

Reliance Capital Limited

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CIN : L65910MH1986PLC165645

May 10, 2022

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort,

Mumbai 400 001

BSE Scrip Code: 500111**National Stock Exchange of India Limited**Exchange Plaza, 5th 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 Financial Results for the quarter and year ended March 31, 2022

The Company has already intimated the Exchanges that the Reserve Bank of India ("RBI") has superseded the board of directors of Reliance Capital Limited ("Company") and appointed Mr. Nageswara Rao Y as the Administrator of the Company in terms of Section 45-IE of the Reserve Bank of India Act, 1934 ("RBI Act"). The RBI, in exercise of powers conferred under Section 45-IE 5(a) of the RBI Act, had constituted a three-member Advisory Committee to assist the Administrator of the Company in discharge of his duties. Further, pursuant to an order dated December 6, 2021 of the National Company Law Tribunal, Mumbai Bench ("NCLT"), Corporate Insolvency Resolution Process ("CIRP") has been initiated against the Company as per the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code").

Further to our letter dated May 4, 2022 and pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Statement of Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2022 along with the Audit Report submitted by the Statutory Auditors of the Company and Statement on Impact of Audit Qualifications on Standalone and Consolidated Financial Results. The Company is not a Large Corporate for the financial year ended March 31, 2022.

The above financial results were reviewed by the Advisory Committee at its meeting held on May 10, 2022. The meeting of the Advisory Committee commenced at 4:00 p.m. and results were approved by the Administrator at 10:00 p.m.

Thanking you.

Yours faithfully,

For Reliance Capital Limited

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

Encl.: As Above.

Sr. No.	Particulars	Quarter ended			Year ended	
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
		Unaudited	Unaudited	Unaudited	Audited	Audited
(I)	Income					
a	Revenue from operations					
	Interest income	550	700	686	2 665	3 076
	Dividend income	15	18	20	87	72
	Premium income	3 793	3 401	3 658	14 322	13 070
	Fees and commission income	294	168	215	783	737
	Net gain on fair value changes	86	(262)	523	1 255	2 041
	Other operating income	25	51	61	161	254
	Total Revenue from operations	4 763	4 076	5 163	19 273	19 250
b	Other Income	8	7	39	30	58
	Total Income (a + b)	4 771	4 083	5 202	19 303	19 308
(II)	Expenses					
	Finance cost	279	563	588	2 190	2 741
	Fees and commission expenses	196	186	178	710	616
	Impairment on financial instruments	4 010	951	1 188	6 123	6 684
	Employee benefits expenses	373	358	358	1 469	1 372
	Depreciation, amortisation and impairment	29	28	28	112	105
	Claims incurred (net)	1 681	1 762	1 693	6 847	5 586
	Premium paid on reinsurance ceded	830	953	923	4 062	4 223
	Change in valuation of liability in respect of life policies	936	558	787	3 102	3 754
	Other expenses	650	299	821	2 269	2 577
	Total Expenses	8 984	5 658	6 564	26 884	27 658
(III)	Profit / (Loss) before exceptional items, [share of net profits / (losses) of investments accounted for using equity method] and tax (I - II)	(4 213)	(1 575)	(1 362)	(7 581)	(8 350)
(IV)	Share of net profits/(losses) of associates accounted for using equity method	105	(163)	(251)	(328)	(764)
(V)	Profit/(Loss) before exceptional items and tax (III + IV)	(4 108)	(1 738)	(1 613)	(7 909)	(9 114)
(VI)	Exceptional items	-	-	-	-	-
(VII)	Profit/(Loss) before tax [V + VI]	(4 108)	(1 738)	(1 613)	(7 909)	(9 114)
	Tax expense					
	- Current Tax (including earlier year tax)	2	1	(4)	52	61
	- Deferred Tax	24	20	40	94	112
(VIII)	Total tax expense	26	21	36	146	173
(IX)	Net Profit/(Loss) for the period/year (VII - VIII)	(4 134)	(1 759)	(1 649)	(8 055)	(9 287)
(X)	Other comprehensive income					
A	(i) Items that will not be reclassified to profit or loss	51	(52)	(9)	(6)	(11)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	Subtotal (A)	51	(52)	(9)	(6)	(11)
B	(i) Items that will be reclassified to profit or loss	(168)	(38)	(315)	(170)	(94)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	(iii) Other comprehensive income attributable to Participating Policyholders of Insurance business	-	-	109	-	32
	Subtotal (B)	(168)	(38)	(206)	(170)	(62)
	Other comprehensive income for the period/year (A + B)	(117)	(90)	(215)	(176)	(73)
(XI)	Total comprehensive income for the period/year (IX + X)	(4 251)	(1 849)	(1 864)	(8 231)	(9 360)
(XII)	Net Profit/(Loss) for the period/year attributable to:					
	- Owners	(4 173)	(1 775)	(1 664)	(8 116)	(9 404)
	- Non-controlling interests	39	14	15	61	117
(XIII)	Other comprehensive income attributable to:					
	- Owners	(115)	(90)	(215)	(173)	(72)
	- Non-controlling interests	(2)	(1)	-	(3)	(1)
(XIV)	Total comprehensive income attributable to:					
	- Owners	(4 288)	(1 865)	(1 879)	(8 289)	(9 476)
	- Non-controlling interests	37	13	15	58	116
(XV)	Earnings per equity share face value of Rs. 10 each fully paid-up (quarter and year ended not annualised):					
	(a) Basic	(164.56)	(70.15)	(65.68)	(320.80)	(369.82)
	(b) Diluted	(164.56)	(70.15)	(65.68)	(320.80)	(369.82)
(XVI)	Paid-up Equity share capital	253	253	253	253	253
(XVII)	Other equity				(20 073)	(11 791)

Reliance Capital Limited
Consolidated segment reporting for the year ended March 31, 2022

(₹ in crore)

Sr. No.	Particulars	Quarter ended			Year ended	
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Segment revenue					
a	Finance and investments	7	(185)	281	94	163
b	General insurance	2 727	2 610	2 503	11 333	10,250
c	Life insurance	2 028	1 547	2 291	7 409	8,367
d	Commercial finance	(79)	69	122	196	535
e	Others	82	59	7	342	211
	Total	4 765	4 100	5 204	19 374	19 526
	Inter-segment revenue	6	(17)	(2)	(71)	(218)
	Total net segment income	4 771	4 083	5 202	19 303	19 308
2	Segment results					
a	Finance and investments	117	(710)	(955)	(1 413)	(7 120)
b	General insurance	90	67	84	459	485
c	Life insurance	80	27	95	123	302
d	Commercial finance	(4 405)	(1 127)	(714)	(7 103)	(2 676)
e	Others	12	5	(123)	27	(105)
	Total segment profit / (loss) before tax	(4 106)	(1 738)	(1 613)	(7 907)	(9 114)
	Unallocated expenses	-	-	-	-	-
	Profit / (Loss) before tax	(4 106)	(1 738)	(1 613)	(7 907)	(9 114)
3	Segment assets					
a	Finance and investments	9 472	9 543	9 758	9 472	9 758
b	General insurance	23 103	22 995	21 226	23 103	21 226
c	Life insurance	29 083	28 166	25 833	29 083	25 833
d	Commercial finance	2 001	6 189	8 240	2 001	8 240
e	Others	892	881	823	892	823
f	Inter-segment elimination	(862)	(865)	(1 002)	(862)	(1 002)
	Total segment assets	63 689	66 909	64 878	63 689	64 878
4	Segment liabilities					
a	Finance and investments	24 004	24 027	22 895	24 004	22 895
b	General insurance	20 766	20 590	18 997	20 766	18 997
c	Life insurance	27 494	26 656	24 362	27 494	24 362
d	Commercial finance	12 780	12 574	11 941	12 780	11 941
e	Others	817	813	762	817	762
f	Inter-segment elimination	(3 148)	(2 947)	(3 278)	(3 148)	(3 278)
	Total segment liabilities	82 713	81 713	75 679	82 713	75 679

Notes

- 1 The consolidated financial results of the Parent Company and its subsidiaries and associates (together referred to as "the Group") have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, from time to time, and other accounting principles generally accepted in India.

The Group has reported segment as per Ind AS dealing with operating segment. The operations of the Group are conducted through its subsidiaries. All the activities are conducted in India. The Operating segments have been reported as under:

- (a) Finance & Investments - This includes the corporate lending and investment activities.
 (b) General Insurance - This includes the general and health insurance business.
 (c) Life Insurance - This includes the life insurance business.
 (d) Commercial Finance - This includes the commercial finance business.
 (e) Others - This includes other financial and allied services.
- 2 The Listed Secured Non-Convertible Debentures of the Parent Company aggregating to ₹ 14 827 crore as on March 31, 2022 are secured by way of first pari-passu mortgage/charge on the Parent Company's immovable property and on present and future book debts, business receivables, investment property and other receivables of the Parent Company as specifically mentioned in the respective Trust Deeds. The asset cover has fallen below hundred percent of the outstanding debentures. Since the CIRP has commenced all steps are taken as provided under the Code.
- 3 The Listed Secured Non-Convertible Market Linked Debentures of the subsidiary viz. Reliance Financial Limited aggregating to ₹ 40 crore as on March 31, 2022 are secured by way of a first ranking pari-passu mortgage / charge over Reliance Financial Limited's immovable property and on the movable assets of Reliance Financial Limited as specifically mentioned in the respective Trust deeds and the asset cover thereof exceeds hundred per cent of the principal amount of the said debentures.
- 4 The Rated, Listed, Secured, Redeemable, Non-convertible Debentures (NCDs) of the subsidiary viz. Reliance Commercial Finance Limited amounting to ₹ 1 825 crore as on March 31, 2022 are secured by way of a first charge & mortgage over Reliance Commercial Finance Limited's Gujarat immovable property and first pari-passu charge on all present and future book debts, business receivables, current assets, investments and all other assets of Reliance Commercial Finance Limited and the asset cover has fallen below hundred percent of the outstanding debentures.



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- 5 The Listed Secured Non-Convertible Debentures (Market Linked Debenture) of the subsidiary viz. Reliance Securities Limited (RSL) aggregating to ₹ 28 crore as on March 31, 2022 secured by way of first ranking mortgage over RSL's immovable property and second charge on the present and future book debts and receivables hypothecated in favour to Banks towards working capital facility of RSL as specially mentioned in the Trust deed and the asset cover thereof exceeds hundred percent of the principal amount of the said debentures.
- 6 (a) The Reserve Bank of India (RBI) vide Press Release dated November 29, 2021 in exercise of the power conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, superseded the Board of Directors of Reliance Capital Limited ("RCL"). Thereafter RBI vide press release dated November 30, 2021 in exercise of the power conferred under Section 45-IE (5A) of the Reserve Bank of India Act, 1934 constituted a three-member advisory committee to assist the Administrator in the discharge of his duties. On December 02, 2021 the RBI filed the Petition before the NCLT under sub-Clause (i) of clause (a) of Rule 5 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudication Authority) Rules, 2019 (FSP Rules) to initiate Corporate Insolvency Resolution Process ("CIRP") against RCL read with Section 227 of Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed there under and amended from time to time (the "Code"). Further CIRP was initiated against the Company under Section 227 read with clause (zk) of sub section (2) of section 239 of the Code and read with rules 5 and 6 of the FSP Rules by an order dated December 06, 2021 of the Hon'ble National Company Law Tribunal Mumbai Bench (NCLT/Adjudicating Authority). The Adjudicating Authority vide the above order, appointed the Administrator to perform all the functions of a resolution professional to complete the CIRP of the Company as required under the provisions of the Code. A moratorium was declared by the NCLT. It is also incumbent upon the Administrator, (exercising same powers as Resolution Professional under the Code), under section 20 of the Code, to manage the operations of the Company as a going concern. Accordingly, the financial results for the year ended March 31, 2022 have been prepared on going concern assumptions.
- In accordance with section 14 of the Code read with the FSP Insolvency Rules, a moratorium has been effective on and from December 06, 2021, i.e. the date of admission of the parent Company in the CIRP process for prohibiting institution of suits or continuation of pending suits or proceedings against the parent Company including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority. The Administrator has taken steps for seeking confirmations from various forums where injunctions have been levied on the parent Company for disposal of assets, that such injunctions will not be applicable during CIRP.
- (b) Reliance Commercial Finance Limited (RCFL) during the year ended March 31, 2022 has incurred losses of Rs. 7,079 crore (March 31, 2021 Rs. 2,665 Crore) and it has accumulated losses of Rs. 13,092 crore (March 31, 2021 Rs. 6,012 Crore). RCFL is engaged with its lenders for arriving at the debt resolution plan. In this regard, certain lenders of RCFL have entered into an Inter-Creditor Agreement (ICA) in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India (RBI) on Prudential Framework for Resolution of Stressed Assets. Majority of the lenders have already executed the ICA dated July 6, 2019 with Bank of Baroda acting as the Lead Lender.
- The Lead Bank and the lenders forming part of ICA have appointed resolution advisors, cashflow monitoring agency, forensic auditor, valuers and legal counsel. Bank of Baroda as the Lead Lender and on behalf of the ICA lenders has as part of the debt resolution process has invited Expression of Interest (Eoi) and bids from interested bidders vide newspaper advertisement dated July 28, 2020 and through the Lead Bank's website. Eighteen investors' initially, had expressed interest through submission of Eoi's.
- The ICA lenders have evaluated, voted upon and selected Authum Investment & Infrastructure Limited as the final bidder on July 15, 2021 and the same has been intimated to the Stock Exchange by the RCL through the media release dated July 19, 2021.
- Authum resolution plan has been shared with the Debenture Trustees to call for the Debenture Holder's meeting and seek approval on the resolution plan.
- Debenture holders meeting was held on December 8, 2021 for voting on the approval of ICA lenders approved Resolution plan. The voting was concluded on December 8, 2021, however the results are yet not declared by Debenture trustees. During voting, SEBI has filed a IA in the Hon'ble Bombay High court wrt voting methodology for Debenture holders. The Appeal was disposed of on March 21, 2022 by the Hon'ble Court rejecting SEBI's appeal and passing the order for announcing the voting results.
- Contesting the Order of Hon'ble Bombay High Court, SEBI on March 28, 2022 filed a Special Leave Petition in the Hon'ble Supreme Court of India. The same is admitted by Hon'able Supreme Court of India for further hearing.
- In view of the resolution process being in the final stages, the accounts of the RCFL have been prepared on "Going Concern" Basis.
- (c) Reliance Money Precious Metals Private Limited (RMPML), the accumulated losses as at March 31, 2022 exceed paid up capital resulting in an erosion of its capital. The accounts have been prepared on 'Going Concern' basis on the understanding that finance will continue to be available to the RMPML for Working Capital requirements.
- (d) Reliance Money Solutions Private Limited, the accumulated losses as at March 31, 2022 exceed paid up capital resulting in an erosion of its capital. The accounts have been prepared on 'Going Concern' basis on the understanding that finance will continue from the Associate Company i.e. Reliance Securities Limited.
- (e) Reliance Capital Pension Fund Limited during FY 2019-20, had gone for voluntary withdrawal of the certificate of registration granted by the Pension Fund Regulatory and Development Authority (PFRDA) vide dated June 04, 2019. The PFRDA vide letter dated July 31, 2019 and November 15, 2019 approved the deregistration. Hence on account of this, the books of account have not been prepared on basis of going concern basis. The assets and liabilities are accounted for at their realisable value.
- (f) Reliance Wealth Management Limited (RWML), the entire net worth has been eroded due to losses incurred. RWML's ability to meet its obligations is significantly dependent on material uncertain events including retaining and growing its current Portfolio of PMS business and distribution of Mutual fund business. RWML is confident that such cash flows would enable it to service its debt and discharge its liabilities, Also RWML got confirmation from one of fellow subsidiary for continuous support for its working capital requirement for next one year. Accordingly, the financial statement of RWML has been prepared on a going concern basis.



A-61

- (g) Reliance Corporate Advisory Services Limited (RCASL), the entire net worth has been eroded due to losses incurred. RCASL with its holding company has initiated for monetising its assets. Accordingly, the financial statement of RCASL has been prepared on a going concern basis.
- (h) The subsidiaries companies of Quant Capital Private Limited (QCPL), i.e Quant Securities Private Limited and Quant Investment Services Private Limited, Company's are having negative net worth. However having regard to continued financial support from the promoters, the financial statements have been prepared on going concern basis without any adjustment to the carrying value of assets and liabilities.
- (i) As stated in Paragraphs 6(a) to 6(h) above, there are material uncertainties that may cast significant doubt on the Group's ability to continue as a Going Concern, however, the Group is in the process of meeting all its obligations through time bound monetization of assets through CIRP, and accordingly the financial results of the Group have been prepared on a "Going Concern" Basis.
- 7 The Administrator and the Advisory Committee members along with the management team and the employees of the Parent Company, upon their taking charge are taking various efforts to improve the operational, financial, and managerial efficiency of the Parent Company.
- 8 The Administrator has taken charge with effect from November 29, 2021, and has relied on information, data, and clarification provided by the existing Key Management Personnel (KMP's) of the Parent Company for the purpose of the financial results. With respect to the financial statements for the year ended March 31, 2022, the Administrator has signed the same solely for the purpose of ensuring compliance by the Parent Company with applicable law, and subject to the following:
- (i) The Administrator has taken charge with effect from November 29, 2021 and therefore was not in control of the operations or the management of the Parent Company for majority of the period to which the underlying report pertains to;
- (ii) The Administrator has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the Administrator in terms of Section 233 of the Code;
- (iii) The Administrator, while signing this statement of financial results, has relied solely upon the assistance provided by the existing staff and present key management personnel (KMPs) of the Parent Company in review of the financial results as well as the certifications, representations and statements made by the KMPs of the Parent Company, in relation to these financial results. The statement of financial results of the Parent Company for the year ended March 31, 2022 have been taken on record by the Administrator solely on the basis of and on relying on the aforesaid certifications, representations and statements of the aforesaid existing staff and present key management personnel (KMPs). For all such information and data, the Administrator has assumed, without any further assessment, that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Parent Company as of the dates and period indicated therein.
- 9 Pursuant to the admission and commencement of CIRP of the Parent Company under Insolvency and Bankruptcy Code, 2016 (IBC) with effect from December 06, 2021, there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans shall be determined during the CIRP. The above audited financial results are drawn on the basis of March 31, 2022 figures as per the books of accounts of the Parent Company.
- 10 In view of ongoing CIRP, the Parent Company has provided for the interest expense which may be applicable on the financial debts upto the Insolvency Commencement Date i.e. December 06, 2021 and accordingly interest expense of Rs 491 crores for the post CIRP period have not been provided.
- 11 One of the previous auditor of the Parent Company and its subsidiary namely Reliance Commercial Finance Limited after resigning from the office in September 2019 submitted a report under Section 143(12) of the Act with the Ministry of Corporate Affairs for matters relating to FY 2018-19. The Company has examined the matter and 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 Act. The matter is under consideration with the Ministry of Corporate Affairs.
- 12 Reliance Commercial Finance Limited (RCFL) had given General Purpose Corporate Loan/Working Capital Term Loan to certain bodies corporate in the ordinary course of business, the terms of which are at arms' length basis. None of these loans constitute as transactions with related parties. However, in few cases, the RCFL's borrowers had undertaken onward lending transactions to companies which are identified as Group Companies by Parent Company in terms of the Core Investment Companies (Reserve Bank) Directions, 2016. These loans are secured and, in few cases, its further guaranteed by the Group Companies. During the period RCFL has made provision on loans and advances in accordance with expected credit loss (ECL) as adopted in previous year.
- 13 Quant Securities Private Limited has applied for surrender of its Broking license with Bombay Stock Exchange (BSE) as well as National Stock Exchange (NSE), however approval from BSE & NSE is still awaited.
- 14 In respect of Reliance Exchangenext Limited which has made investment in Indian Commodity Exchange Limited and petition filed by MMTC Limited in Company Law Board against this investment. Outcome of the petition is awaited from the National Company Law Tribunal.
- 15 The Parent Company had pledged its entire equity holding in Reliance General Insurance Company Limited (RGICL) in favour of IDBI Trusteeship Services Limited (Trustee) against dues guaranteed by the Company. The Trustee, on November 19, 2019, invoked the pledge and presently holds the shares of RGICL in their custody. Vide orders dated December 4, 2019 and December 27, 2019, Insurance Regulatory and Development Authority of India (IRDAI), has informed the parent Company that the transfer of shares was void ab initio. The said order was challenged in Securities Appellate Tribunal, Mumbai (SAT) and SAT vide its order dated February 27, 2020 held that that the Trustee is holding shares as Trustee / custodian and will not exercise any control over RGICL and cannot exercise any voting rights on shares of RGICL. Accordingly, RGICL continues to be a subsidiary of the parent Company. The Administrator on behalf of the parent Company has filed an application before the National Companies Law Tribunal, Mumbai on April 27, 2022, against the Trustee inter alia seeking direction against the Trustee to return the custody and control of the RGICL shares owned by the parent Company.



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- 16 The Parent 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 parent Company before the Hon'ble High Court of Bombay. The High Court has referred the matter to the arbitration, the Sole Arbitrator who upon hearing the Interim Applications filed by the parent Company passed an interim order on April 23, 2020 wherein it stated that a status quo (as ordered by Bombay High Court vide Order dated December 11, 2019) will continue and the NLAML shares, whose pledge was invoked by IndusInd Bank, will remain in a separate demat account, where they are lying currently. Accordingly, the parent Company continues to consider its rights on the above referred shares.
- 17 The Parent Company is undergoing Corporate Insolvency Resolution Process ("CIRP") under the provisions of the Insolvency & Bankruptcy Code 2016 ("IBC"). As per the provisions of the IBC, the fair value and liquidation value of the assets of the parent company as on the insolvency commencement date is required to be determined. In compliance with the same, the Administrator has appointed 2 registered valuers and the said exercise is currently underway. As per Ind AS 36- "Impairment of Assets", impairment testing of assets is to be conducted on an annual basis. On completion of the CIRP, the Parent Company will carry out a comprehensive review of all the assets including investments, other assets and intangible assets, liabilities and accordingly provide for Impairment loss on assets and write back of liabilities, if any.
- 18 The figures for the quarter ended March 31, 2022 and March 31, 2021 are balancing figures between audited figures in respected of the full financial year and the unaudited published year to date figures upto the third quarter of the financial year.
- 19 Previous period figures have been regrouped / rearranged wherever necessary.
- 20 The above results were reviewed and approved by the Administrator on May 10, 2022 and has approved its release while discharging the powers of the Board of Directors of the Company which were conferred upon him by the RBI Order dated November 29, 2021 and subsequently, powers conferred upon him in accordance with the NCLT Order dated December 06, 2021.
- 21 The Standalone financial results of the Parent Company for the year ended March 31, 2022 are available on the Company's website (www.reliancecapital.co.in) and on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).

Key standalone financial information is given below:

(₹ in crore)

Particulars	Quarter ended			Year ended	
	31-Mar-22	30-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
	Unaudited	Unaudited	Unaudited	Audited	Audited
Total revenue	5	4	2	16	563
Profit/ (Loss) before tax	(25)	(492)	(3 865)	(1 106)	(10 972)
Profit / (Loss) after tax	(25)	(492)	(3 865)	(1 106)	(10 972)

for Reliance Capital Limited

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



Nageswara Rao Y
ADMINISTRATOR APPOINTED UNDER IBC

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

Mumbai, May 10, 2022

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

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

Reliance Capital Limited
Consolidated Balance Sheet as at March 31, 2022

(₹ in crore)

Particulars	As at 31-Mar-22	As at 31-Mar-21
	Audited	Audited
ASSETS		
Financial assets		
Cash and cash equivalents	1,188	567
Bank balance other than cash and cash equivalents	382	463
Derivative financial instruments	-	2
Receivables		
(I) Trade receivables	1,863	1,505
(II) Other receivables	9	16
Loans	2,135	7,709
Investments	44,014	39,755
Other financial assets	7,608	8,401
Total financial assets	57,199	58,418
Non-financial assets		
Inventories	39	20
Current tax assets (Net)	51	54
Deferred tax assets (Net)	35	89
Investment property	78	77
Property, plant and equipment	286	301
Capital work-in-progress	4	6
Intangible assets under development	11	14
Goodwill	5,111	5,111
Other intangible assets	108	89
Other non-financial assets	767	699
Total non-financial assets	6,490	6,460
Total assets	63,689	64,878
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
Derivative financial instruments	-	22
Payables		
(I) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	1
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,005	1,760
(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	375	620
Debt securities	18,091	18,131
Borrowings (Other than debt securities)	8,585	8,594
Deposits	4	4
Subordinated liabilities	158	158
Other financial liabilities	52,174	44,296
Total financial liabilities	80,392	73,586
Non-financial liabilities		
Provisions	627	458
Other non-financial liabilities	1,694	1,635
Total non-financial liabilities	2,321	2,093
Total liabilities	82,713	75,679
EQUITY		
Equity share capital	253	253
Other equity	(20 073)	(11 791)
Equity attributable to owners of the Company	(19 820)	(11 538)
Non-controlling interests	796	737
Total equity	(19 024)	(10 801)
Total liabilities and equity	63,689	64,878



A-61

Sr. No.	Particulars	March 31, 2022	March 31, 2021
		Audited	Audited
A	Operating activities:		
	Profit/(Loss) before tax:	(7 909)	(9 114)
	Adjustments for:		
	Depreciation, amortisation and impairment	112	105
	Bad debts recovered and credit balance written-back	(5)	(6)
	Net Impairment on financial instruments and balances written-off	6 123	6 684
	Interest income on loans and investments	(2 613)	(3 067)
	Interest income on bank deposit	(53)	(9)
	Dividend income on investments	(87)	(72)
	Share of net loss of associates accounted for using the equity method	328	764
	Net gain on fair value of investment	(1 255)	(2 041)
	Amortised brokerage on borrowings	-	101
	Discount on commercial paper	58	61
	Interest expenses	2 131	2 579
	Operating profit before working capital changes	(3 170)	(4 014)
	Adjustments for (increase) / decrease in operating assets:		
	Interest received	38	13
	Interest paid	(44)	(879)
	Financial assets and non financial assets	2 574	1 410
	Adjustments for increase / (decrease) in operating liabilities:		
	Financial liabilities and non financial liabilities	4 663	7 404
		4 061	3 934
	Less : Income taxes paid (net of refunds)	35	(124)
	Net cash generated from operating activities	4 026	4 058
B	Investing activities:		
	Purchase of property, plant and equipment (including capital advances)	(124)	(153)
	Sale of property, plant and equipment	12	16
	Purchase of investments (net)	(3 332)	(3 883)
	Dividend received	87	72
	Net cash used in investing activities	(3 357)	(3 948)
C	Financing activities:		
	Debt securities issued (repaid) (net)	(40)	49
	Borrowing other than debt securities issued (net)	(8)	(71)
	Net cash generated from / (used in) financing activities	(48)	(22)
	Net increase/(decrease) in cash and cash equivalents (A + B + C)	621	88
	Cash and cash equivalents at beginning of the period	567	479
	Cash and cash equivalents at end of the period	1 188	567





Independent Auditor's Report on Consolidated Financial Results of Reliance Capital Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for year ended 31 March 2022.

To
The Administrator (appointed under Insolvency and Bankruptcy Code) of
Reliance Capital Limited.

Report on the audit of the Consolidated Financial Results

Introduction

1. The Reserve Bank of India ("RBI") vide its letter and press release dated November 29, 2021 ("RBI Order") issued under Section 45-IE(1) of the Reserve Bank of India Act, 1934, superseded the Board of Directors of the Holding Company and appointed an Administrator to run the Holding Company. Subsequently, in accordance with the order dated 06 December 2021 passed by the National Company Law Tribunal (Mumbai Bench) ("NCLT Order"), the application for commencement of Corporate Insolvency Resolution Process ("CIRP") of the Holding Company under the Insolvency and Bankruptcy Code, 2016 ("IBC") was admitted.

Qualified Opinion

2. We have audited the accompanying statement of consolidated financial results of Reliance Capital Limited ("the Holding Company") and its subsidiaries (holding company and its subsidiaries together referred to as "the Group"), and its associates for the quarter and year ended 31 March 2022 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
3. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements of subsidiaries and associates and on unaudited management certified financial statements of certain associates and except for the effects of the matters described in paragraphs 4, 5 and 6 under "Basis for Qualified Opinion" section of our report, the aforesaid consolidated audited financial results:
 - a. include the financial results of the entities described in Annexure I;
 - b. are presented in accordance with the requirements of Regulations 33 and 52 of the Listing Regulations in this regard; and



- c. 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 income and other financial information for the year ended March 31, 2022

Basis for Qualified Opinion

4. We draw attention to Note no. 9 of the Statement which explains that the amount of the claims, including claims on account of corporate guarantees invoked, admitted or to be admitted by the Administrator under CIRP process may differ from the amount reflecting in the books of account of the Holding Company. Pending final outcome of the CIRP, no adjustments have been made in the books for the differential amounts, if any, in the claims admitted as on the date of the financial results.
5. We draw attention to Note no. 10 of the Statement which explains that in view of the ongoing CIRP, the Holding Company has provided for interest expense which may be applicable on the financial debt only upto 06 December 2021. Had such interest been recognised from 07 December 2021 to 31 March 2022, the loss before tax for the quarter and year ended 31 March 2022 would have been higher by Rs.491 crores.
6. We draw attention Note no. 6(b) of the Statement with reference to RCFL, wherein the statutory auditor of RCFL has modified the opinion on the standalone audited financial results of RCFL with regard to the Inter Creditors Agreement ("ICA") entered into under the circular issued by Reserve Bank of India on "Prudential Framework for Resolution of Stressed Assets" dated 07 June 2019. In view of the ICA Agreement, RCFL has not recognised any penal interest and additional interest due to default and downgrade of the credit rating. Subject to availability of latest balance confirmation and reconciliation from banks / lenders other than principal amount there is material unreconciled balance as per books of RCFL and lenders / banks. The impact, if any, due to non recognition of penal interest and additional interest as explained above in the audited financial statements of RCFL is not ascertainable at present. In view of the above, the statutory auditors of RCFL and consequently, we are unable to comment on the completeness, accuracy of bank balance, borrowing, interest expense of RCFL for the quarter and year ended 31 March 2022.
7. 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 SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial results section of our report. We are independent of the Holding 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 statements 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 on the Statement.

Material Uncertainty related to Going Concern

8. We draw attention to Note no. 6(b) of the Statement which states RCFL has incurred losses of Rs.7,079 crores during the year 2021-2022 and has accumulated losses of Rs.13,092 crores as at 31 March 2022. The lenders of RCFL have also entered an Inter Creditor Agreement ("ICA"). The ICA lenders have evaluated, voted upon and selected Authum Investment & Infrastructure Limited ("Authum") as the final bidder. The final implementation of the resolution plan submitted by Authum is contingent upon various regulatory approvals including disposal of ongoing litigations as further explained in the aforesaid Note. This casts a significant doubt on the ability RCFL to continue as a going concern and therefore a material uncertainty related to Going Concern exists. In view of the steps being taken by RCFL and the ongoing debt resolution process, the financial statements of RCFL have been prepared on a Going concern basis.
9. We draw attention to Note no. 6(g) of the Statement which states that the entire net worth has been eroded due to losses incurred by Reliance Corporate Advisory Services Ltd. ("RCASL"), a subsidiary company. Further, RCASL with its holding company through an Expression of Interest (EOI) has initiated sale of some of its investments. Post outcome of EOI, the amounts will be settled and therefore the financial statements of RCASL have been prepared on a Going Concern basis.
10. We draw attention to Note no.6(a) of the Statement which explains that the Holding Company has been admitted under the CIRP process effective 06 December 2021 and as stipulated under Section 20 of the IBC, it is incumbent upon the Administrator to manage the operations of the Holding Company as a going concern. Accordingly, the financial results for the quarter and year ended 31 March 2022 have been prepared on going concern basis. However, the Holding Company has defaulted in repayment of the obligations to the lenders and debenture holders which is outstanding, has incurred losses during the period as well as during the previous periods, has reported negative net worth as at 31 March 2022 and previous periods and as described in Note No. 6 of the Statement, the asset cover for Listed Secured Non-Convertible Debentures of the Holding Company has fallen below one hundred percent. This fact read with Note no. 6(i) indicates that material uncertainty exists, that may cast a significant doubt on the Group's ability to continue as a Going Concern.

Our opinion is not modified in respect of paragraphs 8, 9 and 10.

Emphasis of Matter

11. We draw attention to Note no. 11 of the statement referring to filing under Section 143(12) of the Companies Act, 2013 to Ministry of Corporate Affairs by one of the previous auditors of the Holding Company and RCFL for the financial year 2018-19. Based on the facts as described in the aforesaid note, the respective companies have concluded that there were no matters attracting the said Section and the matter is under consideration with the Ministry of Corporate Affairs.

12. We draw attention to Note no.12 of the Statement which refers to loans sanctioned by RCFL under General Purpose Corporate Loan / Working Capital Term Loans to certain bodies corporate including group companies. The note also specifies that RCFL's borrowers have entered into onward lending transactions to companies identified as Group Companies by Holding Company. RCFL has fully provided for Expected Credit Losses ("ECL") on these loans. The Statutory Auditor of RCFL in his statutory audit report has stated that end use of borrowings from RCFL has been utilised to meet their financial obligations to Group Companies by such entities.
13. We draw attention to Note no. 17 of the Statement which refers to the ongoing exercise of valuation of all assets held by the Company.

Our opinion is not modified in respect of matters stated in paragraphs 11, 12 and 13.

Responsibilities of Management and the Administrator for the consolidated financial results

14. The aforesaid consolidated financial results of the Holding Company for the quarter and year ended 31 March 2022 have been taken on record by the Administrator while discharging the powers of the Board of Directors of the Holding Company which were conferred by the RBI Order and in accordance with the NCLT Order. For the said purpose, as explained in Note no. 8 to the Statement, the Administrator has relied solely upon the assistance provided by the existing staff and present key management personnel ("KMPs") and has assumed, without any further assessment, that information and data provided by the existing staff and present KMPs are in the conformity with Companies Act 2013 and other applicable laws and regulations with respect to the preparation of the Statement.
15. The Statement which includes the consolidated financial results is the responsibility of the Holding Company's Management and the Administrator under the provisions of Section 45-IE(4) of the Reserve Bank of India Act, 1949, and has been approved by them for issuance. The Statement has been compiled on the basis of the audited consolidated financial statements for the year ended 31 March 2022.
16. This responsibility includes preparation and presentation of these consolidated financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations.
17. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates 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 the design, implementation and maintenance of adequate



internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Management and the Administrator the Holding Company, as aforesaid.

18. In preparing the Statement, the Holding Company's Management and the Administrator, are responsible for assessing the ability of the Group and of the associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Administrator either intends to liquidate the Holding Company or to cease operations, or has no realistic alternative but to do so.
19. The Holding Company's Management, Administrator and the respective Board of Directors of the Companies included in the Group and of the associates are also responsible for overseeing the financial reporting process of the Group and of the associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

20. Our objectives are to obtain reasonable assurance about whether the consolidated 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 the 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 consolidated financial results.
21. As part of an audit in accordance with the SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - i. Identify and assess the risks of material misstatement of the consolidated 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.
 - ii. 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 through a separate report on the complete set of financial statements on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and operating effectiveness of such controls.



- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and the Administrator in the consolidated financial results.
 - iv. Conclude on the appropriateness of the Management's and Administrator's 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 ability of the Group and the associates 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 consolidated 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 Group and its associates to cease to continue as a going concern.
 - v. Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
 - vi. Obtain sufficient appropriate audit evidence regarding the financial results/information of the entities within the Group and the associates to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
22. We communicate with those charged with governance of the Holding Company, 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.
23. 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.
24. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

25. The statutory auditors of one of the subsidiary companies, Reliance Nippon Life Insurance Company Limited ("RNLICL"), have included the following Other Matter paragraph in their audit report:

"The Actuarial Valuation of liabilities for the life policies in force and policies where premium is discounted is the responsibility of the RNLICL's Appointed Actuary. The actuarial valuation of these liabilities as at March 31, 2022 has been duly certified by the appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with generally accepted actuarial principles and practice requirements of the Insurance Act, regulations notified by IRDAI and Actuarial Practice Standard issued by the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the appointed Actuary's Certificate in this regard. Our conclusion is not modified in respect of this matter."

26. The statutory auditors of one of the subsidiary companies, Reliance General Insurance Company Limited ("RGICL"), a subsidiary of the Holding Company, have included the following Other Matter paragraph in their audit report:

"The actuarial valuation of liabilities for Incurred but Not Reported (IBNR) and Incurred but Not Enough Reported (IBNER) policies and Premium Deficiency Reserve (PDR) policies in force is the responsibility of the RGICL's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of liabilities for policies in force as on March 31, 2022 has been duly certified by the Appointed Actuary. We have relied on the Appointed Actuary's certificate in this regard. Our conclusion is not modified in respect of this matter."

27. We did not audit the financial information of 20 subsidiary companies as per Annexure I, included in the consolidated audited financial results, whose financial information reflect total assets of Rs. 35,405 crores as at 31 March 2022, total revenues of Rs.9,066 Crore, net loss after tax of Rs.6,800 Crore and total comprehensive income / (loss) of Rs. (6,799 Crore) for the year ended 31 March 2022. The consolidated audited financial results also include the Group's share of net loss after tax of Rs. 328 Crore and total comprehensive income / (loss) of Rs. (328 Crore) for the year ended 31 March 2022 in respect of 5 associate companies, whose financial information has not been audited by us. Of these, the financial information of 14 subsidiary companies and 2 associate companies have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far it relates to amounts and disclosures included in respect of these subsidiaries and associates, is solely based on the reports of the other auditors and the procedures performed by us.

28. The consolidated audited financial results includes financial information of 6 subsidiaries which have not been audited by their auditors, whose financial information reflect total assets of Rs. 34.12 crores as at 31 March 2022, total revenues of Rs. 0.29 Crore, net loss after tax of Rs. 14.79 Crore, total comprehensive income / (loss) of Rs. (14.79 Crore) for the year ended 31 March 2022. The consolidated audited financial results also includes the Group's



share of net profit / (loss) after tax of Rs. Nil, total comprehensive income of Rs. Nil for the year ended March 31, 2022 respectively in respect of 3 associates, the financial information of which has not been audited by their auditors. This unaudited financial information has been furnished to us by the management and our opinion on the Statement in so far it relates to the amounts and disclosures included in respect of these subsidiaries and associates is based solely on such unaudited financial information. In our opinion and according to the information and explanation given to us by the Holding Company's management, these subsidiaries and associates are not material to the Group.

29. The comparative consolidated financial results for the quarter and year ended 31 March 2021 were subject to audit by the predecessor auditors whose audit report dated 08 May 2021 containing modified opinion has been relied upon by us.

Our opinion is not modified in respect of matters stated in paragraphs 25 to 29.

For Gokhale & Sathe
Chartered Accountants
Firm Regn. No.103264W

Rahul Joglekar
Partner
Membership No.:129389
UDIN: 22129389AITFBY3139



Place: Mumbai
Date: 10 May 2022



Annexure I: List of entities included in the consolidated audited financial results of Reliance Capital Ltd.

A. Subsidiaries (Including step-down subsidiaries)

Sr. No.	Name of the Company
1	Reliance Capital Pension Fund Limited
2	Reliance General Insurance Company Limited
3	Reliance Nippon Life Insurance Company Limited
4	Reliance ARC-SBI Mansarovar Trust
5	Reliance Commercial Finance Limited
6	Reliance Health Insurance Limited
7	Reliance Securities Limited
8	Reliance Wealth Management Limited
9	Reliance Exchangenext Limited
10	Reliance Corporate Advisory Services Limited
11	Quant Capital Private Limited
12	Quant Broking Private Limited (Subsidiary of Subsidiary Company)
13	Quant Securities Private Limited (Subsidiary of Subsidiary Company)
14	Quant Investment Services Private Limited (Subsidiary of Subsidiary Company)
15	Reliance Commodities Limited
16	Reliance Financial Limited
17	Reliance Money Precious Metals Private Limited
18	Reliance Money Services Private Limited
19	Gullfoss Enterprises Private Limited (Subsidiary of Subsidiary Company)
20	Reliance Underwater Systems Private Limited

B. Associates

Sr. No.	Name of the Company
1	Reliance Home Finance Limited
2	Ammolite Holding Limited
3	Reliance Asset Reconstruction Company Limited
4	Global Wind Power Limited (Associate of Subsidiary Company)
5	Reinplast Advance Composites Private Limited (Associate of Subsidiary Company)



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Consolidated Audited Financial Results



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
i.	Sl. No.	Particulars	Audited Figures (Rs. in crore) (as reported before adjusting for qualifications)	Adjusted Figures (Rs. in crore) (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	19,303	19,303
	2.	Total Expenditure	26,884	27,372
	3.	Net Profit/(Loss) after tax	-8,055	-8,543
	4.	Earnings Per Share	-320.80	-340.21
	5.	Total Assets	63,689	63,689
	6.	Total Liabilities	82,713	80,222
	7.	Net Worth	-19,024	-10,801
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

ii.	<u>Audit Qualification (each audit qualification separately):</u>	
	a.	<p>Details of Audit Qualifications of Parent Company viz. Reliance Capital Limited (RCL):</p> <p>1. Financials Statement's Note no. 5, which explains that the amount of the claims including claims on account of guarantees invoked, admitted or to be admitted by the Administrator under CIRP process may differ from the amount reflecting in the books of account of the Company. Pending final outcome of the CIRP, no adjustments have been made in the books for the differential amounts, if any, in the claims admitted as on the date of the financial results.</p> <p>2. Financials Statement's Note no. 11, which explains that in view of the ongoing CIRP, the Company has provided for interest expense which may be applicable on the financial debt only upto December 06, 2021. Had such interest been recognised from December 07, 2021 to March 31, 2022, the loss before tax for the quarter and year ended March 31, 2021 would have been higher by Rs. 491 crores.</p> <p>3. Material Uncertainty related to Going Concern, Financials Statement's - Note no. 2 which explains that the Company has been admitted under the CIRP process effective December 06, 2021 and as stipulated under Section 20 of the IBC, it is incumbent upon the Administrator to manage the operations of the Company as a</p>

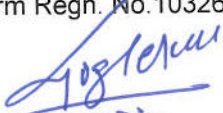



	<p>going concern. Accordingly, the financial results for the quarter and year ended March 31, 2022, have been prepared on going concern basis. However, the Company has defaulted in repayment of the obligations to the lenders and debenture holders which is outstanding, has incurred losses during the period as well as during the previous periods, has reported negative net worth as at March 31, 2022 and previous periods and as described in Note No. 6 of the Statement, the asset cover for Listed Secured Non-Convertible Debentures of the Company has fallen below one hundred percent, which indicates that material uncertainty exists, that may cast significant doubt on the Company's ability to continue as a Going Concern. Our conclusion on the Statement is not modified in respect of the above matter.</p>										
	<table> <tr> <td>b.</td><td>Type of Audit Qualification</td><td>Qualified Opinion</td></tr> <tr> <td>c.</td><td>Frequency of qualification: Whether appeared first time / repetitive / since how long continuing</td><td>First time in March 31, 2022</td></tr> </table>	b.	Type of Audit Qualification	Qualified Opinion	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First time in March 31, 2022				
b.	Type of Audit Qualification	Qualified Opinion									
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First time in March 31, 2022									
	<p>d. Audit Qualification(s) where the impact is quantified by the auditor, Management's Views</p> <p>Quantified for Point No. 2, had such interest been recognised from December 07, 2021 to March 31, 2022, the loss before tax for the quarter and year ended March 31, 2021 would have been higher by Rs. 491 crores.</p> <p>Not quantified for point 1 and 3, hence not applicable.</p>										
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <table> <tr> <td>(i)</td><td>Management's estimation on the impact of audit qualification:</td><td>Not estimated</td></tr> <tr> <td>(ii)</td><td colspan="2"> If management is unable to estimate the impact, reasons for the same RCL is under CIRP and all the claims and repayment obligations to the lenders and debenture holders shall be dealt as per CIRP. </td></tr> <tr> <td>(iii)</td><td colspan="2"> Auditors' Comments on (i) or (ii) above: Refer section II (a) above. </td></tr> </table>		(i)	Management's estimation on the impact of audit qualification:	Not estimated	(ii)	If management is unable to estimate the impact, reasons for the same RCL is under CIRP and all the claims and repayment obligations to the lenders and debenture holders shall be dealt as per CIRP.		(iii)	Auditors' Comments on (i) or (ii) above: Refer section II (a) above.	
(i)	Management's estimation on the impact of audit qualification:	Not estimated									
(ii)	If management is unable to estimate the impact, reasons for the same RCL is under CIRP and all the claims and repayment obligations to the lenders and debenture holders shall be dealt as per CIRP.										
(iii)	Auditors' Comments on (i) or (ii) above: Refer section II (a) above.										
iii.	<p>a. Details of Audit Qualifications of Parent Company's Subsidiary viz. Reliance Commercial Finance Limited (RCFL):</p> <p>RCFL has entered into an Inter Creditors Agreement ("ICA") dated 6 July 2019 under the framework of the circular issued by the Reserve Bank of India on "Prudential Framework for Resolution of Stressed Assets" dated June 7, 2019. In view of ICA,</p>										



	<p>agreement, the Company has not recognized any penal interest and additional interest due to default and downgrade of the credit rating. Subject to availability of latest balance confirmation and their reconciliation from banks/lenders other than principal amount, there is material unreconciled balance as per books of the Company and lenders/banks. The impact, if any, due to non-recognition of the penal interest and additional interest as explained above, in the audited financial statements is not ascertainable at present. Accordingly, we are unable to comment on the completeness and accuracy of the bank balances, borrowings and interest expense thereof as at March 31, 2022, for the quarter and year ended on that date respectively.</p>	
b.	Type of Audit Qualification	Qualified Opinion
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Repetitive since March 31, 2021
d.	Audit Qualification(s) where the impact is quantified by the auditor, Management's Views Not quantified hence not applicable	
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	Not estimated
	(ii) If management is unable to estimate the impact, reasons for the same The Company's exposure to the borrowers are secured against charge on current assets and is dependent on the recovery of onward lending of the borrowers which depends on external factors not wholly within control of the Company/borrower. The Company's ability to meet its obligation is dependent on material uncertain events including restructuring of loan portfolio, implementation of Resolution Plan as per the Inter-Creditor Agreement (ICA) dated July 6, 2019 executed by the lenders in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India (RBI) on Prudential Framework for Resolution of Stressed Assets.	
iv	Signatories: <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  Nageswara Rao Y Administrator </div> <div style="text-align: center;">  Aman Gudral Chief Financial Officer </div> </div>	



	<p>The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016. The affairs, business and property of Reliance Capital Limited are being managed by the Administrator, Mr. Nageswara Rao Y, who acts as agent of the Company only and without any personal liability. Correspondence Address: Administrator, Reliance Capital Limited, Trade World, B-Wing, 7th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai City MH 400 013 IN and for Correspondence Email Id:- rbi.administrator@relianceada.com</p>
	<p><u>Statutory Auditor</u> For Gokhale & Sathe Chartered Accountants Firm Regn. No.10326W</p>   <p>Rahul Joglekar Partner Membership No.:129389 UDIN:22129389AITGAM5520</p> <p>Place: Mumbai Date: May 10, 2022</p>



Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.															
Sr. No.	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction (see Note 5)	Value of the related party transaction as approved by the audit committee (see Note 6a)	Value of transaction during the reporting period (see Note 6b)	In case monies are due to either party as a result of the transaction (see Note 1)	Details of the loans, inter-corporate deposits, advances or investments			Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.		
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening Balance	Closing Balance	Nature of indebtedness (loan/advance/debt/any other etc.)	Cost (see Note 7)	Tenure	Interest Rate (%)	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
1	Reliance Capital Limited	AAACR0554J	Reliance Asset Reconstruction Company Limited	AAACR0554J	Associate	Reimbursement of expenses		72,769							
2	Reliance Capital Limited	AAACR0554J	Reliance Nippon Life Insurance Company Limited	AAACR0554J	Subsidiary	Payment of Insurance Premium		6,82,550							
3	Reliance Capital Limited	AAACR0554J	Reliance Home Finance Limited	AAACR0554J	Associate	Reimbursement of expenses		13,46,916	7,08,25,925	7,11,36,294					
4	Reliance Capital Limited	AAACR0554J	Reliance General Insurance Company Limited	AAACR0554J	Subsidiary	Reimbursement of expenses		15,23,048							
5	Reliance Capital Limited	AAACR0554J	Reliance Commercial Finance Limited	AAACR0554J	Wholly Owned Subsidiary	Reimbursement of expenses		15,25,891	7,08,25,925	7,12,28,258					
6	Reliance Capital Limited	AAACR0554J	Reliance General Insurance Company Limited	AAACR0554J	Subsidiary	Payment of Insurance Premium		18,69,513							
7	Reliance Capital Limited	AAACR0554J	Reliance Securities Limited	AAACR0554J	Wholly Owned Subsidiary	Reimbursement of expenses		28,72,723	3,54,25,925	3,88,15,738					
8	Reliance Capital Limited	AAACR0554J	Reliance Asset Reconstruction Company Limited	AAACR0554J	Associate	Interest on Loan & ICD		41,13,014							
9	Reliance Capital Limited	AAACR0554J	Reliance General Insurance Company Limited	AAACR0554J	Subsidiary	Reimbursement of expenses		51,53,219	6,31,54,081	6,46,00,386					
10	Reliance Capital Limited	AAACR0554J	Reliance securities Limited	AAACR0554J	Wholly Owned Subsidiary	Brokerage Expenses on securities		67,15,917							
11	Reliance Capital Limited	AAACR0554J	Reliance Nippon Life Insurance Company Limited	AAACR0554J	Subsidiary	Reimbursement of expenses		82,37,908	4,93,29,192	3,61,43,969					
12	Reliance Capital Limited	AAACR0554J	Reliance Asset Reconstruction Company Limited	AAACR0554J	Associate	Dividend Income		1,47,00,000							
13	Reliance Capital Limited	AAACR0554J	Reliance Securities Limited	AAACR0554J	Wholly Owned Subsidiary	Interest on Loan & ICD		1,57,90,619	20,41,547	1,78,32,164					
14	Reliance Capital Limited	AAACR0554J	Reliance General Insurance Company Limited	AAACR0554J	Subsidiary	Interest on Debt		1,98,87,373	28,42,20,063	30,41,07,436					
15	Reliance Capital Limited	AAACR0554J	Reliance Asset Reconstruction Company Limited	AAACR0554J	Wholly Owned Subsidiary	Loan & ICD refund		3,00,00,000	9,00,00,000	9,00,00,000					
16	Reliance Capital Limited	AAACR0554J	Guarant Commercial LLP*	AAACR0554J	Associate	Interest on Loan & ICD		4,79,09,589	2,13,16,57,533	NA					
17	Reliance Capital Limited	AAACR0554J	Reliance Corporate Advisory Services Limited	AAACR0554J	Wholly Owned Subsidiary	Loan & ICD refund		28,00,00,000	14,19,56,22,235	13,91,56,22,236					
18	Reliance Capital Limited	AAACR0554J	Reliance General Insurance Company Limited	AAACR0554J	Subsidiary	Financing		-	1,27,50,00,000	1,27,50,00,000					
19	Reliance Capital Limited	AAACR0554J	Reliance Commercial Finance Limited	AAACR0554J	Wholly Owned Subsidiary	Loans Given		-	83,15,87,157	83,15,87,157					
20	Reliance Capital Limited	AAACR0554J	Reliance Commercial Finance Limited	AAACR0554J	Wholly Owned Subsidiary	Loans Given		-	1,92,77,00,634	1,92,77,00,636					
21	Reliance Capital Limited	AAACR0554J	Reliance Corporate Advisory Services Limited	AAACR0554J	Wholly Owned Subsidiary	Income		-	4,83,00,000	4,83,00,000					
22	Reliance Capital Limited	AAACR0554J	Reliance ExchangeNext Limited	AAACR0554J	Wholly Owned Subsidiary	Loans Given		-	87,17,820	87,17,820					
23	Reliance Capital Limited	AAACR0554J	Reliance Financial Next Limited	AAACR0554J	Wholly Owned Subsidiary	Income		-	13,20,00,000	3,20,00,000					
24	Reliance Capital Limited	AAACR0554J	Reliance Health Insurance Limited	AAACR0554J	Wholly Owned Subsidiary	Financing		-	81,01,615	81,01,615					
25	Reliance Capital Limited	AAACR0554J	Reliance Securities Limited	AAACR0554J	Wholly Owned Subsidiary	Income		-	26,39,00,000	26,39,00,000					
26	Reliance Capital Limited	AAACR0554J	Reliance Securities Limited	AAACR0554J	Wholly Owned Subsidiary	Loans Given		-	1,95,00,000	1,95,00,000					
27	Reliance Capital Limited	AAACR0554J	Atul Kumar Tandon	AAACR0554J	Wholly Owned Subsidiary	Financing		59,70,696							
28	Reliance Capital Limited	AAACR0554J	Atul Kumar Tandon	AAACR0554J	KMP	Salary		36,55,014							
29	Reliance Capital Limited	AAACR0554J	Vijesh Babu Thota	AAACR0554J	KMP	Salary									
Note:	The Company have paid the sitting fees to the Directors for attending the meetings of Board and various committee at Rs.40,000 per meeting														
	* Ceased from the November 29, 2021.														

Note: The Company have paid the sitting fees to the Directors for attending the meetings of Board and various committee at Rs.40,000 per meeting

* Ceased from the November 29, 2021



Reliance Capital Limited
Statement of Standalone Financial Results for year ended March 31, 2022

(Rs. in crore except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-2022	31-Dec-2021	31-Mar-2021	31-Mar-2022	31-Mar-2021
		Unaudited	Unaudited	Unaudited	Audited	Audited
	Income					
I	Revenue from operations					
	Interest Income	2	1	1	5	542
	Dividend Income	-	3	1	7	4
	Rental Income	3	-	-	4	2
	Fees Income	-	-	-	-	15
	Other operating income	-	-	-	0.12	0.10
	Total Revenue from operations	5	4	2	16	563
II	Other income	-	0.01	0.02	0.06	0.11
III	Total Income (I+II)	5	4	2	16	563
IV	Expenses					
	Finance costs	8	296	400	1 109	1 712
	Net loss / (Gain) on fair value changes (net)	11	192	2 945	(26)	3 276
	Impairment on financial instruments	0.15	0.44	510	(0.29)	6 502
	Employee benefits expense	5	3	(1)	16	11
	Depreciation and amortisation expense	1	2	2	6	9
	Other expenses	5	5	11	17	25
	Total expenses (IV)	30	497	3 867	1 122	11 535
V	Profit/(loss) before tax (III-IV)	(25)	(492)	(3 865)	(1 106)	(10 972)
VI	Tax expense					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-
	(3) Taxation for earlier years	-	-	-	-	-
	Total tax expense	-	-	-	-	-
VII	Profit/(loss) for the period / year (V-VI)	(25)	(492)	(3 865)	(1 106)	(10 972)
VIII	Other Comprehensive Income / (Loss)					
A	(i) Items that will not be reclassified to profit or loss	0.08	(0.12)	(9)	(0.07)	(10.32)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Other comprehensive income / (Loss) for the period / year, net of tax	0.08	(0.12)	(9)	(0.07)	(10.32)
IX	Total Comprehensive Income / (Loss) for the period / year (VII+VIII)	(25)	(492)	(3 874)	(1 106)	(10 982)
X	Earnings per equity share face value of Rs. 10 each fully paidup (quarter not annualised)					
	(1) Basic	(0.99)	(19.6)	(153.91)	(44.04)	(436.92)
	(2) Diluted	(0.99)	(19.6)	(153.91)	(44.04)	(436.92)
XI	Paid-up Equity Share Capital	253	253	253	253	253
XII	Other equity				(8 968)	(7 863)



Notes:

- 1 Reliance Capital Limited is registered as Non-Banking Financial Company Core Investment Company – Non-Deposit Taking Systemically Important (NBFC-CIC-ND-SI) under Section 45-IA of Reserve Bank of India Act, 1934. The Financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended and as prescribed under Section 133 of the Companies Act, 2013, and all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 "Operating Segments".
- 2 The Reserve Bank of India (RBI) vide Press Release dated November 29, 2021 in exercise of the power conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, superseded the Board of Directors of Reliance Capital Limited ("RCL" or "Company"). Thereafter RBI vide press release dated November 30, 2021 in exercise of the power conferred under Section 45-IE (5A) of the Reserve Bank of India Act, 1934 constituted a three-member advisory committee to assist the Administrator in the discharge of his duties. On December 02, 2021 the RBI filed the Petition before the NCLT under sub-Clause (i) of clause (a) of Rule 5 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudication Authority) Rules, 2019 (FSP Rules) to initiate Corporate Insolvency Resolution Process ("CIRP") against RCL read with Section 227 Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed there under and amended from time to time (the "Code"). Further CIRP was initiated against the Company under Section 227 read with clause (zk) of sub section (2) of section 239 of the Code and read with rules 5 and 6 of the FSP Rules by an order dated December 06, 2021 of the Hon'ble National Company Law Tribunal Mumbai Bench (NCLT/Adjudicating Authority). The Adjudicating Authority vide the above order, appointed the Administrator to perform all the functions of a resolution professional to complete the CIRP of the Company as required under the provisions of the Code. A moratorium was declared by the NCLT. It is also incumbent upon the Administrator. (exercising same powers as Resolution Professional under the Code), under section 20 of the Code, to manage the operations of the Company as a going concern. Accordingly, the Statement for the year ended March 31, 2022 have been prepared on going concern assumptions.

In accordance with section 14 of the Code read with the FSP Insolvency Rules, a moratorium has been effective on and from December 06, 2021, i.e. the date of admission of the Company in the CIRP process for prohibiting institution of suits or continuation of pending suits or proceedings against the Company including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority. The Administrator has taken steps for seeking confirmations from various forums where injunctions have been levied on the Company for disposal of assets, that such injunctions will not be applicable during CIRP.

- 3 The Administrator and the Advisory Committee members along with the management team and the employees of the Company, upon their taking charge are taking various efforts to improve the operational, financial, and managerial efficiency of the Company.
- 4 The Administrator has taken charge with effect from November 29, 2021, and has relied on information, data, and clarification provided by the existing Key Management Personnel (KMP's) of the Company for the purpose of the financial results. With respect to the financial statements for the year ended March 31, 2022, the Administrator has signed the same solely for the purpose of ensuring compliance by the Company with applicable law, and subject to the following:
 - (i) The Administrator has taken charge with effect from November 29, 2021 and therefore was not in control of the operations or the management of the Company for majority of the period to which the underlying report pertains to;
 - (ii) The Administrator has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the Administrator in terms of Section 233 of the Code;
 - (iii) The Administrator, while signing this statement of financial results, has relied solely upon the assistance provided by the existing staff and present key management personnel (KMPs) of the Company in review of the financial results as well as the certifications, representations and statements made by the KMPs of the Company, in relation to these financial results. The statement of financial results of the Company for the year ended March 31, 2022 have been taken on record by the Administrator solely on the basis of and on relying on the aforesaid certifications, representations and statements of the aforesaid existing staff and present key management personnel (KMPs). For all such information and data, the Administrator has assumed, without any further assessment, that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Company as of the dates and period indicated therein.
- 5 Pursuant to the admission and commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016 (IBC) with effect from December 06, 2021, there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors. The overall obligations and liabilities including obligation for interest on loans and the principal rupee amount in respect of loans shall be determined during the CIRP. The above audited financial results are drawn on the basis of March 31, 2022 figures as per the books of accounts of the Company.
- 6 The Listed Secured Non-Convertible Debentures of the Company aggregating to Rs. 14 827 crore as on March 31, 2022 are secured by way of first pari-passu mortgage/charge on the Company's immovable property and on present and future book debts, business receivables, investment property and other receivables of the Company as specifically mentioned in the respective Trust Deeds. The asset cover has fallen below hundred percent of the outstanding debentures. Since the CIRP has commenced all steps are taken as provided under the Code.



A-60

- 7 The Company had pledged its entire equity holding in Reliance General Insurance Company Limited (RGICL) in favour of IDBI Trusteeship Services Limited (Trustee) against dues guaranteed by the Company. The Trustee, on November 19, 2019, invoked the pledge and presently holds the shares of RGICL in their custody. Vide orders dated December 4, 2019 and December 27, 2019, Insurance Regulatory and Development Authority of India (IRDAI), has informed the Company that the transfer of shares was void ab initio. The said order was challenged in Securities Appellate Tribunal, Mumbai (SAT) and SAT vide its order dated February 27, 2020 held that that the Trustee is holding shares as Trustee / custodian and will not exercise any control over RGICL and cannot exercise any voting rights on shares of RGICL. Accordingly, RGICL continues to be a subsidiary of the Company. The Administrator on behalf of the Company has filed an application before the National Companies Law Tribunal, Mumbai on April 27, 2022, against the Trustee inter alia seeking direction against the Trustee to return the custody and control of the RGICL shares owned by the Company.
- 8 The Company had pledged 3.35% comprising of 2,04,97,423 equity shares of Nippon Life India Asset Management Limited (NLAML) in favour of IndusInd Bank Limited (IBL). IBL has illegally invoked the pledge, which has been challenged by the Company before the Hon'ble High Court of Bombay. The High Court has referred the matter to the arbitration, the Sole Arbitrator who upon hearing the Interim Applications filed by the Company passed an interim order on April 23, 2020 wherein it stated that a status quo (as ordered by Bombay High Court vide Order dated December 11, 2019) will continue and the NLAML shares, whose pledge was invoked by IndusInd Bank, will remain in a separate demat account, where they are lying currently. Accordingly, the Company continues to consider its rights on the above referred shares.
- 9 One of previous auditor of the Company, after resigning from the office in June 2019 submitted a report under Section 143(12) of the Companies Act, 2013 with the Ministry of Corporate Affairs for matters relating to Financial Year 2018-19. The Company had, prior to the commencement of the CIRP, examined the matter and had appointed legal experts, who independently carried out an in-depth examination of the matters and issues raised therein and had concluded that there was no matter attracting the provisions of Section 143(12) of the Companies Act, 2013. The matter is under consideration with the Ministry of Corporate Affairs.
- 10 In view of ongoing CIRP, the Company has provided for the interest expense which may be applicable on the financial debts upto the Insolvency Commencement Date i.e. December 06, 2021 and accordingly interest expense of Rs 491 crores for the post CIRP period have not been provided.
- 11 The Company is undergoing Corporate Insolvency Resolution Process ("CIRP") under the provisions of the Insolvency & Bankruptcy Code 2016 ("IBC"). As per the provisions of the IBC, the fair value and liquidation value of the assets of the company as on the insolvency commencement date is required to be determined. In compliance with the same, the Administrator has appointed 2 registered valuers and the said exercise is currently underway. As per Ind AS 36- "Impairment of Assets", impairment testing of assets is to be conducted on an annual basis. On completion of the CIRP, the Company will carry out a comprehensive review of all the assets including investments, other assets and intangible assets, liabilities and accordingly provide for Impairment loss on assets and write back of liabilities, if any.
- 12 The figures for the quarter ended March 31, 2022 and March 31, 2021 are balancing figures between audited figures in respected of the full financial year and the unaudited published year to date figures upto the third quarter of the financial year.
- 13 Previous period figures have been regrouped and rearranged wherever necessary.
- 14 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.
- 15 The above results were reviewed and approved by the Administrator on May 10, 2022 and has approved its release while discharging the powers of the Board of Directors of the Company which were conferred upon him by the RBI Order dated November 29, 2021 and subsequently, powers conferred upon him in accordance with the NCLT Order dated December 06, 2021. Please refer to note no. 4 above for the basis of the review and approval of the above results by the Administrator.



Mumbai, May 10, 2022



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

Nageswara Rao Y
ADMINISTRATOR APPOINTED UNDER IBC

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

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

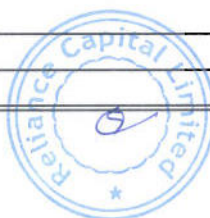
- a. Correspondence Address : Administrator, Reliance Capital Limited, Trade World, B-Wing, 7th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai City MH 400 013 IN
- b. Contact No : 9844214021
- c. Email : rbi.administrator@relianceada.com/ rcap.administrator@relianceada.com

A. 51

Reliance Capital Limited
Standalone Balance Sheet as at March 31, 2022

(Rs. in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
	Audited	Audited
ASSETS		
Financial assets		
Cash and cash equivalents	84	2
Bank balance other than cash and cash equivalents above	13	16
Receivables		
(I) Trade receivables	1	1
(II) Other receivables	-	-
Loans	925	977
Investments	11 891	11 897
Other financial assets	203	215
Total Financial Assets	13 117	13 108
Non-financial assets		
Current tax assets (Net)	9	7
Investment Property	75	77
Property, plant and equipment	42	46
Other intangible assets	-	-
Other non-financial assets	419	400
Total Non - Financial Assets	545	530
Total assets	13 662	13 638
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
Derivative Financial Instrument	(1)	18
Debt securities	16 260	16 260
Borrowings	1 186	1 186
Payables		
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Other financial liabilities	4 503	3 358
Total Financial Liabilities	21 948	20 822
Non-financial Liabilities		
Provisions	405	405
Other non-financial liabilities	24	21
Total Non - Financial Liabilities	429	426
EQUITY		
Equity share capital	253	253
Other equity	(8 968)	(7 863)
Total equity	(8 715)	(7 610)
Total liabilities and equity	13 662	13 638



Reliance Capital Limited
Standalone statement of cash flow for the year ended March 31, 2022

(Rs. in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
	Audited	Audited
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(Loss) before tax:	(1 106)	(10 972)
Adjustments :		
Depreciation and amortisation expense	6	9
Net Impairment on financial instruments and balances written off	-	6 502
Provision for gratuity	0.25	-
Dividend income on investments	(7)	(4)
Net loss on fair value of investment (net)	(26)	3 276
Share based payment / (reversal) to employees	0.23	(3)
Amortised brokerage on borrowings	-	101
Interest Income	(4)	(542)
Interest expenses (net)	1 109	1 610
Operating profit before working capital changes	(28)	(23)
Adjustments for (increase)/ decrease in operating assets:		
Interest received	3	12
Financial assets and non financial assets	50	34
Financial liabilities and non financial liabilities	19	(39)
Cash used in operations	45	(16)
Less : Income taxes paid (net of refunds)	(2)	(3)
Net cash used in operating activities	43	(19)
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipments (including capital advances)	(0.05)	-
Proceeds from sale of investments (net)	32	11
Dividend received	7	4
Net cash flow from investing activities	39	15
CASH FLOW FROM FINANCING ACTIVITIES :		
Debt securities issued / (repaid) (net)	-	-
Borrowing other than debt securities issued / (repaid) (net)	-	-
Net cash used in financing activities	-	-
NET INCREASE/(DECREASE) IN CASH AND BANK EQUIVALENTS	82	(4)
Add : Cash and cash equivalents at beginning of the year	2	6
Cash and cash equivalents at end of the period	84	2



Annexure A

Disclosure pursuant to Regulation 52(4) of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, for year ended March 31, 2022 :

Sr. No.	Particulars	Details Required
1	Debt-Equity Ratio	*
2	Outstanding Redeemable Preference Shares (Quantity And Value)	-
3	Capital Redemption Reserve/Debenture Redemption Reserve	-
4	Net Worth	(8,715.71)
5	Net Profit After Tax	(1,105.80)
6	Earnings Per Share (Not annualised)	Basic : Rs (43.88) Diluted : Rs (43.88)
7	Total Debts To Total Assets	1.28
8	Net Profit Margin	*
9	Sector Specific Equivalent Ratios, As Applicable	
a	Gross NPA (Stage 3 Asset Gross) Ratio	99.80%
b	Net NPA (Stage 3 Asset Gross) Ratio	96.62%

Note 1: * The Company has negative equity balance as a result, debt equity ratio cannot be presented, since there is loss for the year ended March 31, 2022 Net Profit Margin cannot be presented.

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





Independent Auditor's Report on the Standalone financial results under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for year ended 31 March 2022

Independent Auditors' Report

**To The Administrator (appointed under Insolvency and Bankruptcy Code) of
Reliance Capital Limited**

Introduction

1. The Reserve Bank of India ("RBI") vide its letter and press release dated 29 November 2021 ("RBI Order") issued under Section 45-IE(1) of the Reserve Bank of India Act, 1934, superseded the Board of Directors of the Company and appointed an Administrator to run the Company. Subsequently, in accordance with the order dated December 06, 2021 passed by the National Company Law Tribunal (Mumbai Bench) ("NCLT Order"), the application for commencement of Corporate Insolvency Resolution Process ("CIRP") of the Company under the Insolvency and Bankruptcy Code, 2016 ("IBC") was admitted.

Qualified Opinion

2. We have audited the accompanying Statement of standalone financial results of Reliance Capital Limited ("the Company") for the quarter and year ended 31 March 2022 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
3. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in paragraphs 4 and 5 under "Basis for Qualified Opinion" section of our report, the aforesaid Statement:
 - a. is presented in accordance with the requirements of the Listing Regulations in this regard; and
 - b. gives 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 income / loss and other financial information for the year ended 31 March 2022.



Basis for Qualified Opinion

4. We draw attention to Note no. 5 of the Statement which explains that the amount of the claims including claims on account of corporate guarantees invoked, admitted or to be admitted by the Administrator under CIRP process may differ from the amount reflecting in the books of account of the Company. Pending final outcome of the CIRP, no adjustments have been made in the books for the differential amounts, if any, in the claims admitted as on the date of the financial results.
5. We draw attention to Note no. 10 of the Statement which explains that in view of the ongoing CIRP, the Company has provided for interest expense which may be applicable on the financial debt only upto 06 December 2021. Had such interest been recognised from 07 December 2021 to 31 March 2022, the loss before tax for the quarter and year ended 31 March 2022 would have been higher by Rs.491 crores.
6. 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 SAs 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 statements 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 on the financial results.

Material uncertainty related to Going Concern

7. We draw attention to Note no. 2 of the Statement which explains that the Company has been admitted under the CIRP process effective 06 December 2021 and as stipulated under Section 20 of the IBC, it is incumbent upon the Administrator to manage the operations of the Company as a going concern. Accordingly, the financial results for the quarter and year ended 31 March 2022 have been prepared on going concern basis. However, the Company has defaulted in repayment of the obligations to the lenders and debenture holders which are outstanding, has incurred losses during the period as well as during the previous periods, has reported negative net worth as at 31 March 2022 and previous periods and as described in Note No. 6 of the Statement, the asset cover for Listed Secured Non-Convertible Debentures of the Company has fallen below one hundred percent, which indicates that material uncertainty exists, that may cast significant doubt on the Company's ability to continue as a Going Concern. Our opinion on the Statement is not modified in respect of the above matter.

Emphasis of Matter

8. We draw attention to Note no. 9 of the Statement which refers to filling under Section 143(12) of the Act of Ministry of Corporate Affairs by one of the previous auditors for the financial year 2018-19. Based on the facts as described in the aforesaid, the Company has concluded that there were no matters attracting the said Section and the matter is under consideration with the Ministry of Corporate Affairs.
9. We draw attention to Note no. 11 of the Statement which refers to the ongoing exercise of valuation of all assets held by the Company.

Our opinion is not modified in respect of the above matters.

Responsibilities of Management's and the Administrator for the standalone financial results

10. The aforesaid audited standalone financial results of the Company for the quarter and year ended 31 March 2022 have been taken on record by the Administrator while discharging the powers of the Board of Directors of the Company which were conferred by the RBI Order and in accordance with the NCLT Order. For the said purpose, as explained in Note no. 4 to the Statement, the Administrator has relied upon the assistance provided by the existing staff and present key management personnel ("KMPs") and has assumed, without any further assessment, that information and data provided by the existing staff and present KMPs are in the conformity with Companies Act 2013 and other applicable laws and regulations with respect to the preparation of the Statement.
11. The Statement which includes the standalone financial results is the responsibility of the Company's Management and the Administrator under the provisions of Section 45-IE (4) of the Reserve Bank of India Act, 1949, and has been approved by them for issuance. The Statement has been compiled on the basis of the audited financial statements for the year ended 31 March 2022.
12. This responsibility includes preparation and presentation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income / loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations.

13. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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.
14. In preparing the Statement, the Company's Management and the Administrator, 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 Administrator either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
15. The Company's Management and the Administrator is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the audit of the standalone financial results

16. 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 financial results.
17. 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 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.

- b. 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and the Administrator.
 - d. Conclude on the appropriateness of the Management's and Administrator's 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 appropriateness of this assumption. 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 standalone 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.
 - e. Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
18. 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.
19. 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.

Other Matters

20. The Statement includes the results for the quarter ended 31 March 2022, 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 financial year 2021-2022 which were subject to limited review by us.



21. The comparative standalone financial results for the quarter and year ended 31 March 2021 were subject to audit by the predecessor auditor whose audit report dated 08 May 2021 containing unmodified opinion has been relied upon by us.

Our opinion is not modified in respect of the above matters.

For Gokhale & Sathe
Chartered Accountants
Firm Regn. No.10326W



Rahul Joglekar
Partner
Membership No.:129389
UDIN: 22129389AITEWB9526




Place: Mumbai
Date: 10 May 2022



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Standalone Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
i.	Sl. No.	Particulars	Audited Figures (Rs. in crore) (as reported before adjusting for qualifications)	Adjusted Figures (Rs. in crore) (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	16	16
	2.	Total Expenditure	1,122	1,613
	3.	Net Profit/(Loss) after tax	-1,106	-1,597
	4.	Earnings Per Share	-44.04	-44.04
	5.	Total Assets	13,662	13,662
	6.	Total Liabilities	-22,378	-22,869
	7.	Net Worth	-8,715	-9,206
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

ii.	<u>Audit Qualification (each audit qualification separately):</u>
a.	<p>1. Financials Statement's Note no. 5, which explains that the amount of the claims including claims on account of guarantees invoked, admitted or to be admitted by the Administrator under CIRP process may differ from the amount reflecting in the books of account of the Company. Pending final outcome of the CIRP, no adjustments have been made in the books for the differential amounts, if any, in the claims admitted as on the date of the financial results.</p> <p>2. Financials Statement's Note no. 11, which explains that in view of the ongoing CIRP, the Company has provided for interest expense which may be applicable on the financial debt only upto December 06, 2021. Had such interest been recognised from December 07, 2021 to March 31, 2022, the loss before tax for the quarter and year ended March 31, 2021 would have been higher by Rs. 491 crores.</p> <p>3. Material Uncertainty related to Going Concern, Financials Statement's - Note no. 2 which explains that the Company has been admitted under the CIRP process effective December 06, 2021 and as stipulated under Section 20 of the IBC, it is incumbent upon the Administrator to manage the operations of the Company as a going concern. Accordingly, the financial results for the quarter and year ended March 31, 2022, have</p>



	<p>been prepared on going concern basis. However, the Company has defaulted in repayment of the obligations to the lenders and debenture holders which is outstanding, has incurred losses during the period as well as during the previous periods, has reported negative net worth as at March 31, 2022 and previous periods and as described in Note No. 6 of the Statement, the asset cover for Listed Secured Non-Convertible Debentures of the Company has fallen below one hundred percent, which indicates that material uncertainty exists, that may cast significant doubt on the Company's ability to continue as a Going Concern. Our conclusion on the Statement is not modified in respect of the above matter.</p>	
b.	Type of Audit Qualification	Qualified Opinion
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First time in March 31, 2022
d.	<p>Audit Qualification(s) where the impact is quantified by the auditor, Management's Views</p> <p>Quantified for Point No. 2, had such interest been recognised from December 07, 2021 to March 31, 2022, the loss before tax for the quarter and year ended March 31, 2021 would have been higher by Rs. 491 crores and impact on Networth is mentioned in serial no. 1 above..</p> <p>Not quantified for point 1 and 3, hence not applicable.</p>	
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	Not estimated
	(ii) If management is unable to estimate the impact, reasons for the same	
	RCL is under CIRP and all the claims and repayment obligations to the lenders and debenture holders shall be dealt as per CIRP.	
	(iii) Auditors' Comments on (i) or (ii) above:	
	Refer section II (a) of the above.	
iii	<p>Signatories:</p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">  Nageswara Rao Y Administrator </div> <div style="text-align: center;">  Aman Gudral Chief Financial Officer </div> <div style="text-align: center;">  </div> </div>	

<p>The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016. The affairs, business and property of Reliance Capital Limited are being managed by the Administrator, Mr. Nageswara Rao Y, who acts as agent of the Company only and without any personal liability. Correspondence Address: Administrator, Reliance Capital Limited, Trade World, B-Wing, 7th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai City MH 400 013 IN and for Correspondence Email Id :- rbi.administrator@relianceada.com</p>
<p><u>Statutory Auditor</u> For Gokhale & Sathe Chartered Accountants Firm Regn. No.10326W</p>   <p>Rahul Joglekar Partner Membership No.:129389 UDIN: 22129389AITF2P9271</p> <p>Place: Mumbai Date: May 10, 2022</p>

