

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

T +91 22 3303 1000
F +91 22 3303 6664

April 22, 2019

BSE Limited

Phiroze Jeejeeboy Towers,
Dalal Street,
Mumbai 400 002

Dear Sir,

Sub: Statement of Audited financial results for the six month ended on March 31, 2019

In terms of Regulation 52 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, we enclose a Statement of Audited financials for six-month alongwith Auditors Report.

The above Audited Financial Results were approved by the Board of Directors at its meeting held on April 22, 2019.

We request you to inform your members accordingly.

Thanking you.

Yours faithfully,

For **Reliance Asset Reconstruction Company Limited**



Preeti K. Chhapru
Company Secretary & Compliance Officer
Encl.: As above

CC: **National Securities Depository Limited**
Trade World, A Wing,
4th & 5th Floors, Kamala Mills Compound,
Lower Parel, Mumbai 400 013.

CC: **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 Asset Reconstruction Company Limited
Statement of Audited Financial Results for the Year / Half-year ended March 31, 2019

(Rs. in thousand except per share data)

Sr. No.	Particulars	Half-year ended		Year ended	
		March 31, 2019 Unaudited	March 31, 2018 Unaudited	March 31, 2019 Audited	March 31, 2018 Audited
	Revenue from operations (Net)				
I	Fees and commission income	3,26,206	2,31,484	5,63,119	4,26,452
II	Net profit on fair value changes	3,528	(97,072)	3,049	14,804
III	Other Income	4,032	772	5,528	884
IV	Total Revenue (I+II+III)	3,33,766	1,35,184	5,71,696	4,42,140
	Expenses				
	Finance costs	86,006	75,344	1,56,995	1,54,783
	Employee benefits expense	57,270	47,016	97,409	91,341
	Depreciation and amortization expense	1,747	1,653	3,414	3,144
	Other expenses	57,793	29,588	90,975	49,458
	Total Expenses (V)	2,02,816	1,53,601	3,48,793	2,98,726
VI	Profit/(loss) before tax (IV-V)	1,30,950	(18,417)	2,22,903	1,43,414
	Tax expense:				
	(1) Current tax	49,085	23,194	77,735	37,904
	(2) Deferred tax	(7,931)	12,375	(8,752)	(19,890)
	Total tax expense (VII)	41,154	35,569	68,983	18,014
VIII	Profit/(loss) after tax for the period (VI-VII)	89,796	(53,986)	1,53,920	1,25,400
A	Other Comprehensive Income after tax	(227)	(135)	(361)	(269)
IX	Other comprehensive income for the year(net of tax)	(227)	(135)	(361)	(269)
X	Total Comprehensive Income for the period (VIII+IX)	89,569	(54,121)	1,53,559	1,25,131
XI	Paid-up equity share capital (face value of Rs. 10 per share)	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000
XII	Earnings per equity share (EPS) (not annualised):				
	(1) Basic (Rs.)	0.90	(0.54)	1.54	1.25
	(2) Diluted (Rs.)	0.90	(0.54)	1.54	1.25



Reliance Asset Reconstruction Company Limited		
Statement of Assets and Liabilities		
(Rs. in thousand)		
Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	Audited	Audited
A ASSETS		
1 Financial Assets		
(a) Cash & cash equivalents	3,02,028	245
(b) Receivables	9,232	31,016
(c) Investments	35,67,494	32,43,639
(d) Other Financial assets	15,938	4,925
Sub-total Financial Assets	38,94,692	32,79,825
2 Non-financial Assets		
(a) Current tax assets (Net)	14,789	25,505
(b) Property, plant and equipment	4,371	4,483
(c) Other Intangible Assets	1,789	3,361
(d) Intangible Assets Under Development	-	133
(e) Other Non Financial Assets	6,959	4,418
Sub-total Non-financial Assets	27,908	37,900
Total Assets	39,22,600	33,17,725
B LIABILITIES AND EQUITY		
1 Liabilities		
(a) Financial Liabilities		
(i) Payables	373	2,295
(ii) Debt Securities	1,87,514	-
(iii) Borrowings	14,98,800	12,23,451
(iv) Other financial liabilities	39,003	17,814
Sub-total Financial Liabilities	17,25,690	12,43,560
(b) Non Financial Liabilities		
(i) Provisions	15,756	11,629
(ii) Deferred tax (Net)	1,15,474	1,24,374
(iii) Other non-financial liabilities	1,39,070	1,28,944
Sub-total Non-financial Liabilities	2,70,300	2,64,947
2 Equity		
(a) Equity Share capital	10,00,000	10,00,000
(b) Other Equity	9,26,610	8,09,218
Sub-total Equity	19,26,610	18,09,218
Total Liabilities and Equity	39,22,600	33,17,725



Notes:

1. The Company has adopted Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2018 and the effective date of such transition is April 1, 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ("RBI") (collectively referred to as "the Previous GAAP"). Accordingly, the impact of transition has been recorded in the opening reserves as at April 1, 2017 and the corresponding figures presented in these results, have been restated / reclassified. These financial results (including for previous comparative periods presented) have been prepared in accordance with the recognition and measurement principles of Ind AS 34 "Interim Financial Reporting" prescribed under the Act, read with the relevant Rules made thereunder.
2. The financial results of the Company for the year ended March 31, 2019 and corresponding figures of the previous year are prepared in accordance with the Ind AS and has been audited by Statutory Auditors of the Company. The figures for the half-year ended March 31, 2019 and corresponding half-year ended in previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the reviewed year-to-date figures upto the end of half year of the current and previous financial year respectively.
3. As required by paragraph 32 of Ind AS 101, other equity and net profit reconciliation, net of tax, for the previous year between figures reported under previous GAAP and Ind AS is given below:


(Rs. in thousand)

Sr . No.	Reconciliation of Other Equity / Net Profit	Other Equity	Profit Reconciliation		Refer Note below
		As at March 31, 2018	Half-year ended March 31, 2018	Year ended March 31, 2018	
1	Other Equity / Net profit or loss as per Previous GAAP (Indian GAAP)	4,99,654	55,251	90,359	
2	Profit/ (Loss) on fair valuation of investments	4,35,025	(97,072)	14,804	(a)
3	Actuarial Gain / (Loss) on employee benefits expense regrouped to Other Comprehensive Income (net of tax)	-	135	269	(b)
4	Deferred taxes	(1,25,461)	(12,300)	19,969	(c)
5	Other Equity / Net profit/loss other than comprehensive income as per Ind AS	8,09,218	(53,986)	1,25,401	



- a. Profit on fair value of investment in security receipts;
 - b. Actuarial gain / loss have been recognized in other comprehensive income; and
 - c. Deferred Tax has been charged using Balance Sheet approach and impact arising on account of such changes on transition date.
4. The Listed Secured Non-Convertible Debentures of the Company amounting to Rs. 19,00,00,000/- as on March 31, 2019 are secured by way of first pari passu mortgage/charge over the Company's, Maharashtra Immovable Property and Hypothecation of specified investment in security receipts as specifically mentioned in the Trust Deeds and the asset cover thereof exceeds hundred percent of principal amount of the said Debentures.
 5. Disclosures under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in Annexure A.
 6. The Company is mainly engaged in the business of acquisition and resolution of Non-Performing Asset and all other activities revolve around the main business of the Company. Further, all activities are conducted within India and as such there are no separate reportable segment, as per the Ind AS 108 "Operating Segments" specified under Section 133 of the Act.
 7. The Board of Directors has recommended a dividend of 3 per cent (Re. 0.30 per equity share) for the year subject to the approval of the members of the Company at the ensuing Annual General Meeting. In terms of Ind AS 10 "Events after the Reporting Period" the Company has not accounted for proposed dividend of Rs. 3,00,00,000/- and tax thereon Rs. 63,59,299/- are not recognized as liability in the financial statements for the year ended March 31, 2019.
 8. In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the Company hereby declares that the auditors have issued audit report with unmodified opinion on annual audited financial results for the year ended March 31, 2019.
 9. The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on April 22, 2019 approved the above results and its release.

for **Reliance Asset Reconstruction Company Limited**


Ravindra S. Rao
Executive Director & CEO



Dated: April 22, 2019

Annexure A

Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half-year ended March 31, 2019

a. Credit Ratings :

Particulars	Rating Agency	Rating
Long Term Borrowing programme	ICRA Limited	ICRA BBB+ (ICRA triple B plus) (under rating watch with negative implications)
Short Term Bank Lines Programme	ICRA Limited	ICRA A2 (ICRA A two) (under rating watch with negative implications)
Long Term Debt Programme	India Ratings & Research Private Limited	IND A+ (Outlook: Stable)
Short Term Debt/ Commercial Paper	India Ratings & Research Private Limited	IND A1+
Principal Protected Market Linked Debentures (PPMLD)	Brickwork Ratings India Private Limited	BWR PP MLD AA-* (BWR Principal Protected Market Linked Debentures Double AA minus) (Outlook: Stable)
Long Term Borrowing programme	Brickwork Ratings India Private Limited	BWR AA-* (BWR Double AA minus) (Outlook: Stable)
Short Term Borrowing programme	Brickwork Ratings India Private Limited	BWR A1+** (BWR A One plus)

* revised rating by one notch to A w.e.f. April 15, 2019

** rating withdrawn w.e.f. April 15, 2019

b. Debt-Equity Ratio:

Debt-Equity Ratio of the Company as on March 31, 2019 is 0.88 (No. of times) as per Audited Financial Results of the Company.

Formula for Debt Equity Ratio = Debt / Equity

c. Previous due date for the payment of Interest / Principal : - Not Applicable


d. Next due date for the payment of Interest / Principal :

Sr. No.	ISIN	Series ID	Interest	Principal	Put / Call Option
1	INE407107019	958267	On Maturity	December 14, 2020	December 12, 2019
2	INE407107027	958271	On Maturity	December 20, 2021	December 17, 2020
3	INE407107035	958528	On Maturity	January 12, 2022	January 06, 2021
4	INE407107043	958560	On Maturity	March 30, 2021	March 26, 2020
5	INE407107050	958698	On Maturity	July 05, 2021	June 29, 2020

e. Debenture Redemption Reserve (DRR): Rs. 1,11,35,069/-

f. Net Worth : Rs. 192,66,10,306/-

g. Net Profit After Tax: Rs. 15,39,19,121/-

h. Earnings per share: Rs. 1.54 per share



Independent Auditors' Report

The Board of Directors

Reliance Asset Reconstruction Company Limited

Reliance Centre, North Wing, 6th Floor,
Off. Western Express Highway,
Santacruz, Mumbai – 400055.

Independent Auditor's Report on the Statement of standalone financial results

- 1) We have audited the accompanying financial results of Reliance Asset Reconstruction Company Limited ('the Company') for half year ended and year ended March 31, 2019 (the "the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') as amended. Attention is drawn to the fact that the figures for the half year ended March 31, 2019 and corresponding half year ended in previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published year-to-date figures up to the end of half year of the current and previous financial year respectively, which has been reviewed and not subjected to audit.

Management's Responsibility for the standalone financial results

- 2) The Company's Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for preparation of annual statutory Ind AS financial statements in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standard) Rules 2015 (as amended) under Section 133 of the Companies Act, 2013 ("the Act"), which is approved by the Board of Directors, on basis of which the above statement containing the annual audited financial results has been prepared. The responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

- 3) Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 4) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order



- 5) to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
- 6) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- 7) Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, the statement:
 - a) is presented in accordance with requirements of Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations) as amended; and
 - b) gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net profit and other financial information of the Company for half year ended and year ended March 31, 2019

Other Matter

- 8) The Comprehensive financial information for the quarter and year ended March 31, 2018 included in the statement is based on previously published financial results for the said periods prepared in accordance with the Companies (Accounting Standards) Rules 2006 and other accounting principles generally accepted in India audited by us, whose report dated 19 April, 2018 expressed an unmodified opinion on those standalone financial results, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us .

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

Parimal Kumar Jha

Parimal Kumar Jha
Partner
Membership No:124262



April 22, 2019
Mumbai