautam Doshi

(Director)

(DIN: 00004612)

Sd/-

Vijay Napawaliya

Partner

Membership .No. 109859

Soumen Ghosh

(Director)

(DIN: 01262099)

K.V.Srinivasan

(Director)

(DIN: 01827316)

Sandip Parikh

(Manager)

Mumbai

Date: May 7, 2015

Amrish Shah

(Chief Financial Officer)

Deepali Bhatt

(Company Secretary)

Mumbai

Date: May 7, 2015

RELIANCE HOME FINANCE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(Rupees)

Particulars	2014-2015	2013-2014
A. Cash Flow from Operating Activities		
Net Profit Before Tax	1,05,90,87,280	66,04,50,698
Adjusted for		
Depreciation and Amortisation	3,12,567	18,77,598
Provision for Standard Debts	7,78,41,181	5,72,20,793
Provision for NPA & Doubtful debts	1,12,52,675	3,95,45,798
Bad Debts Written Off	4,59,05,071	4,21,21,408
(Profit)/Loss on Sale of Investments	(11,54,54,143)	(5,35,30,458)
Discount on Commercial Papers	17,63,29,213	6,66,27,510
Amortised DSA Commission	7,26,76,935	6,41,65,396
Amortised Brokerage Commission	1,19,67,080	1,11,06,741
Amortised Guarantee Commission	19,98,000	-
Interest Expenses & Processing Charges	2,97,86,92,074	2,68,64,56,180
Credit Balance / Excess Provision Written Back	(8,61,880)	(87,77,010)
Provision for Leave encashment	5,03,979	-
Operating Profit/(Loss) before Working Capital Changes	4,32,02,50,032	3,56,72,64,654
Adjusted for		
Proceeds/(Repayments) from issue of Commercial Papers (Net)	4,94,25,03,201	1,76,47,81,150
Repayments of Long term Borrowing	(6,42,49,19,815)	(5,31,24,00,000)
Proceeds from Long term Borrowing	14,36,00,00,000	9,97,67,30,023
Proceeds/(Repayments) from Short Term Borrowing (Net)	96,00,28,693	7,36,168
Trade Receivable & Loans and advances	(20,01,20,64,531)	(3,87,85,12,679)
Trade Payables and Liabilities	3,21,25,68,910	59,39,58,124
Cash Generated from Operation	1,35,83,66,490	6,71,25,57,440
Interest & Processing Charges Paid	(2,93,82,03,661)	(2,54,02,00,813)
Taxes Paid (Net off Income Tax Refund)	(21,28,81,636)	(5,18,81,356)
Net Cash from / (used in) Operating Activities	(1,79,27,18,807)	4,12,04,75,271
B. Cash Flow from Investing Activities		
Procced from /(Investments) in Fixed Deposits	1,00,00,000	19,20,10,000
Purchase of Fixed Asset	(39,39,82,200)	(2,85,708)
Sale/(Purchase) of Current Investments (Net)	3,31,54,54,144	(3,14,64,69,542)
Sale of Long Term Investments	-	13,75,71,973
Net Cash from / (used in) Investing Activities	2,93,14,71,944	(2,81,71,73,277)
C. Cash Flow from Financing Activities		
Dividend Paid	-	-
Net Cash from / (used in) Financing Activities	-	-
Net increase / (decrease) in Cash and Cash Equivalents (A + B + C)	1,13,87,53,137	1,30,33,01,994
Opening Balance of Cash and Cash Equivalents	2,01,27,18,074	70,94,16,080
Closing Balance of Cash and Cash Equivalents	3,15,14,71,211	2,01,27,18,074

Note :

1. The Previous year's figures have been regrouped and reclassified wherever necessary.

As per our report of even date

For and on behalf of the Board

For Chaturvedi & Shah
Chartered Accountants

Firm Registration No. : 101720W

Padmanabh Vora
(Director)
(DIN: 00003192)

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Sandip Parikh
(Manager)

Mumbai
Date: May 7, 2015

Amrish Shah
(Chief Financial Officer)
Mumbai
Date: May 7, 2015

Deepali Bhatt
(Company Secretary)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1 Background

Reliance Home Finance Limited ('the Company') is registered with National Housing Bank as housing finance company (HFC), without accepting public deposits, as defined under section 29A of the National Housing Bank Act, 1987. The Company is principally engaged in housing finance business.

2 Significant Accounting Policies**a Basis of Preparation of Financial Statements**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting. They are in conformity with the accounting principles generally accepted in India ('GAAP'), and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 (the "Act"), the National Housing Bank Act, 1987 and the Housing Finance Companies (NHB) Directions, 2010 as amended from time to time.

The Company has followed the same set of accounting policies as similar to those followed in financial year ending March 31, 2014 except in case of depreciation where the Company has revised its policy of providing depreciation on tangible assets, effective from April 1, 2014 depreciation on tangible assets is now provided on a straight line basis as against the policy of providing on written down value basis.

b Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

c Revenue Recognition**i) Interest Income**

Repayment of housing loans is generally by way of Equated Monthly Installments (EMI) comprising of principal and interest. Necessary appropriation is made out of these EMI collections to principal and interest. EMIs commence generally once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable on every month. Interest on loans is computed either on an annual rest, half yearly rest, quarterly rest or on a monthly rest basis on the principal outstanding at the beginning of the relevant period. Interest income is allocated over the contractual term of loan by applying the committed interest rate to the outstanding amount of the loan. Interest income on performing assets is recognized on accrual basis and on non-performing assets on realization basis as per guidelines prescribed by the National Housing Bank.

Fees, charges and additional interest income on delayed EMI/Pre-EMI are recognized on receipt basis.

ii) Dividend Income

Dividend Income is recognised when the right to receive payment is established.

iii) Loan Processing Fee Income

Loan processing fee income is accounted for upfront as and when it becomes due.

iv) Income from assignment / securitization

In case of assignment / securitization of loans, the assets are derecognized when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of assigned/secured loans. The profit if any, as reduced by the estimated provision for loss/expenses and incidental expenses related to the transaction, is recognised as gain or loss arising on assignment / securitization on a monthly basis.

v) Other Income

In other cases, income is recognized when there is no significant uncertainty as to determination and realization.

d Fixed Asset

Fixed Assets are stated at cost of acquisition less accumulated depreciation and Impairment loss, if any. Cost includes all expenses incidental to the acquisition of the fixed assets.

e Intangible Assets

Intangible Assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

f Depreciation/Amortisation

Depreciation on tangible assets is provided in accordance with the provisions of Schedule II of the Companies Act, 2013. Tangible assets are depreciated on straight line basis method over the useful life of assets, as prescribed in Part C of Schedule II of the Companies Act, 2013.

Intangible assets comprise, computer software are amortised on straight line basis over the useful life of the software up to a maximum of five years commencing from the month in which such software is first installed.

g Loan origination / acquisition cost

All direct cost incurred for the loan origination is amortised over the tenure of the loan.

h Investments

Investments are classified into current investments and long-term investments. In accordance with the Guidelines issued by National Housing Bank (NHB), current investments are carried at lower of cost and fair value and long term investments are carried at cost. However, provision is made to recognize decline other than temporary in the carrying amount of long term investments. Unquoted investments in the units of Mutual Funds in nature of current investment are valued at lower of cost or Net Asset Value declared by Mutual Funds in respect of each particular scheme.

i Discount on Commercial Papers

The difference between the acquisition cost and the redemption value of commercial papers is apportioned on time basis and recognized as discount expense.

j Provision for Standard Assets, Non Performing Assets (NPA) & Doubtful Debts

Provisions on Standard Assets, Non Performing Assets (NPA) & Doubtful Debts are made in accordance with the Prudential Norms as per Housing Finance Companies (NHB) Directions, 2010.

k Securitised Assets

Derecognition of Securitised assets in the books of the Company, recognition of gain or loss arising on Securitisation and accounting for credit enhancement provided by the Company is based on the Guidance Note on Accounting for Securitisation issued by the Institute of Chartered Accountants of India.

l Market Link Debentures

The Company has issued certain market link non-convertible debentures ('MLD'), the rate of interest which is linked to performance of specified indices over the period of the debentures.

The Company hedges its interest rate risk on MLD by taking positions in future & options based on specified indices. Any gain/loss on these hedge positions are netted against with interest expense on MLD and resultant 'net loss' is recognised in Statement of Profit and Loss immediately, however 'net gain' if any, is ignored.

m Employee Benefits

i) Provident fund

Contributions payable to the recognized provident fund, which is a defined contribution scheme, are charged to the Statement of Profit and Loss.

ii) Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in the return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as on the balance sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

iii) Leave Encashment

Leave encashment which is a defined benefit, is accrued for based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

The employees of the Company are entitled for compensated absence. The employees can carry forward a portion of the unutilised accrued leave balance and utilise it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the service that increases the entitlement. The Company measures the expected cost of compensated absence as the amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

n Borrowing costs

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

o Guarantee Fees

Mortgage guarantee fees, which are directly attributable to the loans guaranteed are expensed based on the principal outstanding at the end of the period.

p Earnings per share

The basic earnings per share is computed by dividing the net profit / (loss) attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / (loss) per share are included.

q Provision for Current Tax and Deferred Tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

r Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired, if such condition exists an asset is treated as impaired, when carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount is treated as impaired, when carrying cost of assets exceeds its recoverable amount.

s Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

3. Share Capital

(Rupees)

	As at March 31, 2015	As at March 31, 2014
a) Authorised:		
7,50,00,000 Equity Shares of Rs. 10 each (March 31, 2014: 7,50,00,000 Equity Shares of Rs. 10 each)	75,00,00,000	75,00,00,000
5,00,00,000 Preference Shares of Rs. 10 each (March 31, 2014: 5,00,00,000 Preference Shares of Rs. 10 each)	50,00,00,000	50,00,00,000
	<u>1,25,00,00,000</u>	<u>1,25,00,00,000</u>
b) Issued, subscribed & Fully paid up		
6,58,20,000 Equity Shares of Rs. 10 each (March 31, 2014: 6,58,20,000 Equity Shares of Rs. 10 each)	65,82,00,000	65,82,00,000
	<u>65,82,00,000</u>	<u>65,82,00,000</u>
c) Par Value per Share	Amount in Rs.	Amount in Rs.
Equity	10	10

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
d) Reconciliation of issued, subscribed and fully paid up Share Capital				
Equity Shares				
Opening Balance	6,58,20,000	65,82,00,000	6,58,20,000	65,82,00,000
Addition during the year	-	-	-	-
Reduction during the year	-	-	-	-
Closing Balance	6,58,20,000	65,82,00,000	6,58,20,000	65,82,00,000

e) **Rights, Preferences and Restrictions :**

1 **Voting Rights :**

In case of equity Shares

w.e.f. April 1, 2011, all the equity share holders of the Company have voting rights only and no rights toward dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2 **Dividends :**

The Company has amended its Articles of Association effective from April 1, 2011 to insert a new Article 5A to the effect that the Company shall not declare and /or pay dividend on any of its Share Capital.

f) **Shares held by holding company i.e. Reliance Capital Limited including jointly Held**

		As at March 31, 2015		As at March 31, 2014	
		No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Equity Shares	%				
Reliance Capital Limited	100%	6,58,19,980	65,81,99,800	6,58,19,980	65,81,99,800
Reliance Capital Ltd. and its nominees	0%	20	200	20	200
Total	100%	6,58,20,000	65,82,00,000	6,58,20,000	65,82,00,000

g) Out of the above equity shares 3,29,10,000 equity shares (Previous Year 3,29,10,000 equity shares) were allotted as fully paid-up bonus shares to its existing equity share holders in the financial year 2012-13.

4. **Reserves and Surplus**

(Rupees)

	As at March 31, 2015		As at March 31, 2014	
a) Statutory Reserve (As per Section 29C of the National Housing Bank Act, 1987) Special Reserve Fund #				
Opening Balance as per Last Balance sheet	28,76,71,010		20,08,93,055	
Add: Transfer from Surplus in Statement of Profit & Loss	13,81,26,456		8,67,77,955	
		42,57,97,466		28,76,71,010
b) Securities Premium Account As Per Last Balance Sheet		2,55,18,00,000		2,55,18,00,000
c) Surplus in Statement of Profit & Loss As Per Last Balance Sheet	1,14,53,25,210		79,82,13,390	
Add: Transfer from Statement of Profit & Loss	69,06,32,280		43,38,89,775	
Less : Transfer to Special Reserve Fund	13,81,26,456		8,67,77,955	
		1,69,78,31,034		1,14,53,25,210
		4,67,54,28,500		3,98,47,96,220

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

#In terms of requirement of NHB's Circular No. NHB(ND)/DRS/Pol.Circular.61/2013-14 dated April 17,2014 following information on Reserve Fund under section 29C of the National Housing Bank Act, 1987 is provided.

Particulars	As at March 31, 2015	As at March 31, 2014
Balance at the beginning of the year		
a) Statutory reserve u/s. 29C of the NHB Act, 1987	28,76,71,010	20,08,93,055
b) Amount of Special Reserve u/s. 36(1)(viii) of the Income tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
	<u>28,76,71,010</u>	<u>20,08,93,055</u>
Addition / Appropriation / Withdrawal during the year		
Add :		
a) Amount transferred u/s 29C of the NHB Act, 1987	13,81,26,456	8,67,77,955
b) Amount of Special Reserve u/s 36(1)(viii) of the Income Tax Act,1961 taken into account for the purpose of Statutory Reserve u/s. 29C of the NHB Act, 1987	-	-
Less :		
a) Amount appropriated from Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
	<u>13,81,26,456</u>	<u>8,67,77,955</u>
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the NHB Act, 1987	42,57,97,466	28,76,71,010
b) Amount of Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
	<u>42,57,97,466</u>	<u>28,76,71,010</u>

Note : The special reserve created as per Section 29 C of the NHB Act, 1987, qualifies for deduction as specified u/s 36 (1) (viii) of the Income Tax Act, 1961 and accordingly Company has been availing tax benefits for such transfers.

5. Long-term borrowings	As at March 31, 2015	As at March 31, 2014
		(Rupees)
Non convertible Debentures		
Secured (Refer Note 25)	3,00,02,04,880	2,88,91,61,644
Unsecured (Subordinated Tier II Series)	1,48,00,00,000	1,48,00,00,000
Term Loans from Banks		
Secured (Refer Note 26)	23,75,95,97,124	17,32,31,24,331
	<u>28,23,98,02,004</u>	<u>21,69,22,85,975</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

6. Deferred Tax Liabilities		(Rupees)
Particulars	As at March 31, 2015	As at March 31, 2014
Deferred tax Liability disclosed in the Balance Sheet comprises the following :		
a) Deferred Tax Liability		
Related to Fixed Assets	68,33,338	20,772
Unamortised Expenditure	12,16,20,090	8,62,18,403
Special Reserve Fund	10,72,01,940	7,61,97,910
Total	23,56,55,368	16,24,37,085
b) Deferred Tax Asset		
Disallowance under the Income Tax Act, 1961	(9,83,392)	(7,94,528)
Provision for NPA/diminution in the value of Assets	(13,71,71,976)	(10,73,47,557)
Total	(13,81,55,368)	(10,81,42,085)
Net Deferred Tax Liabilities/(Asset) (a) - (b)	9,75,00,000	5,42,95,000
7. Other non-current liabilities		(Rupees)
	As at March 31, 2015	As at March 31, 2014
a) Collateral deposit from customers	3,34,53,548	-
b) Interest accrued and not due on borrowings	1,82,788	-
	3,36,36,336	-
8. Long Term Provisions		(Rupees)
	As at March 31, 2015	As at March 31, 2014
a) Provision for Employees Benefits (Refer Note 31) Leave Encashment	27,70,371	22,68,781
b) Provision for Standard Assets	23,18,44,683	16,28,52,455
	23,46,15,054	16,51,21,236
9. Short-term borrowings		(Rupees)
	As at March 31, 2015	As at March 31, 2014
a) From Banks		
Cash Credit facilities - Secured (Refer Note 1 below)	96,07,64,860	7,36,168
b) From Others		
Commercial Papers - Unsecured	7,19,44,08,142	2,07,55,75,728
	8,15,51,73,002	2,07,63,11,896

Notes :

- Cash credit referred above are secured by pari passu first charge on all standard assets portfolio of present and future book debts, receivable, bills, claims and loan assets of the Company against security not exceeding Rs. 1,100,000,000 (Previous year Rs.1,100,000,000).
- In respect of Commercial Papers referred above, maximum face value amount outstanding during the year was Rs.8,80,00,00,000 (Previous year Rs.2,85,00,00,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

10. Trade Payables		(Rupees)
	As at March 31, 2015	As at March 31, 2014
Due to Micro, Medium & Small	-	-
Due to Others	2,31,82,745	1,46,79,108
Due to Related Party		
	<u>2,31,82,745</u>	<u>1,46,79,108</u>

Note:

The management has identified enterprises which has provided goods and services to the Company and which qualify under the definition of Medium, Micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. At any point of time during the year there is no liability due for payment to such micro, small and medium enterprises.

11. Other Current Liabilities		(Rupees)
	As at March 31, 2015	As at March 31, 2014
a) Current maturities of long term debts - Secured (Refer Note 25 & 26)		
(i) Non convertible Debentures	1,26,30,00,000	14,93,35,845
(ii) Term Loans from Banks	6,56,11,00,000	6,28,72,00,000
b) Interest accrued and not due on borrowings	26,20,59,774	22,17,54,148
c) Advance from Customers	9,68,71,547	6,66,59,710
d) Payable under Securitisation / Assignment (Net)	28,48,92,457	22,73,52,181
e) Temporary Book Overdraft (Refer Note 1 below)	4,87,62,38,001	1,71,87,39,613
f) Other Payables (Refer Note 2 below)	6,85,81,025	8,05,52,741
	<u>13,41,27,42,804</u>	<u>8,75,15,94,238</u>

Notes:

- 1 Temporary Book Overdraft of Rs. 4,876,238,001 (Previous Year Rs. 1,718,739,613) represents cheques issued towards disbursements to borrowers for Rs. 4,865,490,284 (Previous Year Rs.1,661,319,195) and cheques issued for payment of expenses of Rs. 10,747,717 (Previous Year Rs.7,301,073), but not encashed as at March 31, 2015.
- 2 Other Payables includes TDS, statutory payments and other liabilities.

12. Short Term Provisions		(Rupees)
	As at March 31, 2015	As at March 31, 2014
a) Provision for Employees Benefits (Refer Note 31)		
Leave Encashment	71,143	68,754
b) Provision for Standard Assets	4,35,75,872	3,47,26,918
c) Income tax provision [Net off Taxes Paid Rs. Nil (Previous Year Rs. 469,276,362)]	-	1,69,23,638
	<u>4,36,47,015</u>	<u>5,17,19,310</u>

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Note "13"

Fixed Assets

(Rupees)

Sr. No.		Gross Block				Depreciation			Net Block		
		As at April,1 2014	Addition	Deletion	As at March 31, 2015	As at April,1 2014	Depreciation	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014	
(i)	Tangible Assets										
1	Office Equipments	2,44,300	-	-	2,44,300	2,35,075	9,225	2,44,300	-	9,225	
2	Office Buildings #	6,65,200	39,33,82,200	-	39,40,47,400	85,115	(25,475)	59,640	39,39,87,760	5,80,085	
3	Data Processing Machineries	1,09,708	-	-	1,09,708	53,237	32,792	86,029	23,679	56,471	
	Total	10,19,208	39,33,82,200	-	39,44,01,408	3,73,427	16,542	3,89,969	39,40,11,439	6,45,781	
	Previous Year	7,33,500	2,85,708	-	10,19,208	77,758	2,95,669	3,73,427	6,45,781		

(ii)	Intangible Assets										
	Computer Software	79,09,647	6,00,000	-	85,09,647	76,95,540	2,96,025	79,91,565	5,18,082	2,14,107	
	Total	79,09,647	6,00,000	-	85,09,647	76,95,540	2,96,025	79,91,565	5,18,082	2,14,107	
	Previous Year	79,09,647	-	-	79,09,647	61,13,611	15,81,929	76,95,540	2,14,107		

Note :

1 In respect of Intangible Assets :

a) It is other than internally generated.

b) In case of addition, balance useful life of 3 yerars (Previous year Nil).

Refer Note 39 of the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

14. Long Term Loans and Advances		(Rupees)	
		As at March 31, 2015	As at March 31, 2014
a)	Security Deposits (Unsecured)	6,00,042	6,00,042
b)	Loans (Secured)		
	(i) Considered Good		
	Housing loans :		
	Individuals	21,46,35,82,819	14,20,43,62,933
	Others	8,04,12,12,409	5,51,23,33,166
		29,50,47,95,228	19,71,66,96,099
	Commercial loans	13,78,50,40,629	6,31,63,48,511
	(ii) Considered Doubtful		
	Housing loans :		
	Individuals	42,02,45,435	41,40,42,138
	Others	2,53,03,620	1,04,56,195
		44,55,49,055	42,44,98,333
	Less: Provision for NPA & Doubtful Debts	9,92,32,346	9,93,38,687
		34,63,16,709	32,51,59,646
	Commercial loans	5,32,60,844	7,18,96,901
	Less: Provision for NPA & Doubtful Debts	1,19,59,929	1,13,72,432
		4,13,00,915	6,05,24,469
c)	Installments Due (Secured) Considered doubtful		
	Principal Overdue	3,26,88,429	2,44,75,869
	Less: Provision for NPA & Doubtful Debts	97,46,326	71,19,790
		2,29,42,103	1,73,56,079
d)	Balance with Service Tax Authorities	44,01,622	41,78,943
e)	Taxes paid [Net off Income Tax Provision Rs. 81,14,50,000 (Previous Year Rs. Nil)]	17,64,087	-
		43,70,71,61,335	26,44,08,63,789

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

15.	Other Non Current Assets	(Rupees)	
		As at March 31, 2015	As at March 31, 2014
a)	Receivable from Trustee under Securitisation (Secured)	4,67,94,023	3,13,68,179
b)	Fixed Deposits with banks (Maturity > 12 Months) (kept as credit enhancement towards Securitisation/direct Assignment)	-	40,98,50,496
c)	Unamortised Expenditure (Unsecured)		
	(i) Unamortised DSA Commission	18,47,70,698	16,12,78,150
	Add: Incurred during the Year	13,48,75,669	8,76,57,943
	Less: Amortised during the year	7,26,76,935	6,41,65,396
		24,69,69,432	18,47,70,698
	Less: to be amortised over the next one year (Refer Note 19 (b))	2,66,06,117	1,53,44,538
		22,03,63,315	16,94,26,160
	(ii) Unamortised Brokerage on Borrowing	6,88,87,445	5,74,82,744
	Add: Incurred during the Year	87 47 347	2 25 11 442
	Less: Amortised during the year	1,19,67,080	1,11,06,741
		6,56,67,712	6,88,87,445
	Less: to be amortised over the next one year (Refer Note 19(b))	1,13,75,751	1,16,05,322
		5,42,91,961	5,72,82,123
	(iii) Unamortised Mortgage guarantee fees	-	-
	Add: Incurred during the Year	4,03,21,927	-
	Less: Amortised during the year	19,98,000	-
		3,83,23,927	-
	Less: to be amortised over the next one year (Refer Note 19(b))	16,18,100	-
		3,67,05,827	-
d)	Prepaid Expenses (Unsecured)	23,36,157	-
		36,04,91,283	66,79,26,958

16.	Current investments	(Rupees)	
		Quantity	Value
	Face Value / Issue Price	As at March 31, 2015	As at March 31, 2014
Other investments - Unquoted, fully paid-up			
Units of Mutual Funds			
Reliance Liquid Fund - Treasury Plan - Direct Growth Plan	1 000	-	3 84 164
Peerless Liquid Fund - Direct Plan Growth	10	-	14 22 72 808
			-
			3,20,00,00,000

Notes :

1	The aggregate value of investments:	As at March 31, 2015	As at March 31, 2014
		Book Value	Market Value
	Quoted	-	-
	Unquoted	-	320 00 00 000
	TOTAL	-	320 38 16 796

2	The aggregate Provision for diminution in the value of investments:	As at March 31, 2015	As at March 31, 2014
	Quoted	-	-
	Unquoted	-	-
	TOTAL	-	-

3	Basis of Valuation	As at March 31, 2015	As at March 31, 2014
		at cost	at cost

4 The market value mentioned above is based on the NAV provided by the respective mutual funds

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

17. Cash & Bank Balance		(Rupees)	
	As at March 31, 2015	As at March 31, 2014	
Cash & Cash equivalents			
Balance with Banks in Current Accounts	3,15,12,53,423	2,01,26,21,152	
Cash on hand	2,17,788	96,922	
	<u>3,15,14,71,211</u>	<u>2,01,27,18,074</u>	
Other Bank Balances			
Fixed Deposits with banks (Maturity < 12 Months) (kept as credit enhancement towards Securitisation/direct Assignment)	39,98,50,496	-	
	<u>39,98,50,496</u>	<u>-</u>	
	<u>3,55,13,21,707</u>	<u>2,01,27,18,074</u>	
18. Short-term loans and advances		(Rupees)	
	As at March 31, 2015	As at March 31, 2014	
a) Loans repayments within next 12 months (Secured)			
Considered Good			
Housing loans :			
Individuals	72,81,82,171	47,22,19,745	
Others	<u>3,86,97,71,663</u>	<u>3,66,67,16,352</u>	
	459 79 53 834	413 89 36 098	
Commercial loans	2,45,28,56,690	49,44,04,045	
b) Installments Due (Secured) Considered good	8,83,26,171	16,59,62,638	
c) Prepaid expenses (Unsecured)	11,37,669	43,91,165	
d) Sundry Advances (Unsecured)	32,15,048	32,79,506	
	<u>7,14,34,89,412</u>	<u>4,80,69,73,451</u>	
19. Other Current Assets		(Rupees)	
	As at March 31, 2015	As at March 31, 2014	
a) Interest Accrued on			
Fixed Deposits	9,87,480	55,91,115	
Loans and advances	<u>37,29,84,345</u>	<u>28,71,19,848</u>	
	37,39,71,825	29,27,10,963	
b) Unamortised Expenditure			
DSA Commission	2,66,06,117	1,53,44,538	
Brokerage on Borrowing	1,13,75,751	1,16,05,322	
Mortgage guarantee fees	<u>16,18,100</u>	<u>-</u>	
	3,95,99,968	2,69,49,860	
c) Mark-to-Market Margin			
Equity Index Futures	33,62,409	-	
	<u>41,69,34,202</u>	<u>31,96,60,823</u>	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

20. Revenue from operation		(Rupees)	
	2014-15	2013-14	
a) Interest income			
Interest on:			
Housing and Other Loans	4,37,91,46,732	3,82,40,81,369	
Fixed Deposit	3,88,72,510	5,84,60,007	
Long term investments	-	93,14,009	
	4,41,80,19,242		3,89,18,55,385
b) Other Financial income			
Processing Fee income	43,42,06,830	22,63,60,956	
Foreclosure & Other Operating Charges	16,18,13,993	10,08,47,584	
Brokerage Commission on property solution	6,75,25,615	4,92,80,017	
	66,35,46,438	37,64,88,557	
Less : Service Tax Recovered	7,29,92,470	4,01,01,670	
	59,05,53,968		33,63,86,887
c) Bad Debts Recovered	9,19,529		5,972
	5,00,94,92,739		4,22,82,48,244
21. Other Income			(Rupees)
	2014-15	2013-14	
a) Profit on Sale of Current Investments (Net)	11,54,54,143		5,35,30,458
b) Interest on income tax refund	-		60,10,383
c) Miscellaneous income	2,33,329		5,46,453
d) Credit Balance / Excess Provision Written Back	8,61,880		87,77,010
	11,65,49,352		6,88,64,304
22. Employee Benefits Expense			(Rupees)
	2014-15	2013-14	
Payments to and Provision for Employees			
- Salary & Bonus etc # (Refer Note "33 (b)")	32,39,77,491		31,80,84,457
- Contrfbution to Provident fund and other Funds	1,87,06,198		97,84,589
- Staff Welfare & other amenities	56,90,357		62,91,560
	34,83,74,046		33,41,60,606

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

23. Finance Cost		(Rupees)	
	2014-15	2013-14	
a) Interest Expense			
Term Loan From Banks	2,48,59,74,942	2,24,39,17,035	
Cash credit from Banks	1,18,12,172	3,08,97,888	
Non Convertible Debentures	47,94,21,682	39,87,11,025	
Body Corporates	12,74,478	1,29,19,726	
	2,97,84,83,274	2,68,64,45,674	
b) Other Borrowing Cost			
Amortised Brokerage (Refer Note"15 (c)(ii)")	1,19,67,080	1,11,06,741	
Discount on Commercial Paper	17,63,29,213	6,66,27,510	
Processing Charges	2,08,800	10,507	
	18,85,05,093	7,77,44,758	
c) Interest on Income Tax	-	55,82,916	
	3,16,69,88,367	2,76,97,73,348	
24. Administration & Other Charges		(Rupees)	
	2014-15	2013-14	
Auditor's Remuneration (Refer Note 30)	8,00,000	8,00,000	
Bad Debts Written Off	4,59,05,071	4,21,21,408	
Bank Charges	29,87,322	22,95,732	
Credit Cost	95,99,276	1,33,89,914	
Collection Cost	91,20,609	22,27,017	
Corporate Social Responsibility Expenditures	98,00,000	-	
Directors' Sitting Fees	12,31,688	3,39,776	
Amortised DSA Commission (Refer Note"15 (c)(i)")	7,26,76,935	6,41,65,396	
Amortised Guarantee Commission (Refer Note"15 (c)(iii)")	19,98,000	-	
Infrastructure Cost #	3,82,24,800	3,82,24,800	
Legal & Professional Fees	6,29,76,298	6,05,77,832	
Marketing Expenses	11,77,83,162	12,00,78,458	
Management Expenses	3,18,54,000	3,18,54,000	
Miscellaneous Expenses	2,09,20,875	1,93,51,267	
Postage,Telegram & Telephone	6,95,672	13,06,061	
Provision for Standard Asset	7,78,41,181	5,72,20,793	
Provision for NPA & Doubtful Debts	1,12,52,675	3,95,45,798	
Printing and Stationary	25,27,307	24,81,345	
Rates and Taxes	58,31,913	36,02,712	
Repairs & Maintenance-Others	25,02,683	94,20,905	
Travel & Conveyance	2,47,50,364	2,18,47,083	
	55,12,79,831	53,08,50,298	

Note:

- # According to the agreement entered into by the Company with its holding company i.e. Reliance Capital Limited for utilizing their office premises including all other amenities, infrastructure and employees at various locations of the Company. (Refer Note "33(b) on Related Party Transactions")

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

25. Security clause, Maturity profile & Rate of interest in respect of Non convertible Debentures

- a Secured Non convertible Debentures referred above are secured by way of first pari passu legal mortgage and charge over the premises situated at Bharuch and additional pari passu charge by way of hypothecation on the present and future books debts/receivables, outstanding money (loan book), receivable claims of the Company with other secured lenders, except those book debts and receivables charged/ to be charged in favour of National Housing Bank for refinance availed/ to be availed from them, of Home Finance Business subject to maintenance of minimum asset coverage of 100% of issue amount.

- b Maturity profile of Non convertible Debentures are as set out below:

Interest Rate	2015-16	2016-17	2017-18	2018-19	2019-2020	2021-22	2022-23	2023-24	2024-26	Total
#	-	3,57,75,964	-	7,74,28,916	-	-	-	-	-	11,32,04,880
MLD	-	5,00,00,000	-	-	-	-	-	-	-	5,00,00,000
9.05%	-	-	-	-	15,00,00,000	-	-	-	-	15,00,00,000
9.09%	-	-	-	5,00,00,000	-	-	-	-	-	5,00,00,000
9.15%	-	-	-	-	-	200000000	-	-	-	20,00,00,000
9.17%	56,30,00,000	-	-	-	-	-	-	-	-	56,30,00,000
9.25%	-	-	-	55,00,00,000	-	-	-	10,00,00,000	-	65,00,00,000
9.35%	-	-	-	-	-	-	-	30,00,00,000	-	30,00,00,000
9.48%	-	-	-	-	-	-	-	-	1,00,00,000	1,00,00,000
9.50%	-	-	-	5,00,00,000	-	-	-	25,00,00,000	-	30,00,00,000
9.52%	-	-	-	-	-	-	-	15,00,00,000	-	15,00,00,000
9.70%	-	-	-	10,00,00,000	-	-	-	-	-	10,00,00,000
9.75%	50,00,00,000	5,00,00,000	-	-	10,00,00,000	-	-	-	-	65,00,00,000
9.80%	-	-	-	-	15,00,00,000	-	-	-	15,00,00,000	30,00,00,000
9.90%	-	15,00,00,000	-	-	-	-	-	1,70,00,000	-	16,70,00,000
10.00%	15,00,00,000	-	40,00,00,000	-	-	-	16,00,00,000	-	-	71,00,00,000
10.10%	-	-	20,00,00,000	-	-	-	-	-	-	20,00,00,000
10.15%	5,00,00,000	-	-	-	-	-	-	-	-	5,00,00,000
10.33%	-	-	-	-	-	-	45,00,00,000	-	-	45,00,00,000
10.40%	-	-	-	-	-	-	50,00,00,000	-	-	50,00,00,000
10.60%	-	-	-	-	-	-	8,00,00,000	-	-	8,00,00,000
Total	1,26,30,00,000	28,57,75,964	60,00,00,000	82,74,28,916	40,00,00,000	20,00,00,000	1,19,00,00,000	81,70,00,000	16,00,00,000	5,74,32,04,880

Zero Coupon Deep Discount Non-Convertible Debentures

MLD = Market Link Non-Convertible Debentures

26. Security clause & Maturity profile in respect to secured loans from banks

Term loans from Banks referred in Note "5" and current maturity of long term debts (Refer Note "11 (a)(ii)) includes :

- a Term loans Rs.25,954,350,152 (Previous year Rs. 18,586,085,053) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of the Company, except for those book debts/receivables to be charged in favor of National Housing Bank for refinance to be availed, if any, from them, against security not exceeding Rs.28,637,958,913 (Previous year Rs. 20,569,887,703).
- b Term loans Rs.1,000,000,000 (Previous year Rs. 1,500,000,000) secured by pari passu first charge in favor of the lender on all the standard book debts, outstanding moneys, receivable claims of the Company, except for those book debts/receivables to be charged in favor of National Housing Bank for refinance to be availed, if any, from them, against security not exceeding Rs.1,110,000,000 (Previous year Rs. 1,665,000,000).
- c Term loans Rs. 2,499,515,795 (Previous year Rs. 2,124,573,410) secured by hypothecation of book-debts/receivables (standard only) of the Company on pari-passu basis with other secured lenders, against security not exceeding Rs. 2,766,112,013 (Previous year Rs. 2,353,676,016).
- d Term loans Rs. 866,831,177 (Previous year Rs. 1,399,665,868) secured secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of the Company, against security not exceeding Rs. 1,040,197,413 (Previous year Rs. 1,679,599,042).

- e Maturity profile of Secured Term Loans from banks are as set out below:

(Amount in Rs)	
Year	Principal Repayment
2015-16	6,56,11,00,000
2016-17	7,35,99,97,124
2017-18	6,90,02,00,000
2018-19	4,89,94,00,000
2019-20	3,40,00,00,000
2020-21	60,00,00,000
2021-22	60,00,00,000
Total	30,32,06,97,124

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

27. As on April 26, 2010 the Company had entered into Business Transfer Agreements ('BTA') with its holding company i.e. Reliance Capital Limited ('RCL') to transfer the RCL's home finance business to the Company at book value, such that the entire economic risk and reward of the RCL's home finance business passes to the Company from the commencement of business on the value date i.e. April 1, 2010. As on January 31, 2011 the BTA further amended between the Company and Reliance Capital Limited, as per the amended BTA with RCL:
- The RCL holds loan assets of Rs. 46,246,178 (Previous year Rs. 84,167,495) of the Company in the capacity of trust as on March 31, 2015.
 - During the year the Company has taken the following assets, income and expenses from the RCL :
 - Interest & other income of Rs. 9,027,789 (Previous year Rs. 11,980,612)
 - Interest & other expenses of Rs. 15,486,531 (Previous year Rs. 19,176,242)
28. The information related to securitisation and assignment made by the Company, as an originator is given below:

Particulars	Unit	Securitisation	Assignment	Total
		Outside	Outside	Outside
Total number of loan assets Securitized / Assigned	Nos.	- (399)	672 (1300)	672 (1699)
Total book value of loan assets Securitized / Assigned (Including MRR)	Rs.	- (500,819,503)	2,841,828,628 (4,427,728,574)	2,841,828,628 (4,928,548,077)
Sale consideration received for the Securitized / Assigned assets (Including MRR)	Rs.	- (500,819,503)	2,841,828,628 (4,427,728,574)	2,841,828,628 (4,928,548,077)
Net gain on account of Securitization / Assigned	Rs.	- (-)	- (-)	- (-)
Outstanding Credit Enhancement (Funded)	Rs.	119,403,600 (119,403,600)	280,446,896 (280,446,896)	399,850,496 (399,850,496)
Outstanding Liquidity Facility	Rs.	- (-)	- (-)	- (-)
Net Outstanding Servicing Liability	Rs.	16,353,140 (30,502,045)	268,539,317 (196,850,136)	28,48,92,457 (227,352,181)

Note :

- Figures in bracket represent previous year's figures.
- MRR means minimum retention requirements.

- Disclosures for Securitisation Transactions :

(i) **Securitisation :**

Sr. No.	Particulars	As at March 31, 2015 (No. / Amount in Rs.)	As at March 2014 (No. / Amount in Rs.)
1	No. of SPVs sponsored by the Company for Securitisation Transactions	2	2
2	As on March 31, 2015, total amount of securitised assets as per books of the SPVs sponsored by the Company	685,781,366	897,200,165
3	Total amount of exposures retained by the Company to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	119,403,600	119,403,600
	• Others	-	-
4	Amount of exposures to securitisation transactions other than Minimum Retention Requirement (MRR)		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitizations		
	• First loss	-	-

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Sr. No.	Particulars	As at March 31, 2015 (No. / Amount in Rs.)	As at March 2014 (No. / Amount in Rs.)
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitizations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitizations		
	• First loss	-	-
	• Others	-	-

(ii) Direct Assignments :

Sr. No.	Particulars	As at March 31, 2015 (No. / Amount in Rs.)	As at March 2014 (No. / Amount in Rs.)
1	No of Direct Assignments	13	11
2	Total amount of assigned assets as per books of the Assignor	6,887,597,935	6,467,924,452
3	Total amount of exposures retained by the Assignor to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	-	-
	• Others	582,113,088	453,887,521
4	Amount of exposures to Assignment transactions other than Minimum Retention Requirement (MRR)		
	a) Off-balance sheet exposures		
	i) Exposure to own Assignments		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party Assignments		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own Assignments		
	• First loss	280,446,896	280,446,896
	• Others	-	-
	ii) Exposure to third party Assignments		
	• First loss	-	-
	• Others	-	-

29. In the opinion of management, all assets other than fixed asset and non-current investments are approximately of the value stated if realised in the ordinary course of business.

30. **Auditors' Remuneration :**

(In Rupees)

Particulars	2014-15	2013-14
i) Audit Fees	600,000	600,000
ii) Tax Audit Fees	200,000	200,000
Total	800,000	800,000

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

31. Employee Benefits :

a) Defined contribution plan

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

(In Rupees)

Particulars	2014-15	2013-14
i) Employer's Contribution to Provident Fund and LWF	8,603,918	7,254,930
ii) Employer's Contribution to Pension Scheme	3,001,012	1,592,765
Total	11,604,930	8,847,695

b) Defined Benefit plans

The following table summarise the components of the net employee benefit expenses recognized in the Statement of Profit and Loss, the fund status and amount recognised in the balance sheet for the gratuity benefit plan and leave encashment plan. The said information is based on certificates provided by the actuary.

Gratuity (Funded)

(In Rupees)

PARTICULARS	2014-15	2013-14
I. Assumptions :		
Discount Rate	7.96%	9.41 %
Rate of Return on Plan Assets	7.96%	9.41 %
Salary Escalation	6.00%	5.00 %
II. Table Showing Change in Benefit Obligation :		
Liability at the beginning of the year	7,149,076	7,202,203
Interest Cost	672,728	576,176
Current Service Cost	1,247,911	1,737,228
Benefit Paid	(1,814,660)	(1,372,674)
Actuarial (gain)/loss on obligations –Due to change in Financial Assumptions	3,373,046	(993,857)
Actuarial (gain)/loss on obligations –Due to Experience	2,964,113	-
Liability at the end of the Year	13,592,214	7,149,076
III. Tables of Fair value of Plan Assets :		
Fair Value of Plan Assets at the beginning of the Year	7,206,009	6,928,004
Expected Return on Plan Assets	678,085	554,240
Contributions	7,095,963	1,268,026
Benefit Paid	(1,814,660)	(1,372,674)
Actuarial gain/(loss) on Plan Assets	478,446	(171,587)
Fair Value of Plan Assets at the end of the Year	13,643,843	7,206,009
Total Actuarial Gain/(Loss) To Be Recognised		822,270
IV. Actual Return on Plan Assets :		
Expected Return on Plan Assets	678,085	554,240
Actuarial gain/(loss) on Plan Assets	478,446	(171,587)
Actual Return on Plan Assets	1,156,531	382,653
V. Amount Recognised in the Balance Sheet :		
Liability at the end of the Year	(13,592,214)	7,206,009
Fair Value of Plan Assets at the end of the Year	13,643,843	(7,149,076)
Difference	51,629	56,933
Amount Recognised in the Balance Sheet	51,629	56,933
VI. Expenses Recognised in the Statement of Profit & Loss :		
Current Service Cost	1,247,911	1,737,228
Interest Cost	(5,357)	576,176
Expected Return on Plan Assets	(678,085)	(554,240)
Actuarial (Gain)/Loss	5,858,713	(822,270)
Expense Recognised in Statement of Profit & Loss	7,101,267	936,894
VII. Amount Recognised in the Balance Sheet :		
Opening net liability	(56,933)	274,199
Expense as above	7,101,267	936,894
Employers Contribution	(7,095,963)	(1,268,026)
Net Liabilities/(Assets) Recognised in Balance Sheet	(51,629)	(56,933)
VIII. Experience Adjustment		
Plan Assets	-	-
Defined benefit obligations	-	-
Amount not recognised as an Asset (limit in para 59(b))	-	-
Surplus / (Deficit)	-	-

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

PARTICULARS	2014-15	2013-14
Experience adjustment on Plan Assets	478,446	(171,587)
Experience adjustment on Plan Liabilities	2,964,113	(207,165)

Leave Encashment (Unfunded)

(In Rupees)

PARTICULARS	2014-2015	2013-14
I. Assumptions :		
Discount Rate	8.00%	8.00%
Salary Escalation Current Year	6.00%	5.00%
II. Table Showing Changes in present value of Obligation :		
PVO at the beginning of the Year	2,337,535	2,826,766
Interest Cost	177,188	203,361
Current Service Cost	744,167	734,915
Benefit Paid	(737,567)	(569,506)
Actuarial (gain)/loss on obligations	320,191	(858,001)
PVO at the end of the Year	2,841,514	2,337,535
III. Tables of Changes in fair value of Plan Assets :		
Fair Value of Plan Assets at the beginning of the Year	-	-
Expected Return on Plan Assets	-	-
Contributions	737,567	569,506
Benefit Paid	(737,567)	(569,506)
Actuarial gain/ (loss) on Plan Assets	-	-
Fair Value of Plan Assets at end of year	-	-
IV. Expenses Recognised in the Statement of Profit & Loss:		
Fair Value of Plan Assets at the beginning of the Year	-	-
Actual Return on Plan Assets	-	-
Contributions	737,567	569,506
Benefit Paid	(737,567)	(569,506)
Fair Value of plan Assets at end of year	-	-
Funded Status	(2,841,514)	(2,337,535)
Excess of actual over estimated return on Plan Asset	-	-
V Actuarial Gain/(Loss) Recognized		
Actuarial Gain/ (Loss) for the year (obligation)	(320,191)	858,001
Actuarial Gain/ (Loss) for the year (Plan Asset)	-	-
Total Gain/ (Loss) for the year	(320,191)	858,001
Actuarial gain/ (Loss) recognized for the year	(320,191)	858,001
Unrecognized Actuarial Gain/ (Loss) at the end of the Year	-	-
VI. Expenses Recognised in the Statement of Profit & Loss:		
Current Service Cost	744,167	734,915
Interest Cost	177,188	203,361
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/Loss Recognised	320,191	(858,001)
Expense Recognised in Statement of Profit & Loss	1,241,546	80,275
VII. Amount Recognised in the Balance Sheet :		
PVO at the end of Year	2,841,514	2,337,535
Fair Value of Plan Assets at end of Year	-	-
Funded Status	(2,841,514)	(2,337,535)
Unrecognized Actuarial Gain/ (Loss)	-	-
Net Asset/ (Liability) recognized in balance sheet	(2,841,514)	(2,337,535)
VIII. Movement in the Liability recognized in Balance Sheet		
Opening net Liability	2,337,535	28,26,766
Expenses as above	1,241,546	80,275
Contribution paid	(737,567)	(569,506)
Closing Net Liability	2,841,514	2,337,535
IX. Experience Adjustment		
Plan Assets at the end of year	-	-
Defined benefit obligations at the end of year	2,841,514	2,337,535
Amount not recognised as an Asset (limit in para 59(b))	-	-
Surplus / (Deficit)	(2,851,414)	(2,337,535)
Experience adjustment on Plan Assets	-	-
Experience adjustment on Plan Liabilities	320,191	(858,001)

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

32. Segment Reporting:

The Company is mainly engaged in the housing finance business, all other activities revolve around the main business of the Company and as such there is no separate reportable segment as specified in Accounting Standard (AS-17) on "Segment Reporting", notified by the Companies (Accounting Standards) Rules, 2006.

33. Related Party Disclosures:

a) List of the Related Parties and their relationship:

Name of the Party	Relationship
Reliance Innoventures Private Limited	Ultimate Holding Company
Reliance Capital Limited	Holding company
Reliance General Insurance Company Limited	Fellow Subsidiary
Reliance Money Solutions Private Limited	Fellow Subsidiary
Reliance Securities Limited	Fellow Subsidiary
Shri K. Suresh Kumar	Key Managerial Personnel (Manager) up to March 28, 2015
Kum. Roopa Ravinath Joshi	Key Managerial Personnel (Chief Financial Officer)
Ms. Neena Parekar Singarpure	Key Managerial Personnel (Company Secretary) up to December 28, 2014.

b) Transactions during the year with related parties

Particulars	(In Rupees)	
	2014-2015	2013-14
i) With Holding Company:		
Share Capital		
Balance as at the end of year	658,200,000	658,200,000
Loans		
ICD Taken during the year	-	1,700,000,000
ICD Repaid during the year	-	1,700,000,000
Fixed Asset Purchased during the year	374,621,000	-
Expenses		
Infrastructure Cost	38,224,800	38,224,800
Salary Cost	26,545,000	53,090,000
Interest on ICD	-	11,854,795
Management Fees	31,854,000	31,854,000
Other Expenses transferred under BTA	7,341,546	9,057,897
Interest Expense transferred under BTA	8,144,985	10,118,345
Income		
Interest & Other Income transferred under BTA	9,027,789	11,980,612
Brokerage Commission on property solution	3,437,448	2,591,716
ii) With Fellow Subsidiary:		
Expenses		
Employee Medclaim premium paid to Reliance General Insurance Company Limited	1,213,548	14,36,375
Brokerage Paid to Reliance Financial Limited	-	353,934
Brokerage Paid to Reliance Securities Limited		-
DSA Commission paid to Reliance Money Solutions Private Limited	136,300	-
Income		
Brokerage Received from Reliance Capital Asset Management Limited	-	43,259
iii) With Key Managerial Personnel :		
Loans Repayments during the year	-	10,626,543
Income		
Interest Income during the year	-	140,549

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Expenses		
Managerial Remuneration		
1) Mr. K. Suresh Kumar	9,861,158	7,459,412
2) Ms. Roopa Joshi	2,276,860	1,929,323
3) Ms. Neena Parelkar Singarpure	827,664	970,413

Note:

The above disclosed transactions entered during the period of existence of related party relationship. The balances and transactions are not disclosed before existence of related party relationship and after cessation of related party relationship.

34. Basic and Diluted Earnings Per Share:

For the purpose of calculation of Basic & Diluted Earnings per Share the following amounts have been considered:

		(In Rupees)	
	Particular	2014-15	2013-14
a)	Amount used as the numerators		
	Net Profit/(Loss) available for Equity shareholder	690,632,278	433,889,775
b)	Weighted average number of equity shares (nos.)	65,820,000	65,820,000
c)	Basic & Diluted Earnings Per Share (Rs.)	10.49	6.59

35. Disclosure of details as required by Para 29 of the Housing Finance Companies (NHB) Directions, 2010. (As certified by the management).

- a) The total provisions made for substandard, doubtful and loss assets and depreciation in investments carried by the Company in terms of paragraph 29(2) and (3) of the Housing Finance Companies (NHB) Directions, 2010 and NHB Circular NHB.HFC.DIR-3/CMD/2011 dated August 5, 2011 in respect of Housing and Non Housing Loans is as follows:

Particulars	Housing Finance		Non-Housing Finance	
	Outstanding Balance as at March 31, 2015	Provision as at March 31, 2015	Outstanding Balance as at March 31, 2015	Provision as at March 31, 2015
Standard Asset	34,177,013,821 (23,530,055,380)	176,626,872 (124,545,288)	16,251,958,732 (7,302,292,010)	98,793,683 (72,961,950)
Sub-Standard Assets [Refer Note (ii) below]	170,583,725 (218,775,898)	25,587,558 (32,820,935)	16,419,718 (69,840,417)	2,503,478 (10,476,063)
Doubtful Assets	301,315,500 (226,424,214)	81,816,414 (73,004,493)	43,179,385 (5,830,574)	11,031,150 (1,529,419)
Loss Assets	- (-)	- (-)	- (-)	- (-)
Provision for Depreciation in Investments	- (-)	- (-)	- (-)	- (-)

Note:

- i) Figures in bracket represent previous year's figures.
- ii) Substandard provision on non housing finance includes Rs. 40,521 (previous year Rs. Nil) related to Minimum Retention Requirement (MRR) pools related to Securitization for which loans outstanding not in the books.
- b) Disclosure regarding penalty or adverse comments in terms of paragraph 29(5) of the Housing Finance Companies (NHB) Directions, 2010 is as follows :
- i) During the year there is no penalty imposed by National Housing Bank.
- ii) During the year no inspection has been conduct by the National Housing Bank under section 34 of the National Housing Bank Act, 1987

36. Disclosure regarding provision made for Asset Liability Management (ALM) system for the Housing Finance Companies as per NHB Circular NHB/ND/DRS/Pol-No.35/2010-11 dated October 11, 2010.

(I) Capital to Risk Asset Ratio (CRAR)

Items	As at March 31, 2015	As at March 31, 2014
CRAR (%)	15.17%	20.40%
CRAR - Tier I capital (%)	11.10%	14.56%
CRAR - Tier II capital (%)	4.07%	5.84%

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(II) Exposure to real estate sector, both direct and indirect:

(In Rupees)

a)	Direct Exposure		As at March 31, 2015	As at March 31, 2014
(i)	Residential Mortgage			
	Individual Housing Loan up to 15 lakhs		3,60,61,29,907	2,101,336,178
	Individual Housing Loan More than 15 lakhs		19,00,76,91,560	13,961,589,593
(ii)	Commercial Real Estate		11,58,97,04,018	8,724,915,950
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures –			
	(a)	Residential	-	
	(b)	Commercial	-	
b)	Indirect Exposure Fund Based and Non Fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).		-	-

Notes:

- The direct exposure given in (i) & (ii) represents loans & advances outstanding at the year end, without netting off the Provision for NPA & Doubtful Debts.
- The bifurcation of investments in Mortgage Backed Securities (MBS) and other securitised exposures between residential and commercial is based on nature of underlying loan assets. The same has been relied upon by auditors.

(III) Maturity Patterns of Items of Assets & Liabilities

(In Rupees)

Year	Liabilities As at March 31, 2015		Assets As at March 31, 2015	
	Borrowings from Bank	Market Borrowings	Loans & Advances	Investments
1 day to 30/31 day	960,764,860 (736,168)	1,493,441,405 (647,574,602)	638,378,026 (518,230,174)	- (3,200,000,000)
Over 1 month to 2 months	- (-)	3,453,646,074 (1,087,346,802)	700,214,107 (566,276,236)	- (-)
Over 2 month to 3 months	377,100,000 (606,200,000)	2,458,527,703 (489,990,170)	594,876,732 (533,268,270)	- (-)
Over 3 month to 6 months	2,469,400,000 (2,333,300,000)	288,792,960 (-)	2,021,950,077 (1,299,301,834)	- (-)
Over 6 month to 1 Year	3,714,600,000 (3,347,700,000)	763,000,000 (-)	3,18,37,17,753 (1,882,226,267)	- (-)
Over 1 year to 3 Year	14,260,197,124 (12,490,124,331)	885,775,964 (932,029,842)	5,799,174,072 (3,449,339,439)	- (-)
Over 3 year to 5 Year	8,299,400,000 (4,833,000,000)	1,227,428,917 (1,420,131,801)	4,65,55,80,559 (2,731,002,045)	- (-)
Over 5 Year to 7 years	1,200,000,000 (-)	200,000,000 (-)	5,141,944,250 (2,937,035,364)	- (-)
Over 7 Year to 10 years	- (-)	2,157,000,000 (2,007,000,000)	7,119,505,995 (4,136,626,904)	- (-)
Over 10 years	- (-)	10,000,000 (10,000,000)	20,98,41,90,709 (13,182,081,051)	- (-)
Total	31,281,461,984 (23,611,060,499)	12,937,613,023 (6,594,073,217)	50,839,532,280 (31,235,387,584)	- (3,200,000,000)

Notes:

- In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.
- The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration guidelines for assets-liabilities management (ALM) system for housing finance companies issued by NHB, best practices and best estimate of the Assets-Liability Committee / management with regard to the timing of various cash flows, which has been relied upon by the auditors. The classification of Assets and Liabilities into current and non-current is carried out based on their residual maturity profile as per requirement of Schedule III to the Companies Act, 2013.
- Figures in bracket represent previous year's figures.

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

37. Disclosure of loans/advances and investments in its subsidiaries, associates etc. in terms of the Listing Agreement of Debt Securities with the Stock Exchanges. (As certified by the management)

Particulars	Outstanding Balances		Maximum Balance Outstanding	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
i) Loans and advances in the nature of loans to subsidiaries	-	-	-	-
ii) Loans and advances in the nature of loans to associates	-	-	-	-
iii) Loans and advances in the nature of loans where there is : a) No repayment schedule or repayment beyond seven years b) No interest or interest below section 186 of the Companies Act, 2013	 - -	 - -	 - -	 - -
iv) Loans and advances in nature of loans to firms/companies in which directors are interest	-	-	-	-
v) Investments by the loanee (borrower) in the shares of parent company and subsidiary company, when the Company has made a loan or advance in the nature of loan.	-	-	-	-

38. Contingent Liabilities/Commitments: (As certified by the management)

(In Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Contingent Liabilities :		
a. Case against the Company not acknowledge as Debts	2,631,536	5,006,339
Commitments :		
a. Estimated amount of contracts remaining to be executed on capital account (net of advances).	-	-
b. Undisbursed amount of Housing loan sanctioned.	6,37,39,87,011	2,889,398,321

39. Till March 31, 2014 all the tangible assets are depreciated as per written down value basis at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Pursuant to the provisions of the Companies Act, 2013 ("the Act"), with effect from April 1, 2014 the Company has provided depreciation on all tangible assets as per straight line method as per the provision of Schedule II of the Act. Accordingly, the current year depreciation is short by Rs. 4,950 for the year and effect relating to the period prior to April 1, 2014 is a net credit of Rs. 52,505 is included in the current year depreciation.

Had the Company continued to use the earlier method of depreciation, the profit after tax for the current year would have been lower by Rs. 57,455.

40. Outstanding Derivatives (Future & Options) are as under:

Name of Option	No of Contracts	Units	
		Long	Short
Futures	70 (-)	3500 (-)	- (-)

Figures in bracket indicate previous year figures.

41. As per the provision of Section 203 of the Companies Act, 2013, as on March 31, 2015, the Company was in the process of appointing a manager and company secretary.
42. During the year, gross amount required to be spent by the company was Rs. 97,30,000 and the company has spent Rs.98,00,000 towards Corporate Social Responsibility (CSR) activities under section 135 of the Companies Act, 2013 by contributing towards corpus of Mandke Foundation, for Rural outreach initiative to provide cancer care to the communities of interior parts of Maharashtra.

RELIANCE HOME FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

43. Previous year's figures have been regrouped / restated where necessary, to confirm to the presentation of current year's financial statements.

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm's Registration No:101720W

Vijay Napawaliya
Partner
Membership No: 109859

Mumbai
Date: May 7, 2015

For and on behalf of the Board

Padmanabh Vora
(Director)
(DIN: 00003192)

Soumen Ghosh
(Director)
(DIN: 01262099)

Amrisha Shah
(Chief Financial Officer)

Mumbai
Date: May 7, 2015

Deena Mehta
(Director)
(DIN: 00168992)

K.V.Srinivasan
(Director)
(DIN: 01827316)

Deepali Bhatt
(Company Secretary)

Gautam Doshi
(Director)
(DIN: 00004612)

Sandip Parikh
(Manager)