

**Reliance Capital Limited****Registered Office:**

Kamala Mills Compound  
Trade World, B Wing, 7<sup>th</sup> Floor  
S. B. Marg, Lower Parel  
Mumbai - 400 013

Tel. : +91 022 4158 4000

Fax : +91 022 2490 5125

E-mail : [rci.investor@relianceada.com](mailto:rci.investor@relianceada.com)Website : [www.reliancecapital.co.in](http://www.reliancecapital.co.in)

CIN : L65910MH1986PLC165645

August 9, 2022

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai 400 001

**BSE Scrip Code: 500111****National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai 400 051

**NSE Scrip Symbol: RELCAPITAL**

Dear Sir(s),

**Sub.: Statement of Unaudited Financial Results for the quarter ended June 30, 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The Company has already intimated the Exchanges that the Reserve Bank of India ("RBI") has superseded the board of directors of Reliance Capital Limited ("Company") and appointed Mr.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 August 3, 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 Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2022 along with the Limited Review Report submitted by the Statutory Auditors of the Company.

The above financial results were reviewed by the Advisory Committee at its meeting held on August 9, 2022. The meeting of the Advisory Committee commenced at 5:00 p.m. and concluded at 7:00 p.m.

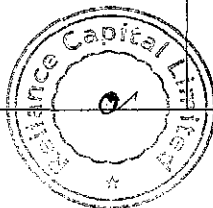
Thanking you.

Yours faithfully,

For **Reliance Capital Limited****Atul Tandon****Company Secretary & Compliance Officer**

Encl.: As Above.

Sr. No.	Particulars	Quarter ended		Year ended	
		30-Jun-22	31-Mar-22	30-Jun-21	31-Mar-22
		Unaudited	Audited	Unaudited	Audited
(I)	<b>Income</b>				
a	<b>Revenue from operations</b>				
	Interest income	69 558	54 988	70 612	2 66 534
	Dividend income	2 882	1 468	2 305	8 684
	Premium income	3 52 248	3 79 306	2 93 134	14 32 016
	Fees and commission income	19 950	29 384	15 396	78 315
	Net gain (Loss) on fair value changes	( 86 594)	8 681	58 670	1 25 559
	Other operating income	1 594	2 484	3 965	16 065
	<b>Total Revenue from operations</b>	<b>3 59 638</b>	<b>4 76 311</b>	<b>4 44 082</b>	<b>19 27 173</b>
b	<b>Other Income</b>	801	724	670	2 959
	<b>Total Income (a + b)</b>	<b>3 60 439</b>	<b>4 77 035</b>	<b>4 44 752</b>	<b>19 30 132</b>
(II)	<b>Expenses</b>				
	Finance cost	27 120	27 834	67 063	2 18 981
	Fees and commission expenses	20 665	19 614	16 095	71 007
	Impairment on financial instruments	5 080	4 00 997	46 724	6 12 260
	Employee benefits expenses	37 203	37 313	37 725	1 46 921
	Depreciation, amortisation and impairment	3 019	2 959	2 701	11 236
	Claims incurred (net)	1 50 200	1 68 086	1 43 306	6 84 689
	Premium paid on reinsurance ceded	1 18 114	83 027	98 392	4 06 203
	Change in valuation of liability in respect of life policies	( 1 438)	93 595	72 618	3 10 203
	Other expenses	46 790	64 741	41 490	2 26 636
	<b>Total Expenses</b>	<b>4 06 753</b>	<b>8 98 166</b>	<b>5 26 114</b>	<b>26 88 136</b>
(III)	<b>Profit / (Loss) before exceptional items, [share of net profits / (losses) of investments accounted for using equity method] and tax (I - II)</b>	<b>( 46 314)</b>	<b>( 4 21 131)</b>	<b>( 81 362)</b>	<b>( 7 58 004)</b>
(IV)	Share of net profits/(losses) of associates accounted for using equity method	548	10 531	( 13 514)	( 32 776)
(V)	<b>Profit/(Loss) before exceptional items and tax (III + IV)</b>	<b>( 45 766)</b>	<b>( 4 10 600)</b>	<b>( 94 876)</b>	<b>( 7 90 780)</b>
(VI)	Exceptional items	-	-	-	-
(VII)	<b>Profit/(Loss) before tax [V + VI]</b>	<b>( 45 766)</b>	<b>( 4 10 600)</b>	<b>( 94 876)</b>	<b>( 7 90 780)</b>
	Tax expense				
	- Current Tax (including earlier year tax)	4 875	232	2 356	5 243
	- Deferred Tax	( 1 501)	2 337	3 373	9 451
(VIII)	<b>Total tax expense</b>	<b>3 374</b>	<b>2 569</b>	<b>5 729</b>	<b>14 694</b>
(IX)	<b>Net Profit/(Loss) for the period/year (VII - VIII)</b>	<b>( 49 140)</b>	<b>( 4 13 169)</b>	<b>( 1 00 605)</b>	<b>( 8 05 474)</b>
(X)	<b>Other comprehensive income</b>				
A	(i) Items that will not be reclassified to profit or loss	( 172)	5 091	28	( 622)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	<b>Subtotal (A)</b>	<b>( 172)</b>	<b>5 091</b>	<b>28</b>	<b>( 622)</b>
B	(i) Items that will be reclassified to profit or loss	( 32 892)	( 16 842)	( 2 172)	( 17 042)
	(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	( 262)	-	702	-
	<b>Subtotal (B)</b>	<b>( 33 154)</b>	<b>( 16 842)</b>	<b>( 1 470)</b>	<b>( 17 042)</b>
	<b>Other comprehensive income for the period/year (A + B)</b>	<b>( 33 326)</b>	<b>( 11 751)</b>	<b>( 1 442)</b>	<b>( 17 664)</b>
(XI)	<b>Total comprehensive income for the period/year (IX + X)</b>	<b>( 82 466)</b>	<b>( 4 24 920)</b>	<b>( 1 02 047)</b>	<b>( 8 23 138)</b>
(XII)	<b>Net Profit/(Loss) for the period/year attributable to:</b>				
	- Owners	( 46 174)	( 4 17 042)	( 98 059)	( 8 11 565)
	- Non-controlling interests	( 2 966)	3 896	( 2 547)	6 091
(XIII)	<b>Other comprehensive income attributable to:</b>				
	- Owners	( 33 165)	( 11 687)	( 1 497)	( 17 405)
	- Non-controlling interests	( 160)	( 63)	( 45)	( 259)
(XIV)	<b>Total comprehensive income attributable to:</b>				
	- Owners	( 79 339)	( 4 28 729)	( 99 556)	( 8 28 970)
	- Non-controlling interests	( 3 126)	3 833	( 2 592)	5 832
(XV)	<b>Earnings per equity share face value of Rs. 10 each fully paid-up (quarter and year months ended not annualised):</b>				
	(a) Basic	(19.57)	(164.56)	(40.10)	(320.80)
	(b) Diluted	(19.57)	(164.56)	(40.10)	(320.80)
(XVI)	<b>Paid-up Equity share capital</b>	25 325	25 325	25 325	25 325
(XVII)	<b>Other equity</b>				( 20 07 309)



**Reliance Capital Limited**  
**Statement of Consolidated Financial Results for the quarter ended June 30, 2022**

(₹ in lakh)

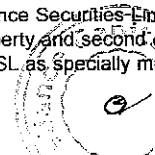
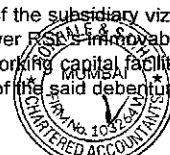
Sr. No.	Particulars	Quarter ended			Year ended
		30-Jun-22	31-Mar-22	30-Jun-21	31-Mar-22
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Segment revenue</b>				
a	Finance and investments	( 17 563)	723	8 613	9,386
b	General insurance	2 91 578	2 72 683	2 52 949	11,33,202
c	Life insurance	76 727	2 02 869	1 62 215	7,40,921
d	Commercial finance	5 473	( 7 855)	12 344	19,620
e	Others	5 551	8 149	10 760	34,197
	<b>Total</b>	<b>3 61 766</b>	<b>4 76 569</b>	<b>4 46 881</b>	<b>19 37 326</b>
	Inter-segment revenue	( 1 327)	466	( 2 129)	( 7 194)
	<b>Total net segment income</b>	<b>3 60 439</b>	<b>4 77 035</b>	<b>4 44 752</b>	<b>19 30 132</b>
<b>2</b>	<b>Segment results</b>				
a	Finance and investments	( 19 141)	11 706	( 40 827)	( 1 41 238)
b	General insurance	6 847	8 983	15 457	45 899
c	Life insurance	( 5 987)	8 000	( 5 234)	12 308
d	Commercial finance	( 27 648)	( 4 40 487)	( 64 327)	( 7 10 319)
e	Others	163	1 198	55	2 570
	<b>Total segment profit / (loss) before tax</b>	<b>( 45 766)</b>	<b>( 4 10 600)</b>	<b>( 94 876)</b>	<b>( 7 90 780)</b>
	Unallocated expenses	-	-	-	-
	<b>Profit / (Loss) before tax</b>	<b>( 45 766)</b>	<b>( 4 10 600)</b>	<b>( 94 876)</b>	<b>( 7 90 780)</b>
<b>3</b>	<b>Segment assets</b>				
a	Finance and investments	9 24 823	9 47 218	9 70 946	9 47 218
b	General insurance	22 77 896	23 10 285	21 45 008	23 10 285
c	Life insurance	28 92 161	29 08 284	26 57 965	29 08 284
d	Commercial finance	1 96 095	2 00 056	7 77 454	2 00 056
e	Others	75 887	89 186	88 359	89 186
f	Inter-segment elimination	( 86 555)	( 86 079)	( 77 107)	( 86 079)
	<b>Total segment assets</b>	<b>62 80 307</b>	<b>63 68 950</b>	<b>65 62 625</b>	<b>63 68 950</b>
<b>4</b>	<b>Segment liabilities</b>				
a	Finance and investments	23 98 974	24 00 444	23 31 264	24 00 444
b	General insurance	20 69 159	20 76 645	19 14 362	20 76 645
c	Life insurance	27 39 447	27 49 376	25 16 205	27 49 376
d	Commercial finance	13 01 738	12 78 042	12 11 867	12 78 042
e	Others	68 468	81 655	82 552	81 655
f	Inter-segment elimination	( 3 17 046)	( 3 14 804)	( 3 12 572)	( 3 14 804)
	<b>Total segment liabilities</b>	<b>82 60 740</b>	<b>82 71 358</b>	<b>77 43 678</b>	<b>82 71 358</b>

**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 followed the same accounting policies as applicable to annual financial statements.

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 82 728 lakh as on June 30, 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 ₹ 4 050 lakh as on June 30, 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 82 690 lakh as on June 30, 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.
- 5 The Listed Secured Non-Convertible Debentures (Market Linked Debenture) of the subsidiary viz. Reliance Securities Limited (RSL) aggregating to ₹ 1 415 lakh as on June 30, 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.



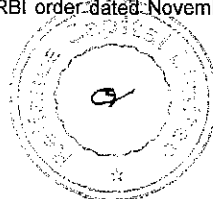
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- 6 (a) The Reserve Bank of India (RBI) vide Press Release dated November 29, 2021 in exercise of the power conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, superseded the Board of Directors of Reliance Capital Limited ("RCL"). 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 and 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 quarter ended June 30, 2022 has been prepared on going concern assumptions.
- As disclosed previously, the Company was prohibited from making any payment to secured or unsecured creditors and to dispose of, alienate, encumber either directly or indirectly or otherwise part with the possession, of any assets except in the ordinary course of business such as payment of salary and statutory dues, vide (a) orders dated December 3, 2019 and December 5, 2019 passed by the Hon'ble Debts Recovery Tribunal; (b) orders dated November 20, 2019 and March 15, 2021 passed by the Hon'ble Delhi High Court; and, Orders dated November 28, 2019, November 4, 2020, and March 5, 2021 passed by the Hon'ble Bombay High Court. The Administrator, on behalf of the Company has obtained orders clarifying that the above-mentioned orders will not come in the way of the Company's CIRP.
- Separately, in relation to the timelines of the CIRP, it may be noted CIRP commenced on December 6, 2021, i.e., upon the passing of the NCLT Order. In view of the NCLT Order and the timelines prescribed under the Code, the CIRP of the Company was scheduled to expire on June 4, 2022 (i.e. 180 days from December 6, 2021). However, the due to difficulties in conducting the CIRP the date for completion of CIRP was extended to September 2, 2022, pursuant to an order of the Hon'ble NCLT. An application has been filed before the Hon'ble NCLT seeking extension of CIRP timeline upto November 01, 2022.
- (b) Reliance Commercial Finance Limited (RCFL) during the quarter ended June 30, 2022 has incurred losses of ₹ 27 662 lakh (Previous Year March 31, 2022 ₹ 7 07 930 lakh) and it has accumulated losses of ₹ 13 36 840 lakh (Previous Year March 31, 2022 ₹ 13 09 178 lakh). 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. The same is allowed by Hon'ble Supreme Court of India and the appeal is being presently heard by a division bench of the supreme court of India. The matter was posted for hearing on August 02, 2022 and same was adjourned. The next hearing is awaited. The result of the voting have been submitted before the supreme court in a sealed covered by the debenture trustee- Vistra.
- 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 June 30, 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 Services Private Limited, the accumulated losses as at June 30, 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.
- (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.



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- 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 quarter ended June 30, 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 prior to November 29, 2021;
  - (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 quarter ended June 30, 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 June 30, 2022 figures as per the books of accounts of the Parent Company.
- 10 In view of ongoing CIRP, interest expense of ₹ 41 014 lakh for the quarter ended June 30, 2022 has 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.
- 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 Hon'ble High Court of Bombay 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 June 30, 2022 of the Company have been subjected to a "Limited Review" by Statutory Auditors of the Company.
- 19 Previous period figures have been regrouped / rearranged wherever necessary.
- 20 The above results were reviewed and approved by the Administrator on August 09, 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.



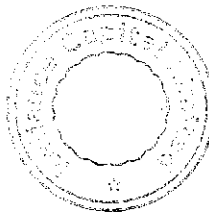
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21 The Standalone financial results of the Parent Company for the quarter ended June 30, 2022 are available on the Company's website ([www.reliancecapital.co.in](http://www.reliancecapital.co.in)) and on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

Key standalone financial information is given below:

Particulars	Quarter ended			(₹ in lakh)
	30-Jun-22	31-Mar-22	30-Jun-21	Year ended
	Unaudited	Audited	Unaudited	Audited
Total revenue	268	455	162	1 593
Profit/ (Loss) before tax	( 21 475)	( 2 548)	( 33 324)	( 1 10 580)
Profit / (Loss) after tax	( 21 475)	( 2 548)	( 33 324)	( 1 10 580)



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**

Mumbai, August 9, 2022

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](mailto:rbi.administrator@relianceada.com)

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](mailto:rbi.administrator@relianceada.com)/ [rcap.administrator@relianceada.com](mailto:rcap.administrator@relianceada.com)



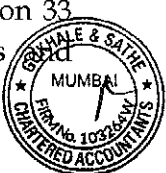
**Limited Review Report on Unaudited Quarterly Consolidated Financial Results of Reliance Capital Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

To

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

**Introduction**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Reliance Capital Limited ("the Parent Company") and its subsidiaries, and its share of net profit / (loss) after tax and total comprehensive income/(loss) of its associates (the Parent Company, its subsidiaries and associates together referred to as "the Group") for the quarter ended June 30, 2022 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. 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 Parent Company and appointed an Administrator to run the Parent 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 Parent Company under the Insolvency and Bankruptcy Code, 2016 ("IBC") was admitted.
3. The above unaudited consolidated financial results of the Parent Company for the quarter ended June 30, 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. 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.
4. This Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").





### Scope of the Review

5. Our responsibility is to issue a report on the Statement based on our review. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
6. This Statement includes results of the entities as stated in Annexure I.

### Basis for Qualified Conclusion

7. We draw attention to Note no. 9 to 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 may differ from the amount reflecting in the books of account of the Parent 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 as compared to the liabilities reflected in the books of account of the Parent Company.
8. We draw attention to Note no. 10 to the Statement which explains that in view of the ongoing CIRP, the Parent Company has provided for interest expense on financial liabilities which may be applicable on the financial debt only upto December 06, 2021. Accordingly, interest expense pertaining to the quarter ended June 30, 2022 amounting to Rs. 41,014 lakhs has not been recognized. Had such interest been recognized, the loss before tax for the quarter ended June 30, 2022, would have been higher by Rs. 41,014 lakhs.
9. The Statutory Auditor of Reliance Commercial Finance Limited ("RCFL") in his limited review report has stated that RCFL has entered into an Inter Creditor Agreement ("ICA") dated July 6, 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 agreement, RCFL 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 its 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 the penal interest and additional interest







explained above, in the unaudited financial results 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 and accuracy of the bank balances, borrowings and interest expense of RCFL as at and for the quarter ended June 30, 2022 forming part of the Consolidated Unaudited Financial Results of the Parent Company.

### **Qualified Conclusion**

10. Based on our review conducted and procedures as stated in paragraph 5 above read with paragraph 3, the consideration of the limited review reports of auditors of entities referred to in paragraph 18 below and with the exception of the matters described in paragraphs 7 to 9 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India or state whether the Statement has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

### **Material Uncertainty related to Going Concern**

11. We draw attention to Note no. 6(a) of the Statement which explains that the Parent 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 ended June 30, 2022 have been prepared on going concern basis. However, the Parent 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 June 30, 2022 and previous periods, the asset cover for Listed Secured Non-Convertible Debentures of the Parent Company has fallen below one hundred percent and other matters as described in Note No. 6 to the Statement, which indicates that material uncertainty exists, that may cast significant doubt on the Parent Company's ability to continue as a Going Concern.
12. We draw attention to Note no. 6(b) of the Statement which states that RCFL during the quarter ended June 30, 2022 has incurred losses of Rs. 27,662 lakh (previous year March 31, 2022 Rs. 7,07,930 lakh) and it has accumulated losses of Rs. 13,36,840 lakh (previous year March 31, 2022 Rs. 13,09,178 lakh). 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. As explained in the aforesaid Note, there are litigation matters sub-judice at the level of Hon'ble Supreme Court of India in this regard. The final implementation of the resolution plan submitted by Authum is contingent upon various regulatory approvals including disposal of ongoing litigations as explained in the aforesaid Note. This casts a significant





doubt on the ability of 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.

Our conclusion on the Statement is not modified in respect of the paragraphs 11 and 12.

### **Emphasis of Matter**

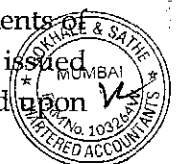
13. We draw attention to Note no. 12 of the statement which refers to loans sanctioned by RCFL under General Purpose Corporate Loan / Working Capital Term Loans to certain bodies corporate including group companies. The note also specifies that RCFL's borrowers have entered into onward lending transactions 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.
14. 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 Parent Company and RCFL for the financial year 2018-19. Based on the facts as described in the aforesaid note, both the Parent Company and RCFL have concluded that there were no matters attracting the said Section and the matter is under consideration with the Ministry of Corporate Affairs.
15. We draw attention to Note no. 17 of the statement which refers to the ongoing exercise of valuation of all assets held by the Parent Company and subsequent measurement of impairment loss under Ind AS 36, if any.

Our conclusion on the Statement is not modified in respect of matters stated in paragraphs 13 to 15.

### **Other Matters**

16. 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 review report:

"The actuarial valuation of liabilities for life policies in force and policies where premium is discounted is the responsibility of the RNLICL's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities as at June 30, 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 principal 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 opinion is not modified in respect of this matter."

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

"The actuarial valuation of liabilities for Incurred but Not Reported (IBNR) and Incurred but Not Enough Reported (IBNER) 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 June 30, 2022 has been duly certified by the Appointed Actuary. We relied on the Actuary's Certificate. Our conclusion is not modified in respect of this matter."

18. We did not review the financial information of 5 subsidiary companies included in the Consolidated Unaudited Financial Results, whose financial information reflect total assets of Rs. 54558.35 crores (before consolidation adjustments) as at June 30, 2022, total revenues of Rs. 3799.44 Crore, net loss after tax of Rs. 295.67 Crore and total comprehensive income of Rs. (47.88) Crore for the quarter ended June 30, 2022 as considered in the consolidated unaudited financial results whose financial information has not been reviewed by us. The Consolidated Unaudited Financial Results also include the Group's share of net profit / (loss) after tax of Rs. (128.91) Crore and total comprehensive Income / (loss) of Rs. (128.81) Crore for the quarter ended June 30, 2022 in respect of 2 associate company, whose financial information has not been reviewed by us. These have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, 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.

19. The Consolidated Unaudited Financial Results includes financial information of 15 subsidiaries which have not been reviewed by their auditors, whose financial information reflect total assets of Rs. 1682.81 crores (before consolidation adjustments) as at June 30, 2022, total revenues of Rs. 1.06 Crore, net loss after tax of Rs. 4.25 Crore, total comprehensive income of Rs. (4.25) crore for the quarter ended June 30, 2022 as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit / (loss) after tax of Rs. Nil, total comprehensive income / (loss) of Rs. Nil for the quarter ended June 30, 2022 respectively, as considered in the Consolidated Unaudited Financial Results, in respect of 3 associates, the financial information of which has not been reviewed by their auditors. These unaudited financial information have been furnished to us by the management and our conclusion 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 management, these subsidiaries and associates are not material to the Group.





20. The comparative Unaudited Consolidated Financial Results for the quarter ended June 30, 2021, were reviewed by predecessor auditor whose report dated August 06, 2021, expressed modified conclusion on such financial results. We have relied upon these reports for the purpose of our review.
21. Attention is drawn to the fact that the figures for the three months ended March 31, 2022 as reported in the Statement are the balancing figures between audited figures in respect of the full financial year 2021-2022 and the published year to date figures up to the third quarter of the financial year 2021-2022. The figures up to the end of the third quarter of financial year 2021-2022 had only been reviewed and not subjected to audit.

Our conclusion on the Statement is not modified in respect of matters stated in paragraphs 16 to 21.

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



Rahul Joglekar  
Partner  
Membership No.:129389  
UDIN:22129389A0R1004014

Place: Mumbai  
Date: 09 August 2022



**Annexure I: List of entities included in the Consolidated Unaudited 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)



**Reliance Capital Limited**
**Statement of Standalone Financial Results for the quarter ended June 30, 2022**

(Rs. in lakh except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		30-Jun-2022	31-Mar-2022	30-Jun-2021	31-Mar-2022	
		Unaudited	Audited	Unaudited	Audited	
	<b>Income</b>					
I	<b>Revenue from operations</b>					
	Interest Income	162	127	113	457	
	Dividend Income	-	-	-	730	
	Rental Income	-	327	36	387	
	Fees Income	-	-	-	-	
	Other operating income	-	1	12	13	
	<b>Total Revenue from operations</b>	<b>162</b>	<b>455</b>	<b>161</b>	<b>1 587</b>	
II	Other income	106	-	1	6	
III	<b>Total Income (I+II)</b>	<b>268</b>	<b>455</b>	<b>162</b>	<b>1,593</b>	
IV	<b>Expenses</b>					
	Finance costs	( 26)	809	40 126	1 10 893	
	Net loss / (Gain) on fair value changes (net)	18 477	1 176	( 7 347)	( 2 561)	
	Impairment on financial instruments	-	15	( 39)	( 29)	
	Employee benefits expense	187	505	341	1 567	
	Depreciation and amortisation expense	115	119	129	585	
	Other expenses	2 990	379	276	1 718	
	<b>Total expenses (IV)</b>	<b>21 743</b>	<b>3 003</b>	<b>33 486</b>	<b>1 12 173</b>	
V	<b>Profit/(loss) before tax (III-IV)</b>	<b>( 21 475)</b>	<b>( 2 548)</b>	<b>( 33 324)</b>	<b>( 1 10 580)</b>	
VI	<b>Tax expense</b>					
	(1) Current tax	-	-	-	-	
	(2) Deferred tax	-	-	-	-	
	(3) Taxation for earlier years	-	-	-	-	
	<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
VII	<b>Profit/(loss) for the period / year (V-VI)</b>	<b>( 21 475)</b>	<b>( 2 548)</b>	<b>( 33 324)</b>	<b>( 1 10 580)</b>	
VIII	<b>Other Comprehensive Income / (Loss)</b>					
A	(i) Items that will not be reclassified to profit or loss	(29)	8	(14)	(7)	
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	
	<b>Other comprehensive income / (Loss) for the period / year, net of tax</b>	<b>(29)</b>	<b>8</b>	<b>(14)</b>	<b>(7)</b>	
IX	<b>Total Comprehensive Income / (Loss) for the period / year (VII+VIII)</b>	<b>( 21 504)</b>	<b>( 2 540)</b>	<b>( 33 338)</b>	<b>( 1 10 587)</b>	
X	<b>Earnings per equity share face value of Rs. 10 each fully paidup (quarter not annualised)</b>					
	(1) Basic	(8.56)	(0.99)	(13.28)	(44.04)	
	(2) Diluted	(8.56)	(0.99)	(13.28)	(44.04)	
XI	<b>Paid-up Equity Share Capital</b>	<b>25 325</b>	<b>25 325</b>	<b>25 325</b>	<b>25 325</b>	
XII	<b>Other equity</b>				<b>( 8 96 901)</b>	



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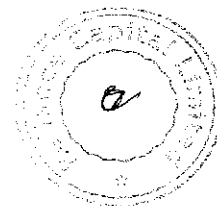


**Notes:**

- 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". The Company has followed the same accounting policies as applicable to annual financial statements.
- 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 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 and 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 quarter ended June 30, 2022 has been prepared on going concern assumptions.

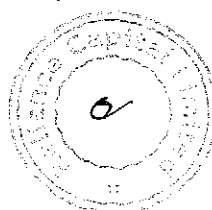
As disclosed previously, the Company was prohibited from making any payment to secured or unsecured creditors and to dispose of, alienate, encumber either directly or indirectly or otherwise part with the possession, of any assets except in the ordinary course of business such as payment of salary and statutory dues, vide (a) orders dated December 3, 2019 and December 5, 2019 passed by the Hon'ble Debts Recovery Tribunal; (b) orders dated November 20, 2019 and March 15, 2021 passed by the Hon'ble Delhi High Court; and, Orders dated November 28, 2019, November 4, 2020, and March 5, 2021 passed by the Hon'ble Bombay High Court. The Administrator, on behalf of the Company has obtained orders clarifying that the above-mentioned orders will not come in the way of the Company's CIRP.

Separately, in relation to the timelines of the CIRP, it may be noted CIRP commenced on December 6, 2021, i.e., upon the passing of the NCLT Order. In view of the NCLT Order and the timelines prescribed under the Code, the CIRP of the Company was scheduled to expire on June 4, 2022 (i.e. 180 days from December 6, 2021). However, the due to difficulties in conducting the CIRP the date for completion of CIRP was extended to September 2, 2022, pursuant to an order of the Hon'ble NCLT. An application has been filed before the Hon'ble NCLT seeking extension of CIRP timeline upto November 01, 2022.
- 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 quarter ended June 30, 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:



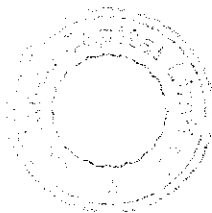
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- (i) The Administrator has taken charge with effect from November 29, 2021 and therefore was not in control of the operations or the management of the Company prior to November 29, 2021;
- (ii) The Administrator has furnished and signed the report 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 quarter ended June 30, 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 limited review financial results are drawn on the basis of June 30, 2022 figures as per the books of accounts of the Company.
- 6 The Listed Secured Non-Convertible Debentures of the Company aggregating to Rs.14,82,728 lakh as on June 30, 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.
- 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 Hon'ble High Court of Bombay 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, interest expense of Rs 41,014 lakh for the quarter ended June 30, 2022 has not been provided.



A.G.

- 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 June 30, 2022 of the Company have been subjected to a "Limited Review" by Statutory Auditors of the Company.
- 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 August 09, 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.



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**

Mumbai, August 09, 2022

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

**Annexure A**

Disclosure pursuant to Regulation 52(4) of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, for quarter ended June 30, 2022 :

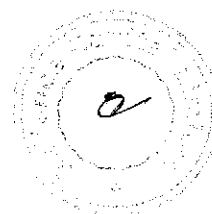
(Rs. in lakh)

Sr. No.	Particulars	Details Required
1	Debt-Equity Ratio	Note 1 (a)
2	Outstanding Redeemable Preference Shares (Quantity And Value)	-
3	Capital Redemption Reserve/Debenture Redemption Reserve	-
4	Net Worth	(8,93,083.00)
5	Net Profit After Tax	(21,475.00)
6	Earnings Per Share (Not annualised)	Basic : Rs (8.55) Diluted : Rs (8.55)
7	Total Debts To Total Assets	1.30 times
8	Net Profit Margin	Note 1 (b)
9	Sector Specific Equivalent Ratios, As Applicable	
a	Gross NPA (Stage 3 Asset Gross) Ratio	99.64%
b	Net NPA (Stage 3 Asset Gross) Ratio	98.74%

Note 1: (a) The Company has negative equity balance as a result, debt equity ratio cannot be presented.

(b) Since there is loss for the quarter ended June 30, 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 and Operating Margin are not applicable to the Company.





**Limited Review Report on Unaudited Quarterly Standalone 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**

To

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

**Introduction**

1. We have reviewed the accompanying Statement of Unaudited Standalone financial results of Reliance Capital Limited ("the Company") for the quarter ended June 2022 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.
2. 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 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.
3. The above unaudited standalone financial results of the Company for the quarter ended June 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 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.





4. This Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.

### **Scope of the Review**

5. Our responsibility is to issue a report on the Statement based on our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

### **Basis for Qualified Conclusion**

6. We draw attention to Note no. 5 to 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 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 as compared to the liabilities reflected in the books of account of the Company.
7. We draw attention to Note no. 10 to the Statement which explains that in view of the ongoing CIRP, the Company has provided for interest expense on financial liabilities which may be applicable on the financial debt only upto December 06, 2021. Accordingly, interest expense pertaining to the quarter ended June 30, 2022 amounting to Rs. 41,014 lakhs has not been recognised. Had such interest been recognised, the loss before tax for the quarter ended June 30, 2022 would have been higher by Rs. 41,014 lakhs.





**Qualified Conclusion**

8. Based on our review conducted and procedures as stated in paragraph 5 above read with paragraph 3 and with the exception of the matters described in paragraphs 6 and 7 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India has not disclosed the information required to be disclosed the information in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Material Uncertainty related to Going Concern**

9. We draw attention to Note no. 2 to the Statement 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 ended June 30, 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 June 30, 2022 and previous periods and as described in Note No. 6 to 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 this matter.

**Emphasis of Matter**

10. 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.



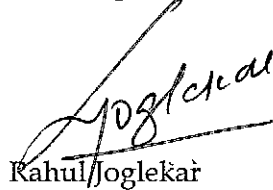
11. We draw attention to Note no. 11 of the Statement which refers to the ongoing exercise of valuation of all assets held by the Company and subsequent measurement of impairment loss under Ind AS 36, if any.

Our conclusion on the Statement is not modified in respect of the matters described in paragraphs 10 and 11.

**Other Matter**

12. The Unaudited Standalone Financial Results for the quarter ended June 30, 2021 were audited by predecessor auditor. The auditors have expressed unmodified conclusion vide their report dated August 6, 2021 on such financial results. We have relied upon these reports for the purposes of our review. Our conclusion is not modified in respect of this matter.
13. Attention is drawn to the fact that the figures for the three months ended March 31, 2022 as reported in the Statement are the balancing figures between audited figures in respect of the full financial year 2021-2022 and the published year to date figures up to the third quarter of the financial year 2021-2022. The figures up to the end of the third quarter of financial year 2021-2022 had only been reviewed and not subjected to audit.

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

  
Rahul Joglekar

Partner

Membership No. 129389

UDIN: 22129389A0RH4Q7481



Place: Mumbai

Date: 09 August 2022