

Reliance Capital Limited
Reliance Centre, 6th Floor, North Wing
Off Western Express Highway
Santacruz (East), Mumbai - 400 055.

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February 14, 2020

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 Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2019 and Limited Review Report

Further to our Notice dated February 6, 2020 and pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2019 alongwith Limited Review Report submitted by the Statutory Auditors of the Company.

The above financial results were approved by the Board of Directors at its meeting held on February 14, 2020. The meeting of the Board of Directors of the Company commenced at 7:30 p.m. and concluded at 8:15 p.m.

The Statement of Unaudited Financial Results (Standalone) for the quarter and nine months ended December 31, 2019 alongwith Limited Review Report follows by a separate letter.

Thanking you.

Yours faithfully,
For Reliance Capital Limited


Atul Tandon
Company Secretary & Compliance Officer

Encl.: As Above.

c.c:
National Securities Depository Limited
Trade World, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai 400 013

Central Depository Services (India) Limited
Unit No. A-2501, A Wing, Marathon Futurex,
25th Floor, Mafatlal Mill Compounds,
N M Joshi Marg, Lower Parel (E),
Mumbai 400 013

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Reliance Capital Limited
Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended on December 31, 2019

(₹ in Crores except per share data)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Income						
a	Revenue from operations						
	Interest Income	1 400	1 154	2 046	4 263	5 826	7 677
	Dividend Income	9	25	19	128	64	226
	Premium Income	2 587	3 626	2 350	9 038	7 731	10 574
	Fees and Commission income	181	250	182	604	467	608
	Net gain on fair value changes	383	13	669	425	704	1 225
	Other operating income	31	(5)	-	84	137	137
	Total Revenue from operations	4 591	5 063	5 266	14 542	14 929	20 447
b	Other Income	9	1	14	25	58	78
	Total Income (a + b)	4 600	5 064	5 280	14 567	14 987	20 525
II	Expenses						
	Finance Costs	1 072	1 054	1 224	3 314	3 379	4 519
	Fees and commission expense	132	142	105	456	420	562
	Net loss on fair value changes	-	-	-	-	-	699
	Impairment on financial instruments	229	3 234	638	3 619	437	2 600
	Employee benefits expenses	400	378	413	1 197	1 160	1 523
	Depreciation, amortisation and impairment	25	24	20	72	60	123
	Claims Incurred (net)	1 538	1 520	1 390	4 332	4 062	6 139
	Premium paid on Reinsurance Ceded	686	1 441	497	2 905	2 007	2 584
	Change in valuation of liability in respect of life policies	467	434	838	1 172	1 042	1 559
	Other expenses	182	817	(102)	1 575	1 510	1 717
	Total Expenses	4 731	9 044	5 023	18 642	14 077	22 025
(III)	Profit/(Loss) before exceptional items, [share of net profits / (losses) of investments accounted for using equity method] and tax (I-II)	(131)	(3 980)	257	(4 075)	910	(1 500)
(IV)	Share of net profits/(losses) of associates and joint ventures accounted for using equity method	(5)	76	41	114	117	168
(V)	Profits/(losses) on sale of Subsidiaries / associates	-	3 720	-	4 901	-	-
(VI)	Profit/(Loss) before exceptional items and tax (III+IV+V)	(136)	(184)	298	940	1 027	(1 332)
(VII)	Exceptional items	-	-	-	-	-	-
(VIII)	Profit/(Loss) before tax [VI (-/+VII)]	(136)	(184)	298	940	1 027	(1 332)
	Tax expense						
	- Current Tax (including earlier year tax)	5	4	41	45	75	67
	- Deferred Tax	4	(92)	11	(85)	102	55
(IX)	Total tax expense	9	(88)	52	(40)	177	122
(X)	Net Profit/(Loss) for the period/year (VIII-IX)	(145)	(96)	246	980	850	(1 454)
(XI)	Other comprehensive income						
A	(i) Items that will not be reclassified to profit or loss	(11)	(15)	(5)	(38)	(34)	(184)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1	(0)	11	2	1	1
	Subtotal (A)	(10)	(15)	6	(36)	(33)	(183)
B	(i) Items that will be reclassified to profit or loss	41	207	224	302	20	142
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(14)	(92)	(75)	(106)	(8)	(51)
	Subtotal (B)	27	115	149	196	12	91
	Other comprehensive income (A+B)	17	100	155	160	(21)	(92)
(XII)	Total comprehensive income for the period/year (XI+XII)	(128)	4	401	1 140	829	(1 546)
(XIII)	Net Profit/(Loss) for the period attributable to:						
	- Owners	(135)	(51)	213	1 049	765	(1 513)
	- Non-controlling interests	(10)	(45)	33	(69)	85	52
(XIV)	Other comprehensive income attributable to:						
	- Owners	21	108	153	173	(11)	(84)
	- Non-controlling interests	(4)	(8)	2	(13)	(10)	(8)
(XV)	Total comprehensive income attributable to:						
	- Owners	(114)	57	366	1 222	754	(1 597)
	- Non-controlling interests	(14)	(53)	35	(82)	75	44
(XVI)	Earnings per equity share face value of Rs. 10 each fully paidup (quarter not annualised):						
	(a) Basic	(5.85)	(3.41)	8.48	38.96	30.47	57.91
	(b) Diluted	(5.85)	(3.41)	8.48	38.96	30.47	57.91

Reliance Capital Limited
Unaudited Consolidated Segment reporting for the quarter and nine months ended on December 31, 2019

(₹ in Crores)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
a	Finance & Investments	583	387	1 193	1 372	2 182	3 052
b	General Insurance	1 971	2 904	1 580	7 195	5 701	7 333
c	Life Insurance	1 396	1 395	1 373	3 968	3 949	6 096
d	Commercial Finance	164	101	525	696	1 563	1 810
e	Home Finance	442	340	516	1 322	1 391	2 003
f	Others	65	48	95	184	258	356
	Total	4 621	5 175	5 282	14 737	15 044	20 650
	Inter segment	(21)	(111)	(2)	(170)	(57)	(125)
	Net income	4 600	5 064	5 280	14 567	14 987	20 525
2	Segment Results						
a	Finance & Investments	(85)	732	130	1,880	500	348
b	General Insurance	63	(110)	2	(12)	41	39
c	Life Insurance	51	28	9	1	(13)	36
d	Commercial Finance	(76)	(615)	69	(665)	236	(1,854)
e	Home Finance	(107)	(162)	88	(206)	261	102
f	Others	18	(57)	-	(58)	2	(3)
	Total Segment Profit Before Tax	(136)	(184)	298	940	1,027	(1,332)
	Unallocated expenses	-	-	-	-	-	-
	Profit before Tax	(136)	(184)	298	940	1 027	(1 332)
3	Segment Assets						
a	Finance & Investments	17 701	27 350	35 879	17 701	35 879	31 285
b	General Insurance	12 708	12 272	11 387	12 708	11 387	14 072
c	Life Insurance	22 498	21 905	21 241	22 498	21 241	21 600
d	Commercial Finance	11 746	11 911	16 634	11 746	16 634	13 504
e	Home Finance	16 085	16 291	17 586	16 085	17 586	18 125
f	Others	785	882	934	785	934	948
g	Inter-Segment Elimination	(2 969)	(12 285)	(14 261)	(2 969)	(14 261)	(15 561)
	Total	78 554	78 326	89 400	78 554	89 400	83 973
4	Segment Liabilities						
a	Finance & Investments	20 615	20 528	22 252	20 615	22 252	21 346
b	General Insurance	10 831	10 502	9 712	10 831	9 712	12 312
c	Life Insurance	21 169	20 619	19 943	21 169	19 943	20 246
d	Commercial Finance	12 005	12 094	13 294	12 005	13 294	12 698
e	Home Finance	14 379	14 509	15 650	14 379	15 650	16 283
f	Others	597	651	709	597	709	721
g	Inter-Segment Elimination	(2 928)	(2 575)	(299)	(2 928)	(299)	(381)
	Total	76 668	76 328	81 261	76 668	81 261	83 225



Notes:

- 1 The consolidated financials results of the Company and its subsidiary and associates (together referred to as "the Group") have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as amended as prescribed under section 133 of the Companies Act, 2013. The Group has reported segment as per Ind AS dealing with operating segment. The operations of the Group are conducted through its subsidiaries. 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) Home Finance - This includes the home finance business.
 - f) Others - This includes other financial and allied services.
- 2 The Listed Secured Non-Convertible Debentures of the Company aggregating to Rs. 14 827 crores as on December 31, 2019 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 of the Company as specifically mentioned in the respective Trust Deeds and the asset cover thereof exceeds hundred percent of the principal amount of the said Debentures.
- 3 The Listed Secured Redeemable Non-Convertible Debentures ("Secured NCDs") of the subsidiary viz. Reliance Home Finance Limited (RHFL) aggregating to Rs. 5,967 crores as on December 31, 2019 are secured by way of first pari-passu legal mortgage and charge on the RHFL's immovable property and additional pari-passu charge by way of hypothecation on present and future book debts / receivables, outstanding money (loan book), receivable claims of the RHFL's with other secured lenders, except those book debts and receivables charged / to be charged in favour of National Housing Bank for refinance availed / to be availed from them. The asset cover has fallen below hundred percent of outstanding debentures and adequate steps are being taken by the RHFL.
- 4 The Listed Secured Non-Convertible Market Linked Debentures (MLD) of the subsidiary viz. Reliance Financial Limited aggregating to Rs. 98 crore as on December 31, 2019 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.
- 5 The Rated, Listed, Secured, Redeemable, Non-Convertible Debentures ("Secured NCDs") of the subsidiary viz. Reliance Commercial Finance Limited aggregating to Rs. 1 822 crores as on December 31, 2019 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.
- 6 The Listed Secured Non-Convertible Debentures (Market Linked Debenture) of the subsidiary viz. Reliance Securities Limited aggregating to Rs. 57 crores as on December 31, 2019 are secured by way of first ranking mortgage over Reliance Securities Limited'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 Reliance Securities Limited as specifically mentioned in the Trust deed and the asset cover thereof exceeds hundred percent of the principal amount of the said debentures.
- 7 The Company has given Inter corporate deposits to two entities aggregating to Rs.810 crores net of provision which are fully secured by way of first charge on their assets and additionally secured by a corporate guarantee by a group company. The balance amount is expected to be recovered soon. The Company has evaluated the financial position and the repayment capacity of the above entities and believes that no adjustments are required to the carrying value of the said exposures.
- 8 Reliance Home Finance Limited (RHFL) had advanced loans under the 'General Purpose Corporate Loan' product to certain bodies corporate including some of the group companies. All the lending transactions undertaken by RHFL are in the ordinary course of business, the terms of which are at arms' length basis and the same do not constitute transactions with related parties. However, RHFL's borrowers in some cases have undertaken onward lending transactions and it is noticed that the end use of the borrowings from RHFL included borrowings by or repayment of financial obligations to some of the group companies.
- 9 Pursuant to Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 vide RBI circular dated June 7, 2019,
- 10 (a) The Company has defaulted in repayment of the obligation to the lenders & Debenture holders, and has incurred losses during the period and also during the previous year which indicate material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a Going Concern. The Company is in the process of meeting its obligations by way of time bound monetization of its assets and accordingly the financial results of the Company have been prepared on a "Going Concern" basis.

(b) Reliance Home Finance Limited (RHFL) has engaged with all its lenders for arriving at the debt resolution plan. In this regard, lenders of RHFL 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 our lenders have already executed the ICA dated July 6, 2019 with Bank of Baroda acting as the lead lender. The RHFL's lenders at the steering committee meeting have appointed the resolution advisors, cashflow monitoring agency, forensic auditor, valuers and legal counsel. The period of 180 days as envisaged in the Circular expired on January 3, 2020 and the lenders have agreed to extend the ICA till March 31, 2020 and have communicated with RBI for the same. RHFL is confident of implementing its Resolution Plan and in view of the steps taken by the RHFL, the accounts of RHFL have been prepared on Going Concern Basis.



(c) Reliance Commercial Finance Limited (RCFL) since last financial year, due to sudden adverse developments in the financial sector all categories of lenders in India (including Banks, Mutual Funds, etc) have put near complete freeze on additional lending to Non-Banking Finance companies (NBFCs) and have been insisting for reducing the existing level of borrowings which has severely impacted the financial flexibility of majority of NBFCs. These developments have also adversely impacted RCFL and accordingly there is a temporary liquidity mismatch. The RCFL has taken steps to meet such temporary liquidity mismatch by securitisation of its loan portfolio. In view of the steps taken by the RCFL, the accounts of the RCFL have been prepared on "Going Concern" basis.

- 11 The Company's and its subsidiaries namely Reliance Commercial Finance Limited and Reliance Home Finance Limited, previous auditors, 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 FY 2018-19. The Company has examined the matter and also appointed legal experts, who independently carried out an in-depth examination of the matters and issues raised therein and have concluded that there was no matter attracting the provisions of Section 143(12) of the Companies Act, 2013. The matter is under consideration with the Ministry of Corporate Affairs.
- 12 Reliance Home Finance Limited (RHFL)'s proportion of non-housing loan is more than the proportion of housing loan. The Company is in the process of increasing the housing loan portfolio and is confident of the achieving the same in due course.
- 13 The Company had entered into Binding Share Purchase Agreement on May 23, 2019 for sale of its shareholding in Nippon Life India Asset Management Limited (NLIAML) to M/s Nippon Life Insurance Company, Japan. The same has been executed and accordingly NLIAML has ceased to be associate of the Company w.e.f September 27, 2019. On account of the transactions, the Company has recognised net realised gain on fair value change of Rs. 4 901 crores.
- 14 The Company had pledged its entire equity holding in Reliance General Insurance Company Limited (RGIC) to IDBI Trusteeship Services Limited (Trustee) against dues guaranteed by the Company. The Trustee, on November 19, 2019, invoked the pledge and presently holding the shares of RGIC in their custody. IRDAI, on February 4, 2020, has informed the Company that the shares are being held by the Trustee in the capacity as Trustee and the shares have not been transferred. Accordingly, RGIC continues to be a wholly owned subsidiary of the Company.
- 15 The Company had pledged 3.35% equity shares of Nippon Life India Asset Management Limited. Indusind Bank Limited (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. Accordingly, the Company continues to consider its rights on the above referred shares.
- 16 The Trustee to the Debenture holders of the Company has initiated proceedings against the Company before the Debt Recovery Tribunal, Mumbai. The Company is considering to file an appeal before Debt Recovery Appellate Tribunal against such proceedings
- 17 Previous period figures have been regrouped and rearranged wherever necessary.
- 18 The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on February 14, 2020 approved the above results and its release.
- 19 The Standalone financial results of the Company for the quarter and nine months ended December 31, 2019 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 :

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total revenue	597	322	577	1 432	2 152	2 317
Profit before tax	(28)	(2 820)	89	(2 964)	397	157
Profit after tax	(28)	(2 820)	89	(2 964)	397	157

Dated: February 14, 2020



for Reliance Capital Limited

Dhananjay Tiwari
Director & Chief Executive Officer

Limited Review Report for the Consolidated Unaudited Financial Results of Reliance Capital Limited for the Quarter and nine months ended December 31, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Reliance Capital Limited ('the Parent Company') and its subsidiaries (the Parent Company and its subsidiaries together referred to as the 'Group'), and its share of net profit / (loss) after tax and total comprehensive income/ loss of its associates for the quarter and nine months ended December 31, 2019 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. This Statement which is the responsibility of the Parent Company's Management and approved by the Parent's Board of Directors in their meeting held on February 14, 2020, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We draw attention to Note no. 8 of the Statement with reference to M/s Reliance Home Finance Limited (RHFL) a subsidiary company, wherein the statutory auditors of RHFL has modified its conclusion on the financial statements with regards to the loan advanced under the 'General Purpose Corporate Loan' product with significant deviations to certain bodies corporate including group companies and outstanding as at December 31, 2019 aggregating to Rs. 7,963 Crore and secured by charge on current assets of borrowers. As stated in the said note, majority of Company's borrowers have undertaken onward lending transaction and end use of the borrowings from the Company included borrowings by or for repayment of financial obligation to some of the group companies. There has been overdue of Rs. 5.306 Crore. (including non-performing assets of Rs 3,960 Crore) of these loans as on December 31, 2019. We are not getting sufficient audit evidence to ascertain recoverability of principal and interest including time frame of recovery of over dues. 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. Further we draw attention to Note no 12 of the Statement on the material shift in primary business of RHFL from Housing Finance to Non-Housing Finance which comprise more than 50% of total loan portfolio raising concern about RHFL continuing as a Housing Finance Company.



4. We draw attention note no 9 (c) of the statement with reference to M/s Reliance Commercial Finance Limited a subsidiary company, wherein the statutory auditors of RCFL has modified the conclusion on the financial statements with regards to the loans outstanding of Rs 10,857 Crore against which impairment allowance of Rs 682 Crore has been made as at reporting date.

In absence of revision of percentage of Probable Default (PD) and percentage of Loss given on Default (LGD) for the quarter and nine months ended December 31, 2019 in accordance with Expected Credit Loss (ECL) model on aforesaid loan receivables, we are unable to substantiate the management assertion on the recoverability of principal and interest including time frame of recovery of aforesaid loans.

5. 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 Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. 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. Accordingly we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended to the extent applicable.

6. The Statement includes the results of the following entities:

A. Subsidiaries (Including step-down subsidiaries)

Sr. No.	Name of the Company
1.	Reliance Capital Pension Fund Limited
2.	Reliance Capital Trustee Company Limited (Ceased w.e.f. September 27, 2019)
3.	Reliance General Insurance Company Limited
4.	Reliance Nippon Life Insurance Company Limited
5.	Reliance ARC-SBI Mansarovar Trust
6.	Reliance Commercial Finance Limited
7.	Reliance Health Insurance Limited
8.	Reliance Home Finance Limited
9.	Reliance Securities Limited
10.	Reliance Wealth Management Limited
11.	Reliance Exchangenext Limited
12.	Reliance Corporate Advisory Services Limited



13.	Quant Capital Private Limited
14.	Quant Broking Private Limited
15.	Quant Securities Private Limited
16.	Quant Investment Services Private Limited
17.	Reliance Commodities Limited
18.	Reliance Financial Limited
19.	Reliance Money Precious Metals Private Limited
20.	Reliance Money Solutions Private Limited
21.	Reliance Capital AIF Trustee Company Private Limited (Ceased w.e.f. September 27, 2019)
22.	Gullfoss Enterprises Private Limited
23.	Reliance Underwater Systems Private Limited (w.e.f. August 16, 2019)

B. Associates

Sr. No.	Name of the Company
1.	Ammolite Holding Limited
2.	Reliance Asset Reconstruction Company Limited
3.	Reliance Nippon Life Asset Management Limited (Ceased w.e.f. September 30, 2019)
4.	Global Wind Power Limited (w.e.f. June 18, 2019)
5.	Reinplast Advance Composites Private Ltd (w.e.f. April 24, 2019)

- Based on our review conducted and procedures as stated in paragraph 5 above and based on the consideration of the review reports of other auditors referred to in paragraph 13 below, except for the possible effects of the matter stated in paragraphs 3 and 4 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 Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.
- We draw attention to Note no. 11 to 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 Reliance Commercial Finance Limited (RCFL) for the financial year 2018-19. Based on the facts fully described in the aforesaid note, views of those companies, in-depth examination carried out by the independent legal experts of the relevant records, there were no matters attracting the said Section. Our conclusion is not modified in respect of this matter.



9. We draw attention to Note no. 7 to the Statement which describes that the Parent Company has Inter corporate deposits to 2 entities aggregating to Rs. 810 Crore which are fully secured by way of first charge on their assets and additionally fully secured by a corporate guarantee by a group company. Based on the evaluation of the financial position and the repayment capacity of the above entities the Company has made adequate provision during the quarter and no further provision is required. Our conclusion is not modified in respect of this matter.
10. We draw attention to Note no. 9 of the Statement wherein it is stated that the Parent Company, RHFL & RCFL has defaulted in repayment of the obligation to the Lenders & Debenture holders which is outstanding as on December 31, 2019 and RHFL and RCFL have also entered an Inter Creditor Agreement with their lenders which indicate material uncertainty exists that may cast a significant doubt on the Group's ability to continue as a Going Concern. The Group is in the process of formulating a comprehensive plan for meeting all its obligations through time bound monetization of its assets, and accordingly the financial results of the Company have been prepared on a "Going Concern" basis. Our conclusion is not modified in respect of this matter.
11. M/s Reliance Nippon Life Insurance Company Limited ('RNLICL'), a subsidiary of the Parent Company which jointly audited by us with other auditor, have included the following Other Matter in their audit report:

"The Actuarial Valuation of liabilities for the life policies in force is the responsibility of the RNLICL's Appointed Actuary. The actuarial valuation of these liabilities as at December 31, 2019 has been duly certified by the appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", Ind AS 109 "Financial Instruments", the guidelines norms issued by IRDA and the Actuarial Society of India in concurrence with IRDA. We have relied upon the appointed Actuary's Certificate in this regard." Our conclusion is not modified in respect of this matter.

12. M/s Reliance General Insurance Company Limited ('RGICL'), a subsidiary of the Parent 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 December 31, 2019 has been duly certified by the Appointed Actuary. The Appointed Actuary has certified to the RGICL that the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", Ind AS 109 "Financial Instruments", the guidelines and norms issued by IRDA and the Actuarial Society of India in concurrence with IRDA. We have relied on the Appointed Actuary's certificate in this regard." Our conclusion is not modified in respect of this matter.



13. (i) We did not review the financial information of 3 subsidiaries included in the consolidated unaudited financial results, whose financial information reflect total revenues of Rs. 591 Crore and Rs. 2,043 Crore, net profit / (loss) after tax of Rs. (208) Crore and Rs. (858) Crore and total comprehensive income / (loss) of Rs. (208) Crore and Rs. (858) Crore for the quarter and nine months ended December 31, 2019 respectively 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. Nil and Rs. 112 Crore and total comprehensive Income / (loss) of Rs. Nil and Rs. 112 crore for the quarter and nine months ended December 31, 2019 respectively as considered in the consolidated unaudited financial results, in respect of 2 associates, whose financial information has not been reviewed by us. These financial information 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 as stated in paragraph 5 above.
- (ii) The consolidated unaudited financial results includes financial information of 16 subsidiaries which have not been reviewed by their auditors, whose financial information reflect total revenues of Rs. 13 crore and Rs. 29 Crore, net profit / (loss) after tax of Rs. (16) Crore and Rs. (69) Crore and total comprehensive income / (loss) of Rs. (16) Crore and Rs. (70) Crore for the quarter and nine months ended December 31, 2019 respectively 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 and Rs. (0.02) Crore and total comprehensive income / (loss) of Rs. Nil and Rs. (0.02) Crore for the quarter and nine months ended December 31, 2019 respectively, as considered in the consolidated unaudited financial results, in respect of 2 associates, based on their interim financial information which have not been reviewed/audited by their auditors. According to the information and explanation given to us by the Management, this financial information is not material to the Group.

Our Conclusion on the Statement is not modified in respect of the above matters.

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


Vishal D. Shah
Partner

Membership No: 119303
UDIN: 20119303AAAAAN4256
Date: February 14, 2020
Place: Mumbai



Reliance Capital Limited
Reliance Centre, 6th Floor, North Wing
Off Western Express Highway
Santacruz (East), Mumbai - 400 055.

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February 14, 2020

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 Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2019 and Limited Review Report

Further to our earlier letter dated February 14, 2020, we enclose herewith a statement of Unaudited Standalone Financial Results alongwith Limited Review Report for the quarter and nine months ended December 31, 2019.

Thanking you.

Yours faithfully,
For **Reliance Capital Limited**

Atul Tandon
Company Secretary & Compliance Officer

Encl.: As Above.

c.c:**National Securities Depository Limited**

Trade World, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai 400 013

Central Depository Services (India) Limited

Unit No. A-2501, A Wing, Marathon Futurex,
25th Floor, Mafatlal Mill Compounds,
N M Joshi Marg, Lower Parel (E),
Mumbai 400 013

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Reliance Capital Limited
Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2019

(Rs. in crore except per share data)

Sr. No.	Particulars	Quarter Ended			Nine months Ended		Year Ended
		31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
I	Revenue from operations						
	Interest Income	347	294	566	911	1 684	2 113
	Dividend Income	2	12	-	93	72	150
	Rental Income	1	1	1	3	6	8
	Fees and commission Income	8	9	9	26	27	36
	Net gain on fair value changes	239	6	1	395	355	-
	Other operating income (* Rs 2 76 688, ** Rs 9 40 226)	*	-	-	**	5	5
	Total Revenue from operations	597	322	577	1 428	2 149	2 312
II	Other Income (* Rs 86 000)	*	-	-	4	3	5
III	Total Income (I+II)	597	322	577	1 432	2 152	2 317
IV	Expenses						
	Finance costs	417	462	501	1 354	1 476	1 937
	Net loss on fair value changes	-	-	-	-	-	699
	Impairment on financial instruments	183	2,653	(32)	2,959	176	(653)
	Employee benefits expense	12	15	15	44	38	51
	Depreciation and amortization expense	2	2	3	7	10	53
	Other expenses	11	10	1	32	55	73
	Total expenses (IV)	625	3 142	488	4 396	1 755	2 160
V	Profit/(loss) before tax (III-IV)	(28)	(2 820)	89	(2 964)	397	157
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)	(28)	(2 820)	89	(2 964)	397	157
VIII	Other Comprehensive Income						
	(i) Items that will not be reclassified to profit or loss	*	(4)	8	(7)	(17)	(167)
A	(*Rs 1 23 671))						
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Other comprehensive income for the period / year, net of tax (*Rs 1 23 671))	*	(4)	8	(7)	(17)	(167)
IX	Total Comprehensive Income for the period / year (VII+VIII)	(28)	(2 824)	97	(2 971)	380	(10)
X	Earnings per equity share face value of Rs. 10 each fully paidup (quarter not annualised):						
	(1) Basic	(1.07)	(112.35)	3.56	(118.03)	15.83	6.26
	(2) Diluted	(1.07)	(112.35)	3.52	(118.03)	15.79	6.25

Notes:

- 1 Reliance Capital Limited (the 'Company') is primarily engaged in the Finance & Investment activities and all other activities revolve around the main business of the Company. The Financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015, as amended and as prescribed under section 133 of the Companies Act, 2013, and all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 "Operating Segments".
- 2 The Listed Secured Non-Convertible Debentures of the Company aggregating to Rs. 14 827 crore as on December 31, 2019 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 of the Company as specifically mentioned in the respective Trust Deeds and the asset cover thereof exceeds hundred percent of the principal amount of the said Debentures.
- 3 a) The Company had entered into Binding Share Purchase Agreement on May 23, 2019 for sale of its shareholding in Nippon Life India Asset Management Limited (NLIAML) to Nippon Life Insurance Company, Japan. The same has been executed and accordingly NLIAML has ceased to be associate of the Company w.e.f. September 27, 2019.
b) During the year the Company has sold its 100 % holding in Reliance Capital Trustee Company Limited & Reliance Capital AIF Trustee Company Private Limited and accordingly ceased to be subsidiary of the Company w.e.f. September 27, 2019.
c) Company has entered in to binding agreement with the existing management team of Reliance Securities Limited and Reliance Financial Limited for buying out the business from Company, subject to regulatory and other customary approvals.
d) On account of the above transactions, the Company has recognised net realised gain on fair value change of Rs. 876 crore and recognised unrealised loss on fair value change of Rs. 594 crore in the financial results.
- 4 Reliance Commercial Finance Limited and Reliance Home Finance Limited have entered into Inter-Creditor Agreement (ICA) for the resolution of their debt in accordance with the circular dated June 7, 2019 issued by Reserve Bank of India on Prudential Framework for Resolution of Stressed Assets. Both the entities are progressing on implementing their Resolution Plans during Financial Year 2019-20. Accordingly, the Company has not carried out any impairment provision on loans provided to and investments made in these entities, as Company is expected to recover the entire amount.
- 5 The Company had pledged its entire equity holding in Reliance General Insurance Company Limited (RGIC) in favour of IDBI Trusteeship Services Limited (Trustee) against dues guaranteed by the Company. The Trustee, on November 19, 2019, invoked the pledge and presently holds the shares of RGIC in their custody. IRDAI, on February 4, 2020, has informed the Company that the shares are being held by the Trustee in the capacity as Trustee and the shares have not been transferred. Accordingly, RGIC continues to be a wholly owned subsidiary of the Company.
- 6 The Company had pledged 3.35% equity shares of Nippon Life India Asset Management Limited 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. Accordingly, the Company continues to consider its rights on the above referred shares.
- 7 The Trustee to the Debenture holders of the Company has initiated proceedings against the Company before the Debt Recovery Tribunal, Mumbai. The Company is considering to file an appeal before Debt Recovery Appellate Tribunal against such proceedings.
- 8 The Scheme of Amalgamation of Reliance Health Insurance Limited (RHIL), 100% subsidiary of the Company with Reliance General Insurance Company Limited (RGICL) has been approved by board of directors of RHIL & RGICL. The application for approval of amalgamation has been filed with IRDAI on January 13, 2020 and the process has begun. Considering the proposed Scheme of Amalgamation, no impairment has been considered necessary in the books of account on the investment held by the Company in RHIL.
- 9 The Company's previous auditor, after resigning from the office in June 2019 submitted a report under Section 143(12) of the Companies Act, 2013 with the Ministry of Corporate Affairs for matters relating to Financial Year 2018-19. The Company has examined the matter and also appointed legal experts, who independently carried out an in-depth examination of the matters and issues raised therein and have concluded that there was no matter attracting the provisions of Section 143(12) of the Companies Act, 2013. The matter is under consideration with the Ministry of Corporate Affairs.



- 10 The Company has given Inter corporate deposits to two entities aggregating to Rs.810 crore net of provisions which are fully secured by way of first charge on their assets and additionally secured by a corporate guarantee by a group company. The balance amount is expected to be recovered soon. The Company has evaluated the financial position and the repayment capacity of the above entities and believes that no adjustments are required to the carrying value of the said exposures.
- 11 The Company has defaulted in repayment of obligation to the Lenders & Debenture holders, and has incurred losses during the period and also during the previous year, which indicate material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a Going Concern. The Company is in the process of meeting its obligations by way of time bound monetization of its assets and accordingly the financial results of the Company have been prepared on a "Going Concern" basis.
- 12 Previous period figures have been regrouped and rearranged wherever necessary.
- 13 The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on February 14, 2020 approved the above results and its release.

Dated: February 14, 2020



for Reliance Capital Limited

Dhananjay Tiwari
Director & Chief Executive Officer



Limited Review Report on Standalone Unaudited Statement of Reliance Capital Limited for the quarter and nine months ended December 31, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

1. We have reviewed the accompanying statement of standalone unaudited Statement of Reliance Capital Limited ('the Company') for the quarter and nine months ended December 31, 2019 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on February 14, 2020, has been prepared accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of standalone unaudited Statement prepared in accordance with applicable Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note no. 11 of the Statement wherein the Company has defaulted in repayment of the obligations to its lenders and debenture holders which is outstanding as on December 31, 2019 and has incurred losses during the period and also during the previous year, which indicate material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a Going Concern. The Company is in the process of meeting its obligations by way of time bound monetization of its assets, and accordingly the financial results of the Company have been prepared on a "Going Concern" basis.



6. We draw attention to Note no. 4 of the Statement wherein the Company has exposure by way of Loans & Investments (including interest accrued thereon) in two subsidiary Companies amounting to Rs. 3,649 Crore outstanding as on December 31, 2019. These subsidiaries have entered into an Inter Creditor Agreement with the Lenders and their resolution plan is being finalized. The Company has not carried out the impairment provision of the said loans and investments and is confident of recovering the entire amount, as the subsidiaries are confident of implementing its resolution plan during Financial Year 2019-20.
7. We draw attention to Note no. 9 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 for the financial year 2018-19. Based on the facts fully described in the aforesaid note, views of the Company, in-depth examination carried out by the independent legal experts of the relevant records, there were no matters attracting the said Section.
8. We draw attention to Note no. 10 of the Statement which describes that the Company has Inter corporate deposits to 2 entities aggregating to Rs.810 Crore which are fully secured by way of first charge on their assets and additionally fully secured by a corporate guarantee by a group company. Based on the evaluation of the financial position and the repayment capacity of the above entities the Company has made adequate provision during the quarter and no further provision is required.

Our Conclusion on the Statement is not modified in respect of matters stated in paragraph 5 to 8.

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

Chartered Accountants

Firm's Registration No:107783W/W100593



Vishal D. Shah

Partner

Membership No: 119303

UDIN: 20119303AAAAAM5464



Date: February 14, 2020

Place: Mumbai