

**Reliance Capital Limited**

Registered Office:  
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Trade World, B Wing, 7<sup>th</sup> Floor  
S. B. Marg, Lower Parel  
Mumbai - 400 013

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Website : [www.reliancecapital.co.in](http://www.reliancecapital.co.in)  
CIN : L65910MH1986PLC165645

May 8, 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 Audited Standalone Financial Results for the quarter and financial year ended March 31, 2021**

Further to our earlier letter dated May 8, 2021 we enclose herewith a statement of Audited Standalone Financial Results along with the Auditors' Report for the quarter and financial year ended March 31, 2021.

Thanking you.

Yours faithfully,  
For **Reliance Capital Limited**



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

Encl.: As Above.

**Reliance Capital Limited**  
**Statement of Standalone Financial Results for the year ended March 31, 2021**

(Rs. In crore except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020
		Unaudited	Unaudited	Unaudited	Audited	Audited
	<b>Income</b>					
I	<b>Revenue from operations</b>					
	Interest Income	1	2	347	542	1 258
	Dividend Income	1	-	1	4	94
	Rental Income	-	1	1	2	4
	Fees and commission income	-	7	7	15	33
	Other operating income	-	0.01	0.02	0.10	0.12
	<b>Total Revenue from operations</b>	<b>2</b>	<b>10</b>	<b>356</b>	<b>563</b>	<b>1 389</b>
II	Other income	0.02	0.05	0.03	0.11	3.98
III	<b>Total Income (I+II)</b>	<b>2</b>	<b>10</b>	<b>356</b>	<b>563</b>	<b>1 393</b>
IV	<b>Expenses</b>					
	Finance costs	400	405	410	1 712	1 764
	Net loss on fair value changes (net)	2 945	66	840	3 276	445
	Impairment on financial instruments	510	3,777	1 560	6,502	4,519
	Employee benefits expense	( 1)	2	6	11	50
	Depreciation and amortisation expense	2	2	28	9	35
	Other expenses	11	2	13	25	45
	<b>Total expenses (IV)</b>	<b>3 867</b>	<b>4 254</b>	<b>2 857</b>	<b>11 535</b>	<b>6 858</b>
V	<b>Profit/(loss) before tax (III-IV)</b>	<b>( 3 865)</b>	<b>( 4 244)</b>	<b>( 2 501)</b>	<b>( 10 972)</b>	<b>( 5 465)</b>
VI	<b>Tax expense</b>					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-
	(3) Taxation for earlier years	-	-	-	-	-
	<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
VII	<b>Profit/(loss) for the period / year (V-VI)</b>	<b>( 3 865)</b>	<b>( 4 244)</b>	<b>( 2 501)</b>	<b>( 10 972)</b>	<b>( 5 465)</b>
VIII	<b>Other Comprehensive Income / (Loss)</b>					
	(i) Items that will not be reclassified to profit or loss					
A	( * 7 43 733)	(9)	*	(24)	(10)	(31)
	(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 ( * 7 43 733)</b>	<b>(9)</b>	<b>*</b>	<b>(24)</b>	<b>(10)</b>	<b>(31)</b>
IX	<b>Total Comprehensive Income / (Loss) for the period / year (VII+VIII)</b>	<b>( 3 874)</b>	<b>( 4 244)</b>	<b>( 2 525)</b>	<b>( 10 982)</b>	<b>( 5 496)</b>
X	<b>Earnings per equity share face value of Rs. 10 each fully paidup (quarter not annualised)</b>					
	(1) Basic	(153.91)	(169.0)	(99.6)	(436.92)	(217.63)
	(2) Diluted	(153.91)	(169.0)	(99.6)	(436.92)	(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>
XII	<b>Other equity</b>				<b>( 7 863)</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 March 31, 2021 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. 7.
- 3 The Company had entered in to binding agreement on October 11, 2019 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. These assets also form part of Expression of Interest issued on October 31, 2020. 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 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.
- 5 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.
- 6 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.
- 7 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 current & 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 in cognizance with Debenture Trustee (Vistra) & 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.
- 8 The figures for the quarter ended March 31, 2020 and March 31, 2021 are the balancing figures between the audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter of the respective financial year.
- 9 Previous period figures have been regrouped and rearranged wherever necessary.
- 10 Disclosure under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as certified by the management, is given in Annexure A.



- 11 In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the Company hereby declares that the auditor has issued audit report with unmodified opinion on annual audited financial results for the year ended March 31, 2021.
- 12 The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on May 08, 2021 approved the above results and its release.

Mumbai, May 08, 2021



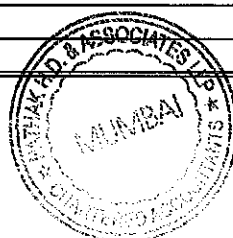
for Reliance Capital Limited

  
Dhananjay Tiwari  
Director & Chief Executive Officer

**Reliance Capital Limited**  
**Standalone Balance Sheet as at March 31, 2021**

(Rs. in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
	<b>Audited</b>	<b>Audited</b>
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	2	6
Bank balance other than cash and cash equivalents above	16	18
Receivables		
(I) Trade receivables	1	1
(II) Other receivables	-	-
Loans	977	6 369
Investments	11 897	15 177
Other financial assets	215	689
<b>Total Financial Assets</b>	<b>13 108</b>	<b>22 260</b>
<b>Non-financial assets</b>		
Current tax assets (Net)	7	4
Investment Property	77	79
Property, plant and equipment	46	52
Other intangible assets	-	-
Other non-financial assets	400	333
<b>Total Non - Financial Assets</b>	<b>530</b>	<b>468</b>
<b>Total assets</b>	<b>13 638</b>	<b>22 728</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
Derivative Financial Instrument	18	10
Debt securities	16 260	16 160
Borrowings	1 186	1 184
Payables		
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Other financial liabilities	3 358	1 690
<b>Total Financial Liabilities</b>	<b>20 822</b>	<b>19 044</b>
<b>Non-financial Liabilities</b>		
Provisions	405	263
Other non-financial liabilities	21	47
<b>Total Non - Financial Liabilities</b>	<b>426</b>	<b>310</b>
<b>EQUITY</b>		
Equity share capital	253	253
Other equity	( 7 863)	3 121
<b>Total equity</b>	<b>( 7 610)</b>	<b>3 374</b>
<b>Total liabilities and equity</b>	<b>13 638</b>	<b>22 728</b>



**Reliance Capital Limited**  
**Statement of standalone cash flow for the year ended March 31, 2021**

(Rs. in crore)

Particulars	As at March 31, 2021	As at March 31, 2020
	Audited	Audited
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit/(Loss) before tax:	( 10 972)	( 5 465)
Adjustments :		
Depreciation and amortisation expense	9	35
Net Impairment on financial instruments and balances written off	6 502	4 519
Provision for gratuity / leave encashment	-	1
(Profit) / loss on sale of property, plant and equipments	-	2
Interest income on investments [* Rs (2 71 254)]	-	*
Dividend income on investments	( 4)	( 94)
Net loss on fair value of investment (net)	3 276	445
Share based payment / (reversal) to employees	( 3)	3
Amortised brokerage on borrowings	101	36
Discount on commercial papers	-	18
Interest Income	( 542)	( 1 257)
Interest expenses (net)	1 610	1 710
<b>Operating profit before working capital changes</b>	<b>( 23)</b>	<b>( 47)</b>
<b>Adjustments for (increase)/ decrease in operating assets:</b>		
Unamortised expenses incurred	-	( 2)
Interest received	12	1 407
Interest Paid	-	( 1 008)
Financial assets and non financial assets	34	( 4 452)
Financial liabilities and non financial liabilities	( 39)	( 12)
Cash used in operations	( 16)	( 4 114)
Less : Income taxes paid (net of refunds)	( 3)	21
<b>Net cash used in operating activities</b>	<b>( 19)</b>	<b>( 4 093)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of property, plant and equipments (including capital advances)	-	( 1)
Sale of property, plant and equipments (including capital advances)	-	9
Proceeds from sale of investments (net)	11	5 573
Interest received on investments	-	584
Dividend received	4	94
<b>Net cash flow from investing activities</b>	<b>15</b>	<b>6 259</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Debt securities issued / (repaid) (net)	-	( 1 592)
Borrowing other than debt securities issued / (repaid) (net)	-	( 570)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>( 2 162)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES</b>	<b>( 4)</b>	<b>4</b>
Add : Cash and cash equivalents at beginning of the year	6	2
<b>Cash and cash equivalents at end of the year</b>	<b>2</b>	<b>6</b>



**Annexure - A**

**Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the six months ended March 31, 2021**

**1. Credit Rating**

Particulars	Rating Agency	Rating
Secured NCDs	Brickwork Ratings India Private Limited	BWR D (Single D); Issuer not cooperating
Principal Protected Market Linked Debentures		BWR PP-MLD D (Single D); Issuer not cooperating
Subordinated Tier II NCDs		BWR D (Single D); Issuer not cooperating
Long Term Debt Programme	CARE Ratings Limited	CARE D (Single D); Issuer not cooperating
Principal Protected Market Linked Debentures		CARE PP-MLD D (PP-MLD Single D); Issuer not cooperating
Subordinated Debt		CARE D (Single D); Issuer not cooperating

**2. Debt Equity Ratio**

The Company has negative equity balance as a result , debt equity ratio cannot be presented.

**3. Previous due date for the payment of Interest / Principal – Refer note below**

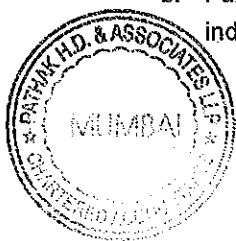
Sr. No.	ISIN	Series Id	From (1-10-2020 to 31-03-2021)	
			Interest	Principal
1	INE013A074P0	957080	13-Oct-20	-
2	INE013A079G8	955144	19-Oct-20	-
3	INE013A07A33	950229	22-Oct-20	-
4	INE013A08150	947811	24-Oct-20	-
5	INE013A076O8	956780	28-Oct-20	28-Oct-20
6	INE013A07SK3	948754	2-Nov-20	-
7	INE013A073H9	955207	2-Nov-20	-
8	INE013A074H7	955208	2-Nov-20	-
9	INE013A075H4	955209	2-Nov-20	-
10	INE013A076H2	955210	2-Nov-20	-
11	INE013A076P5	957154	3-Nov-20	-
12	INE013A077P3	957155	3-Nov-20	-
13	INE013A078P1	957157	3-Nov-20	-



Sr. No.	ISIN	Series Id	From (1-10-2020 to 31-03-2021)	
			Interest	Principal
14	INE013A077H0	955226	4-Nov-20	4-Nov-20
15	INE013A078H8	955247	7-Nov-20	-
16	INE013A07I01	951248	20-Nov-20	-
17	INE013A08317	949669	25-Nov-20	-
18	INE013A08325	949719	9-Dec-20	-
19	INE013A07S41	953117	11-Dec-20	11-Dec-20
20	INE013A07TA2	948621	13-Dec-20	-
21	INE013A08168	947812	26-Dec-20	-
22	INE013A08176	947813	28-Dec-20	-
23	INE013A08184	947814	2-Jan-21	-
24	INE013A08333	949783	2-Jan-21	-
25	INE013A08341	949797	7-Jan-21	-
26	INE013A08358	949798	13-Jan-21	-
27	INE013A07TN5	948805	24-Jan-21	-
28	INE013A07TV8	948821	31-Jan-21	-
29	INE013A070D4	954693	12-Feb-21	-
30	INE013A074L9	955756	14-Feb-21	-
31	INE013A07QX0	948503	21-Feb-21	-
32	INE013A075D3	954753	22-Feb-21	-
33	INE013A08192	948668	28-Feb-21	-
34	INE013A08200	948669	5-Mar-21	-
35	INE013A072M1	955896	8-Mar-21	-
36	INE013A070R4	957707	9-Mar-21	-
37	INE013A073M9	955897	10-Mar-21	-
38	INE013A079R5	958097	10-Mar-21	10-Mar-21
39	INE013A08366	951822	18-Mar-21	-
40	INE013A08275	949018	19-Mar-21	-
41	INE013A08218	948670	21-Mar-21	-
42	INE013A07UY0	949019	22-Mar-21	-
43	INE013A08283	949030	28-Mar-21	-
44	INE013A074S4	958513	29-Mar-21	29-Mar-21

**Note:**

- The Interest / Principal in respect of ISINs mentioned from serial no. 1 to 44 have been delayed. Further as communicated vide our letter dated October 11, 2019 rating downgrade has initiated acceleration, of various facilities and consequential demands for immediate payment of amounts that were otherwise due and payable in a phased manner over the next 8 years till March 2028, as per the original terms of debt.
- Further, the Company is prohibited to dispose off, alienate, encumber either directly or indirectly or otherwise part with the possession, of any assets except in the ordinary course of





business such as payment of salary and statutory dues, pursuant to Order dated November 20, 2019 and March 15, 2021 passed by the Hon'ble Delhi High Court, and Orders dated December 3, 2019 and December 5, 2019 passed by the Hon'ble Debts Recovery Tribunal, Mumbai and Orders dated November 28, 2019, November 4, 2020, and March 5, 2021 passed by the Hon'ble Bombay High Court. Therefore, the Company is unable to proceed with its asset monetization resulting in non-payment of its debt obligations.

**4. Next due date for the payment of Interest / Principal along with amount of Interest**

Sr. No.	ISIN	Series Id	From (1-04-2021 to 30-09-2021)	
			Interest	Principal
1	INE013A08291	949105	17-Apr-21	-
2	INE013A077M0	956193	18-Apr-21	-
3	INE013A08226	948743	20-Apr-21	-
4	INE013A07A33	950229	22-Apr-21	-
5	INE013A07Y19	953911	30-Apr-21	-
6	INE013A07Y27	953970	6-May-21	-
7	INE013A08101	947508	20-May-21	-
8	INE013A07WB4	949236	24-May-21	-
9	INE013A08234	948744	25-May-21	-
10	INE013A08317	949669	25-May-21	-
11	INE013A071A8	954132	2-Jun-21	2-Jun-21
12	INE013A075A9	954151	10-Jun-21	10-Jun-21
13	INE013A076A7	954153	10-Jun-21	-
14	INE013A08242	948746	13-Jun-21	-
15	INE013A07PP8	948061	20-Jun-21	-
16	INE013A079A1	954282	24-Jun-21	24-Jun-21
17	INE013A08309	949319	25-Jun-21	-
18	INE013A08259	948747	29-Jun-21	-
19	INE013A08333	949783	2-Jul-21	-
20	INE013A08341	949797	7-Jul-21	-
21	INE013A08358	949798	13-Jul-21	-
22	INE013A070C6	954429	13-Jul-21	13-Jul-21
23	INE013A08119	947510	14-Jul-21	14-Jul-21
24	INE013A075C5	954499	22-Jul-21	22-Jul-21
25	INE013A07QJ9	948497	31-Jul-21	-
26	INE013A077C1	954578	2-Aug-21	2-Aug-21
27	INE013A07A66	950619	4-Aug-21	-
28	INE013A07QQ4	948494	8-Aug-21	-
29	INE013A077Q1	N.A.	9-Aug-21	9-Aug-21
30	INE013A070D4	954693	12-Aug-21	12-Aug-21
31	INE013A08135	947512	12-Aug-21	12-Aug-21



Sr. No.	ISIN	Series Id	From (1-04-2021 to 30-09-2021)	
			Interest	Principal
32	INE013A07QY8	948486	17-Aug-21	-
33	INE013A07QX0	948503	21-Aug-21	-
34	INE013A075D3	954753	20-Aug-21	20-Aug-21
35	INE013A07RA6	948485	31-Aug-21	-
36	INE013A079D5	954853	9-Sep-21	-
37	INE013A070E2	954855	9-Sep-21	-
38	INE013A071E0	954856	9-Sep-21	9-Sep-21
39	INE013A08267	948748	27-Sep-21	-
40	INE013A07RT6	948478	28-Sep-21	-
41	INE013A08143	947513	30-Sep-21	30-Sep-21

5. Outstanding redeemable preference shares: Nil

6. Debenture Redemption Reserve (DRR)

No DRR is required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.

7. Net Worth: Rs. (7,610) crore

- Includes Rs. 773 crore created pursuant to the Scheme of Amalgamation approved by High Court which shall for all regulatory purposes be considered to be part of owned funds / net worth of the Company.
- Includes Rs. 3,837 crore created pursuant to the Scheme of Amalgamation approved by High Court.

8. Net Profit / (Loss) After Tax: Rs. (10,972) crore

9. Earnings Per Share: Rs. (436.92) per share



**Auditor's Report on the standalone financial results of Reliance Capital Limited for the quarter and year ended March 31, 2021 pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Independent Auditor's Report**

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

**Report on the audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying standalone financial results of Reliance Capital Limited ("the Company") for the quarter and year ended March 31, 2021 ("standalone financial results") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and other comprehensive loss and other financial information for the quarter and year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty related to Going Concern**

We draw attention to Note no. 7 of the standalone financial results wherein the Company has defaulted in repayment of the obligations to its lenders and debenture holders which is outstanding as on March 31, 2021 and the Company has incurred losses during the current and previous years, which indicate material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a Going Concern. The Company is in the process of meeting its obligations by way of time bound monetization of



its assets, and accordingly the financial results of the Company have been prepared on a "Going Concern" basis. Our opinion is not modified in respect of this matter.

#### **Emphasis of Matter Paragraph**

We draw attention to Note no. 6 of the standalone financial results referring, to filing under Section 143(12) of the Companies Act, 2013 to Ministry of Corporate Affairs by one of the previous auditors for the financial year 2018-19. Based on the facts fully described in the aforesaid note, views of the Company, in-depth examination carried out by the independent legal experts of the relevant records, there were no matters attracting the said Section.

Our opinion is not modified in respect of the above matter

#### **Management's Responsibilities for the Standalone Financial Results**

The standalone financial results, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of standalone financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive loss and other financial information in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the



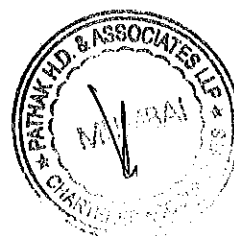
aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



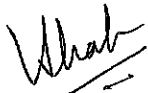
# Pathak H.D. & Associates LLP

Chartered Accountants

## Other Matters

The standalone financial results include the results for the quarter ended March 31, 2021 and quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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



**Vishal D. Shah**  
**Partner**  
**Membership No. 119303**  
**UDIN: 21119303AAAAJV4366**



**Place: Mumbai**  
**Date: May 8, 2021**