

Limited Review Report on Standalone Unaudited Financial Results of Reliance Asset Reconstruction Company Limited for the half year ended September 30, 2020 pursuant to Regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors of Reliance Asset Reconstruction Company Limited

1. We have reviewed the accompanying standalone unaudited financial results of Reliance Asset Reconstruction Company Limited ('the Company') for the half year ended September 30, 2020 ('the Statement') attached herewith, being submitted by the Company pursuant to Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with relevant circulars issued by SEBI (the 'Listing Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors in their meeting held on October 20, 2020, has been prepared in accordance with 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'), 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 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 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.
4. Based on our review conducted as 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 Indian Accounting Standards specified under Section 133 of the Act as amended, 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 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.
5. We draw attention to Note 6 of the Statement, which describes the uncertainties relating to the COVID-19 pandemic outbreak and management's evaluation of the impact on the financial results of the Company as at the reporting date. The impact of these uncertainties on the Company's operations is significantly dependent on future developments. Our conclusion on the Statement is not modified in respect of this matter.

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



Vishal D. Shah
Partner
Membership No: 119303
UDIN: 20119303AAAAIK5154
Date: October 20, 2020
Place: Mumbai



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

Statement of Standalone Unaudited Financial Results for the Half year ended September 30, 2020
(Rs. in 000 except per share data)

Sr. No.	Particulars	Half year ended		Year to date figures for half year ended	Year ended
		September 30, 2020 Unaudited	September 30, 2019 Unaudited	September 30, 2020 Unaudited	March 31, 2020 Audited
	Revenue				
I	Fees and commission income	2,11,211	3,33,084	2,11,211	6,74,264
II	Net profit on fair value changes	24,750	-	24,750	-
III	Other Income	6,889	11,565	6,889	24,822
IV	Total Revenue (I+II+III)	2,42,850	3,44,649	2,42,850	6,99,086
	Expenses				
V	Finance costs	78,163	90,649	78,163	1,84,839
	Net loss on fair value changes	-	1,053	-	27,933
	Employee benefits expense	27,664	42,662	27,664	82,165
	Depreciation and amortization expense	2,036	3,059	2,036	5,710
	Other expenses	56,216	42,718	56,216	1,29,793
	Total Expenses (V)	1,64,079	1,80,141	1,64,079	4,30,440
VI	Profit/(loss) before exceptional item and tax (IV-V)	78,771	1,64,509	78,771	2,68,646
VII	Exceptional Item	-	-	-	-
VIII	Profit/(loss) before tax (VI-VII)	78,771	1,64,509	78,771	2,68,646
IX	Tax expense:				
	(1) Current tax	19,571	49,005	19,571	76,273
	(2) Deferred tax	(5,646)	(5,317)	(5,646)	(24,596)
	Total tax expense (IX)	13,925	43,688	13,925	51,677
X	Profit/(loss) after tax for the period / year (VIII-IX)	64,846	1,20,821	64,846	2,16,969
XI	Other Comprehensive Income after tax				
A	(i) Items that will not be reclassified to profit or loss	(192)	(254)	(192)	(384)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	48	74	48	97
B	(i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Other comprehensive income /(loss) for the period / year (net of tax) (XI)	(144)	(180)	(144)	(287)
XII	Total Comprehensive Income / (Loss) for the period / year (X+XI)	64,702	1,20,641	64,702	2,16,682
XIII	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
XIV	Earnings per equity share (EPS) (half year not annualised):				
	(1) Basic (Rs.)	0.65	1.21	0.65	2.17
	(2) Diluted (Rs.)	0.65	1.21	0.65	2.17



Reliance Asset Reconstruction Company Limited		
Statement of Assets and Liabilities		(Rs. in 000)
Particulars	As at	As at
	September 30, 2020	March 31, 2020
	Unaudited	Audited
I) ASSETS		
A) Financial Assets		
(a) Cash & cash equivalents	2,20,398	2,96,949
(b) Trade receivables	25,547	7,917
(c) Investments	34,55,894	34,64,691
(d) Other financial assets	13,716	4,508
Sub-total Financial Assets	37,15,555	37,74,065
B) Non-financial Assets		
(a) Current tax assets (Net)	7,949	8,820
(b) Property, Plant and Equipment	11,640	8,081
(c) Other Intangible assets	693	92
(d) Other non-financial assets	15,938	17,403
Sub-total Non-financial Assets	36,220	34,396
Total Assets (A + B)	37,51,775	38,08,461
II) LIABILITIES AND EQUITY		
A) Liabilities		
(a) Financial Liabilities		
(i) Trade Payables		
total outstanding dues of micro enterprise and small enterprises	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	4,898	19,753
(ii) Debt securities	2,59,246	1,21,201
(iii) Borrowings (Other than Debt Securities)	10,51,629	12,26,355
(iv) Other financial liabilities	65,827	40,973
Sub-total Financial Liabilities	13,81,600	14,08,282
(b) Non Financial Liabilities		
(i) Provisions	15,944	3,859
(ii) Deferred tax (Net)	85,009	90,703
(iii) Other non-financial liabilities	1,27,583	1,98,682
Sub-total Non Financial Liabilities	2,28,536	2,93,244
B) Equity		
(a) Equity Share capital	10,00,000	10,00,000
(b) Other Equity	11,41,639	11,06,935
Sub-total Equity	21,41,639	21,06,935
Total Liabilities and Equity (A+B)	37,51,775	38,08,461



Notes:

1. The above standalone financial results for the half year ended September 30, 2020 are 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 standalone financial results of the Company have been subjected to a "Limited Review" by the Statutory Auditor of the Company.
3. The Listed Secured Non-Convertible Debentures of the Company amounting to Rs. 25,95,00,000/- as on September 30, 2020 are secured by way of first paripassu mortgage/charge over the Company's, Immovable Property situated in Maharashtra and Hypothecation of specified investment in security receipts as specifically mentioned in the Trust Deed and the asset cover thereof exceeds hundred percent of principal amount of the said Debentures.
4. 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.
5. 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.
6. The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended until May 31, 2020 across the country to contain the spread of the virus. On May 30, 2020, the Government announced a phased reopening of certain activities outside specified containment zones.

The extent to which the COVID-19 pandemic will continue to impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

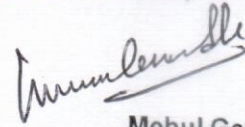
The Company believes that this pandemic is not likely to impact the recoverability of the carrying value of its assets. The Company is closely monitoring the development and



possible effects that may have resulted from the present pandemic on its financial condition and working to minimize the impact of this unprecedented situation.

7. Figures for the previous period have been regrouped / reclassified wherever necessary to correspond to the current period presentation.
8. The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on October 20, 2020 approved the above results and its release.

for Reliance Asset Reconstruction Company Limited



Mehul Gandhi
Executive Director & CEO

Dated: October 20, 2020



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 September 30, 2020

a. Credit Ratings :

Particulars	Name of Rating Agency	Rating
Long Term – Fund Based and Proposed Fund Based	Brickwork Ratings India Private Limited	BWR A (Credit watch with developing implications)
Principal Protected Market Linked Debentures	Brickwork Ratings India Private Limited	BWR PP MLD A (Credit watch with developing implications)

b. Debt-Equity Ratio:

Debt-Equity Ratio of the Company as on September 30, 2020 is 0.61 (No. of times) as per Standalone Unaudited Financial Results of the Company.

Formula for Debt Equity Ratio = Debt / Equity

c. Previous due date for the payment of Interest / Principal : -

Sr. No.	ISIN	Series ID	Put Option Exercise Date	Principal and Interest Payment Date
1	INE407107043	958560	June 24, 2020	June 25, 2020

Sr. No.	ISIN	Series ID	Interest Payment due date	Interest Payment Date
1	INE407107076	959533	August 29, 2020	August 29, 2020

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

Sr. No.	ISIN	Series ID	Interest	Principal	Put / Call Option
1	INE407107027	958271	On Maturity	December 20, 2021	December 17, 2020
2	INE407107035	958528	On Maturity	January 12, 2022	January 06, 2021
3	INE407107043	958560	On Maturity	March 30, 2021	*March 26, 2020
4	INE407107050	958698	On Maturity	July 05, 2021	*June 29, 2020
5	INE407107076	959533	November 30, 2020 & February 26, 2021	November 29, 2021	February 26, 2021

*As on September 30, 2020 option / part of option has not been exercised



- e. **Debenture Redemption Reserve** : Rs. 3,83,81,410/-
- f. **Net Worth** : Rs. 214,16,39,488/-
- g. **Net Profit After Tax**: Rs. 6,48,47,475/-
- h. **Earnings per share**: Rs. 0.65 per share

