

No. CTL/DEB/21-22/Noting Certificate/348

May 12, 2021

To Whomsoever It May Concern,

**CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION**

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Reliance Home Finance Limited** (“**the Company**”) for the Half Year ended March 31, 2021.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For Catalyst Trusteeship Limited



**Authorised Signatory**

*Encl: Results submitted by Company*





**DHIRAJ & DHEERAJ**  
CHARTERED ACCOUNTANTS

**Independent Auditor's Report on the Quarterly and Year to Date Audited Ind As Financial Results of Reliance Home Finance Limited Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

To  
**The Board of Directors of  
Reliance Home Finance Limited**

**Qualified Opinion**

We have audited the accompanying Statement containing the quarterly and year to date audited Ind AS financial results of Reliance Home Finance Limited ("The Company") for the year ended on March 31, 2021 ('the statement'), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereafter referred to as "the regulations").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report the aforesaid Ind AS financial statements are presented in accordance with the requirements of the Regulations in this regard and give a true and fair view in conformity with the applicable Indian Accounting Standards and accounting principles generally accepted in India, of the net loss including other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2021.

**Basis for Qualified Opinion**

We draw attention to note 8 of the Statement 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 March 31, 2021 aggregating to Rs. 7,965.24 crores 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. The Outstanding exposure amounting to Rs 7965.24 Crores under General purpose corporate loan provided by the company had become Non Performing asset (NPA) as on March 31, 2021. In view of the same, we are unable to substantiate the management assertion on the recoverability of principal and interest including time frame of recovery of aforesaid loans outstanding as on March 31, 2021. 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 3 of the Statement on the material shift in primary business of the Company from Housing Finance to Non-Housing Finance which comprise more than 50% of total loan portfolio raising concern about Company continuing as a Housing Finance Company.



We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Ind AS financial statements.

### **Emphasis of Matters**

#### **Going concern**

i) We draw attention to note 5 to the Statement which states that the Company has engaged with its lenders to enter into an Inter Creditor Agreement (ICA) for the resolution of its debt in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India for prudential framework for resolution of stressed assets with Bank of Baroda acting as the lead lender. The lenders have made the appointment of professional viz resolution plan advisors, forensic auditor, legal counsel, cash flow monitoring agency and valuation agencies for the resolution process. The timeline of 180 days as envisaged in the RBI Circular expired on January 3, 2020. However as informed the lenders had extended the ICA till March 31, 2021. We are further informed, the lead banker had confirmed that resolution process under way and ICA lenders are taking all steps in resolving the stress situation of the company. Bank of Baroda as lead lender and on behalf of ICA lender has as part of debt resolution process has invited expression of interest (EOI) and bids from interested bidders, the resolution process is in final stage with the lenders having received the final plan from interested investors. The company is expecting that lenders will finalize the resolution plan which will be implemented. There is substantial reduction in the lending business during the year. The Company has defaulted in payment of borrowings obligations amounting to Rs. 6,206.52 crores as on March 31, 2021 and the asset cover has also fallen below hundred percent of outstanding debentures amounting to Rs. 5,973.59 crores. The Company's ability to meet its obligation dependent on material uncertain events including restructuring of loan portfolio, implementation of Resolution Plan by Inter Creditor Agreement for the resolution of its debt under the ICA as stated above and revival of housing finance business.

In view of steps taken by the company and resolution process being in the final stage the expected implementation and further extension of resolution, the statement of Ind AS financial results of the Company have been prepared by the management on a going concern basis.

Our opinion is not modified in respect of this matter.



## ii) Impact of COVID-19 pandemic

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were impacted due to COVID-19. The Company has taken into account the possible impact of COVID-19 in preparation of the audited financial results, including its assessment of recoverable value of its assets such as loans, receivables, intangible assets (including goodwill), deferred tax assets, investments and investment properties, during the year and as on 31st March 2021 based on internal and external information including credit reports, economic forecasts and industry reports upto the date of approval of these audited financial results and current indicators of future economic conditions. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these audited Ind AS financial statements

Further we draw attention to Notes 9 to the Statement which describes that the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain. Which further states that in accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020, the Company has granted a moratorium of upto six months on the payment of all instalments comprising of principal and / or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as Standard, even if overdue, as on February 29, 2020. For all such accounts where the moratorium is granted, the asset classification has remained stand still during the moratorium period (i.e. the number of days past-due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Asset Classification and Provisioning norms). The Company has provided Stage 3 provisioning on all such cases mentioned above in the Statement of Profit & Loss for the quarter and year ended March 31, 2021.

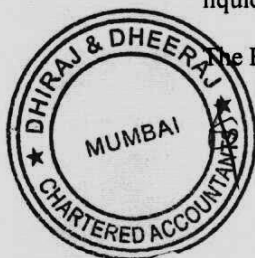
Our opinion is not modified in respect of this matter.

## Responsibilities of Management and Board of Directors' for the Ind AS Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements. The Company's Management and the Board of Directors are responsible for the preparation and presentation of these Ind AS financial statements that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.



### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





**Other Matters**

Attention is drawn to note 2 of the statement regarding the figures for the quarter ended March 31, 2021 and the corresponding quarter ended in the previous year as reported in these financial results are the derived figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the current and previous financial years respectively. Also, the figures up to end of the third quarter of the respective financial years had only been reviewed by us and not subject to an audit, as required under the Regulations.

For **Dhiraj & Dheeraj**  
Chartered Accountants  
Firm's Registration Number: 102454W



CA Shailendra Dadhich  
Partner  
Membership Number: 425098



Place: Mumbai  
Date: 07<sup>th</sup> May 2021

UDIN: 21425098AAAADI6404

**Reliance Home Finance Limited**
**Statement of Audited Financial Results for the quarter and year ended March 31, 2021**

(Rs. in crore except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		Mar-21	Dec-20	Mar-20	Mar-21	Mar-20
		Unaudited	Unaudited	Unaudited	Audited	Audited
	<b>Revenue from operations</b>					
(i)	Interest income	135.30	170.94	271.37	788.76	1,554.37
(ii)	Fees and commission income	2.20	2.34	5.48	7.08	23.48
(iii)	Other operating income	2.33	0.68	3.54	7.43	9.54
<b>(I)</b>	<b>Total Revenue from operations</b>	<b>139.83</b>	<b>173.96</b>	<b>280.39</b>	<b>803.27</b>	<b>1,587.39</b>
<b>(II)</b>	<b>Other Income</b>	22.25	0.70	0.95	37.16	15.52
<b>(III)</b>	<b>Total Income (I+II)</b>	<b>162.08</b>	<b>174.66</b>	<b>281.34</b>	<b>840.43</b>	<b>1,602.91</b>
	<b>Expenses</b>					
(i)	Finance costs	302.10	300.58	307.86	1,219.57	1,335.86
(ii)	Employee benefits expenses	14.04	6.88	11.66	36.20	72.66
(iii)	Depreciation and amortisation	0.54	0.56	0.62	2.63	3.62
(iv)	Impairment on financial instruments	498.71	367.04	298.00	1,816.30	657.00
(v)	Other Expenses	20.51	13.91	23.05	68.62	101.05
<b>(IV)</b>	<b>Total Expenses</b>	<b>835.90</b>	<b>688.97</b>	<b>641.18</b>	<b>3,143.32</b>	<b>2,170.19</b>
<b>(V)</b>	<b>Profit before tax (III-IV)</b>	<b>(673.82)</b>	<b>(514.31)</b>	<b>(359.85)</b>	<b>(2,302.89)</b>	<b>(567.28)</b>
<b>(VI)</b>	<b>Tax expense</b>					
	- Current Tax	-	-	-	-	(2.35)
	- Deferred Tax	(229.20)	(174.76)	(121.48)	(782.98)	(189.61)
<b>(VII)</b>	<b>Net Profit for the period (V-VI)</b>	<b>(444.62)</b>	<b>(339.55)</b>	<b>(238.37)</b>	<b>(1,519.90)</b>	<b>(375.32)</b>
<b>(VIII)</b>	<b>Other comprehensive income</b>					
	(i) Items that will not be reclassified to profit or loss	0.06	0.09	0.13	0.30	0.11
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.02)	(0.03)	(0.04)	(0.10)	(0.04)
	<b>Other comprehensive income ((i)+(ii))</b>	0.04	0.06	0.09	0.20	0.07
<b>(IX)</b>	<b>Total comprehensive income for the period (VII+VIII)</b>	<b>(444.58)</b>	<b>(339.49)</b>	<b>(238.28)</b>	<b>(1,519.70)</b>	<b>(375.25)</b>
<b>(X)</b>	<b>Earnings per equity share face value of Rs.10 each fully paid up (not annualised)</b>					
	(a) Basic (Rs.) #	(9.17)	(7.00)	(4.91)	(31.33)	(7.74)
	(b) Diluted (Rs.) #	(9.17)	(7.00)	(4.91)	(31.33)	(7.74)

# Based on weighted average no. of shares

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**Reliance Home Finance Limited**  
**Statement of Audited Assets and Liabilities as at March 31, 2021**
**(Rs. in crore)**

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	Audited	Audited
<b>ASSETS</b>		
<b>Financial assets</b>		
(a) Cash and cash equivalents	973.62	83.61
(b) Bank balance other than (a) above	336.20	426.89
(c) Derivative financial instruments	-	-
(d) Receivables		
(I) Trade Receivables		
(II) Other Receivables	-	0.65
(e) Loans	10,787.34	13,240.11
(f) Investments	1,007.44	950.74
(g) Other Financial Assets	223.60	199.38
<b>Sub-total - Financial Assets</b>	<b>13,328.20</b>	<b>14,901.38</b>
<b>Non-financial assets</b>		
(a) Current tax assets (Net)	52.47	51.49
(b) Deferred tax assets (Net)	1,128.49	345.61
(c) Investment property	4.30	4.38
(d) Property, plant and equipment	43.01	44.84
(e) Intangible assets under development	-	0.53
(f) Goodwill	209.96	209.96
(g) Other intangible assets	2.06	2.61
(h) Other non-financial assets	129.51	168.39
<b>Sub-total - Non-Financial Assets</b>	<b>1,569.80</b>	<b>827.81</b>
<b>Total assets</b>	<b>14,898.00</b>	<b>15,729.19</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
(a) Derivative financial instruments	16.60	10.73
(b) Payables		
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.82	-
(c) Debt Securities	5,973.59	5,918.49
(d) Borrowings (Other than Debt Securities)	6,206.52	6,521.40
(e) Subordinated Liabilities	796.29	795.34
(f) Other financial liabilities	1,784.27	969.35
<b>Sub-total - Financial Liabilities</b>	<b>14,778.08</b>	<b>14,215.31</b>
<b>Non-financial liabilities</b>		
(a) Provisions	37.91	24.44
(b) Other non-financial liabilities	134.96	22.68
<b>Sub-total - Non-Financial Liabilities</b>	<b>172.87</b>	<b>47.12</b>
<b>Total Liabilities</b>	<b>14,950.96</b>	<b>14,262.43</b>
<b>EQUITY</b>		
(a) Equity Share Capital	485.06	485.06
(b) Other Equity	(538.02)	981.69
<b>Equity attributable to owners of the Company</b>	<b>(52.96)</b>	<b>1,466.75</b>
<b>Total equity</b>	<b>(52.96)</b>	<b>1,466.75</b>
<b>Total liabilities and equity</b>	<b>14,898.00</b>	<b>15,729.19</b>

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**Reliance Home Finance Limited  
Statement of cash flows for the year ended March 31, 2021**

Particulars	(Rs. in crore)	
	As at March 31, 2021	As at March 31, 2020
	Audited	Audited
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Profit/(Loss) before tax:</b>	(2,302.89)	(567.28)
Adjustments :		
Depreciation and amortisation	2.64	3.62
Expected credit loss	1,531.56	442.35
Other comprehensive income	(0.30)	(0.11)
Provision on repossessed asset	7.10	18.62
Bad debts written off	6.25	214.64
Discount on commercial papers	43.75	54.26
Amortised brokerage on borrowings	0.69	6.45
Provision for leave encashment	-	(0.23)
Provision for gratuity	(0.90)	(0.75)
Provision on other expenses	0.33	(1.89)
Interest on preference shares capital	2.48	2.48
Interest income deferred	(81.67)	(208.13)
Interest on PTC borrowings	162.91	230.52
Interest on investment	4.02	(11.55)
Finance cost	1,009.74	1,048.60
Profit on sale of investments	(35.64)	(5.94)
Interest on income tax refund	(0.74)	6.58
Loss on closure of securitisation account	(0.05)	(0.05)
Profit on sale of fixed assets	(0.10)	(0.64)
Interest income on Investments	(25.26)	-
<b>Operating profit before working capital changes (A)</b>	<b>323.92</b>	<b>1,231.56</b>
<b>Adjustments for (increase)/ decrease in operating assets:</b>		
Fixed deposits with banks		
Loans	(664.54)	12.17
Other financial assets	2,452.77	3,010.98
Other Non financial assets	(24.21)	535.16
Adjustments for increase/ (decrease) in operating liabilities	38.87	(40.81)
Trade payables	1.47	(6.97)
Other Non Financial Liabilities	112.28	(50.82)
Provisions	13.46	(0.07)
Other financial liabilities	814.91	40.81
<b>Cash generated from operations (B)</b>	<b>2,745.02</b>	<b>3,500.45</b>
Less : Income taxes paid (net of refunds) (C )	0.86	18.97
<b>Net cash inflow / (outflow) from operating activities (D) = (A)+(B)-(C )</b>	<b>3,068.08</b>	<b>4,713.04</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Interest received on investments	-	1.62
Sales proceeds from disposal of property, plant and equipments	4.31	1.69
Sale of property, plant and equipments	-	-
Purchase of investment measured at FVTPL	(1,560.60)	(903.22)
Purchase of investment measured at FVOCI	(2.73)	(5.76)
Sale of investment measured at FVOCI	-	50.00
Purchase of property, plant and equipments	(0.72)	(0.41)
<b>Net cash inflow / (outflow) from investing activities (E)</b>	<b>(1,559.75)</b>	<b>(856.07)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
MLD Hedge position	5.86	10.10
Debt securities repaid	-	(123.95)
Proceeds from borrowings other than debt securities	95.18	245.66
Repayment from borrowings other than debt securities	(411.88)	(2,760.71)
Fair valuation changes in Market linked debentures	50.27	(66.71)
Interest and processing fees paid on borrowings	(1,156.73)	(1,285.16)
Discount on commercial papers	43.73	53.57
<b>Net cash inflow / (outflow) from financing activities (F)</b>	<b>(1,373.56)</b>	<b>(3,927.20)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES (G) = (D)+(E)+(F)</b>	<b>134.78</b>	<b>(70.23)</b>
Add : Cash and cash equivalents at beginning of the year (H)	35.61	<b>105.84</b>
<b>Cash and cash equivalents at end of the year (I) = (G)+(H)</b>	<b>170.38</b>	<b>35.61</b>

**Notes:**

- The previous year figures have been regrouped and reclassified wherever necessary.
- Cash and cash equivalents includes only cash and bank balance.

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**Notes:**

1. The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) 34 – “Interim Financial Reporting”, 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. Any guidance / clarifications / directions issued by NHB or other regulators are adopted / implemented as and when issued / applicable.
2. Figures for quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published year to date figures up to the third quarter of the current financial year. The previous year / period figures have been regrouped / rearranged wherever necessary to confirm to current quarter and twelve months ended presentation.
3. The Company is mainly engaged in the housing finance business and all other activities revolve around the main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - “Operating Segments” specified under Section 133 of the Act. The proportion of non-housing loan is more than the proportion of housing loan. The debt resolution process of the Company under circular dated June 7, 2019 issued by the Reserve Bank of India (RBI) on Prudential Framework for Resolution of Stressed Assets is in final stages. The Company post finalization and implementation of the final debt resolution plan, will increase the housing loan portfolio and is confident of the achieving the same in due course.
4. The Company has cash on hand of approx. Rs. 1,820 Crore in the form of investment in liquid mutual fund and fixed deposits. However, the delay in debt servicing is due to prohibition on the Company to dispose off, alienate, encumber either directly or indirectly or otherwise part with the possession of any assets, pursuant to Order dated November 20, 2019 passed by the Hon’ble Delhi High Court in the matter of OMP(I) COMM. 420/2019.
5. The Company is engaged with its lenders for arriving at the debt resolution plan. In this regard, certain lenders of the Company 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 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 29 July 2020 and through the Lead Bank’s website. The resolution process is in final stages with the lenders having received the final plans from interested investors. The

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Company is confident that the lenders will finalize the resolution plan which will be implemented. In view of the resolution process being in the final stages, the accounts of the Company have been prepared on Going Concern Basis.

6. The Listed Secured Redeemable Non-Convertible Debentures of the Company aggregating to Rs. 5,967 crore as on March 31, 2021 are secured by way of first pari-passu legal mortgage and charge on the Company'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 Company 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 Company as explained in point no.5 above.
7. 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.
8. The Company had till April 30, 2019 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 the Company 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, the Company's borrowers in some cases have undertaken onward lending transactions and it is noticed that the end use of the borrowings from the Company included borrowings by or repayment of financial obligations to some of the group companies. The company had discontinued this product and since May 1, 2019 and there have been no fresh disbursements against this product.
9. The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were impacted due to COVID-19. The Company has taken into account the possible impact of COVID-19 in preparation of the audited standalone financial results, including its assessment of recoverable value of its assets such as loans, receivables, intangible assets (including goodwill), deferred tax assets, investments and investment properties, during the year and as on 31<sup>st</sup> March 2021 based on internal and external information including credit reports, economic forecasts and industry reports up to the date of approval of these audited financial results and current indicators of future economic conditions. The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. On

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March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended by 19 days across the country to contain the spread of the virus. Further, the country is presently undergoing a second wave of the pandemic since April 2021. The extent to which the COVID-19 pandemic will 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 the Company. In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020, the Company had granted a moratorium of three months on the payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as Standard, even if overdue, as on February 29, 2020. Further in accordance to RBI notification dated May 23, 2020, on COVID-19 Regulatory Package, the Company had granted extended moratorium of additional 3 months till Aug 31, 2020 to eligible borrowers. For all such accounts where the moratorium is granted, the asset classification remained stand still during the moratorium period (i.e. the number of days past-due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Asset Classification and Provisioning norms). Taking into account the disruption due to Covid-19 pandemic, the Company has provided additional ECL provision over and above that was required as per IND AS 109.

The quantitative disclosure as required by RBI Circular dated April 17, 2020 for the year ended March 31, 2021 are given below:

Particulars	Rs. in Crore
Amount in overdue categories as of February 29, 2020	2,660.68
Respective amounts in overdue categories, where the moratorium / deferment was extended, in terms of paragraph 2 and 3 of the Circular as of February 29, 2020	422.14
Respective amount where asset classification benefits is extended	2,428.60
Provisions made during the period in terms of paragraph 5 of the Circular	242.86
Provisions adjusted against slippages and other assets in terms of paragraph 6 of the Circular	242.86
Residual provisions as on March 31, 2021 in terms of paragraph 6 of the Circular	-

10. In view of the Supreme Court interim order dated Sep 3, 2020 in the public interest litigation (PIL) by Gajendra Sharma vs. Union of India & ANR, no customer who had been granted moratorium have been classified as Non Performing Asset (NPA) which were not declared as NPA till Aug 31, 2020. However, taking in view the supreme court judgement dated March 23, 2021, the interim relief granted earlier not to declare the accounts of respective borrowers as NPA stands vacated and as such all such accounts have been classified as NPA from March 23, 2021 which continued to be standard as per the earlier interim order of Supreme Court dated Sep 3, 2020.

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11. 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 modified opinion on annual audited financial results for the year ended March 31, 2021.
12. Previous period figures have been regrouped / rearranged wherever necessary.
13. The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on May 7, 2021 approved the above results and its release.

For **Reliance Home Finance Limited**



**Sunil Wadikar**  
**Director**

Dated: May 7, 2021

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

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021</b>				
<b>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]</b>				
i.	<b>Sl. No.</b>	<b>Particulars</b>	<b>Audited Figures (Rs. in crore) (as reported before adjusting for qualifications)</b>	<b>Adjusted Figures (Rs. in crore) (audited figures after adjusting for qualifications)</b>
	1.	Turnover / Total income	840.43	840.43
	2.	Total Expenditure	3143.32	3143.32
	3.	Net Profit / (Loss)	(1519.91)	(1519.91)
	4.	Earnings Per Share	(31.33)	(31.33)
	5.	Total Assets	14898.00	14989.00
	6.	Total Liabilities	14950.95	14950.95
	7.	Net Worth	(47.87)	(47.87)
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

ii.	<b><u>Audit Qualification (each audit qualification separately):</u></b>			
	a.	<p><b>Details of Audit Qualification:</b></p> <p>Attention is drawn to note 8 of the Statement 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 March 31,2021 aggregating to Rs. 7,965.24 crores and secured by charge on the current assets of the 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 group companies. There has been overdue of Rs.9,257.68 crores of these loan as on March 31, 2021. In view of substantial overdues, we are unable to substantiate the management assertion on the recoverability of principal and interest including time frame of recovery of aforesaid loans outstanding as on March 31,2021. The company's exposure to the borrowers are secured against</p>		

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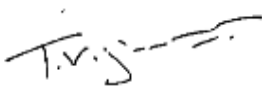
	<p>charge on current assets and is dependent on the recovery of the onward lending of the borrowers which depends on external factors not wholly within the control of the company/borrower. Further we draw attention to note 3 of the statement on the material shift in primary business of the company from Housing Finance to Non- Housing Finance which comprise more than 50% of total loan portfolio raising concern about Company continuing as a Housing Finance Company.</p>	
b.	<b>Type of Audit Qualification</b>	Qualified Opinion
c.	<b>Frequency of qualification:</b> Whether appeared first time / repetitive / since how long continuing	Since March 2019
d.	<p><b>Audit Qualification(s) where the impact is quantified by the auditor, Management's Views</b></p> <p>Not quantified</p>	
e.	<b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>	
	(i) <b>Management's estimation on the impact of audit qualification:</b>	Not estimated
	<p>(ii) <b>If management is unable to estimate the impact, reasons for the same</b></p> <p>As stated by the statutory auditor, the Company's exposure to the borrowers are secured against charge on the current assets and is dependent on the recovery of onward lending of the borrowers which further depends on external factors not wholly within control of the Company/borrower.</p>	

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	<p>(iii) <b>Auditors comments on (i) or (ii) above</b></p> <p>The company's exposure the borrower are secured against charge on current assets and is dependent on the recovery of the onward lending of the borrowers which depends on external factors not wholly within the control of the company/borrower. Hence we agree with the management's estimation in (i) above that the impact of our audit qualification is not quantifiable for the reason stated in(ii) above.</p>
<p>iii</p>	<p>Signatories:</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;">   <b>Ravindra Sudhalkar</b>              Chief Executive Officer         </div> <div style="text-align: center;">   <b>Vijesh B Thota</b>              Chief Financial Officer         </div> </div> <p>*Sd/-</p> <p><b>Chhaya Virani</b>              Audit Committee Chairperson</p> <p><b><u>Statutory Auditor</u></b>  <b>For Dhiraj &amp; Dheeraj</b>              Chartered Accountants              Firm Registration No. 102454W</p> <p><b>SHAIENDR</b> Digitally signed by  <b>A DADHICH</b> SHAIENDRA DADHICH              Date: 2021.05.07              20:45:44 +05'30'</p> <p><b>Shailendra Dadhich</b>              Partner              Membership Number: 425098</p> <p>Place: Mumbai              Date: May 7, 2021</p>

\* Presence in the meeting through audio visual means.

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**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 six months ended March 31, 2021**

**1. Credit Rating**

Particulars	Rating Agency	Rating
<b>A. NCDs issued on Private Placement basis</b>		
Long Term Debt Programme	CARE Ratings	CARE D
Long Term Secured NCD	Brickwork Ratings	BWR D
Long Term Unsecured Upper Tier II NCD	Brickwork Ratings	BWR D
Subordinated Debt	CARE Ratings	CARE D
Unsecured Subordinated Tier II NCD	Brickwork Ratings	BWR D
Upper Tier II Bonds - Pvt. Placement	CARE Ratings	CARE D
Principal Protected Market Linked Debentures	CARE Ratings	CARE PP MLD D
Principal Protected Market Linked Debentures	Brickwork Ratings	BWR PP-MLD D
<b>B. NCDs issued through Public Issue</b>		
Non-Convertible Debentures - Public Issue	CARE Ratings	CARE D
Long Term Secured NCD - Public Issue	Brickwork Ratings	BWR D
Upper Tier II Bonds - Public Issue	CARE Ratings	CARE D
Public Issue of Long Term Unsecured Upper Tier II NCD	Brickwork Ratings	BWR D

**2. Debt Equity Ratio**

Debt Equity Ratio of the Company as on March 31, 2021 is (236.79) as per Audited Financial Results of the Company.

**3. Previous due date for the payment of Interest / Principal**

Sr. No.	ISIN	Series Id	From (01-10-2020 to 31-03-2021)	
			Interest	Principal
1.	INE217K08057	948592	04-Oct-20	-
2.	INE217K07927	955109	04-Oct-20	-
3.	INE217K08065	948593	10-Oct-20	-

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Sr. No.	ISIN	Series Id	From (01-10-2020 to 31-03-2021)	
			Interest	Principal
4.	INE217K07737	953844	11-Oct-20	-
5.	INE217K07AW2	957092	13-Oct-20	-
6.	INE217K07AX0	957091	13-Oct-20	-
7.	INE217K08073	948594	18-Oct-20	-
8.	INE217K07752	953902	26-Oct-20	-
9.	INE217K07950	955172	26-Oct-20	-
10.	INE217K07968	955206	27-Oct-20	-
11.	INE217K07117	949171	27-Oct-20	-
12.	INE217K07497	953003	28-Oct-20	-
13.	INE217K07778	953968	06-Nov-20	-
14.	INE217K07AR2	956290	08-Nov-20	-
15.	INE217K07257	950261	15-Nov-20	-
16.	INE217K08248	955335	23-Nov-20	-
17.	INE217K08255	955336	25-Nov-20	-
18.	INE217K08081	948595	26-Nov-20	-
19.	INE217K08263	955432	07-Dec-20	-
20.	INE217K07034	948637	11-Dec-20	-
21.	INE217K07828	954288	24-Dec-20	-
22.	INE217K07836	954289	24-Dec-20	-
23.	INE217K07AD2	935906	03-Jan-21	-
24.	INE217K07AE0	935908	03-Jan-21	-
25.	INE217K07AF7	935910	03-Jan-21	-
26.	INE217K07AG5	935912	03-Jan-21	-
27.	INE217K08271	935914	03-Jan-21	-
28.	INE217K08289	935916	03-Jan-21	-
29.	INE217K07208	949370	05-Jan-21	-
30.	INE217K07BA6	957389	10-Jan-21	-
31.	INE217K08222	953287	21-Jan-21	-
32.	INE217K07216	949402	26-Jan-21	-
33.	INE217K08107	948850	07-Feb-21	-
34.	INE217K08230	953471	10-Feb-21	-
35.	INE217K07BE8	957706	09-Mar-21	-
36.	INE217K07430	952864	22-Mar-21	-
37.	INE217K07323	951929	27-Mar-21	-
38.	INE217K07240	950105	28-Mar-21	-
39.	INE217K07AK7	956168	N.A.	05-Oct-20
40.	INE217K07AM3	956191	N.A.	12-Oct-20
41.	INE217K07AP6	956283	N.A.	05-Nov-20
42.	INE217K07521	953149	15-Dec-20	15-Dec-20

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Sr. No.	ISIN	Series Id	From (01-10-2020 to 31-03-2021)	
			Interest	Principal
43.	INE217K07AT8	956786	N.A.	28-Jan-21
44.	INE217K07646	953636	08-Mar-21	08-Mar-21
45.	INE217K07661	953689	16-Mar-21	16-Mar-21

**Note:**

Certain Lenders of the Company (Banks and other Financial Institutions) have entered into an Inter-Creditor Agreement (ICA) for arriving at the debt resolution plan in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India on Prudential Framework for Resolution of Stressed Assets. In the interim pending Debt Resolution, the Lead Bank has directed the Company to refrain from any debt servicing. Accordingly, as directed by the Lead Bank, as regards the abovementioned Non-Convertible Debentures (NCDs) on which principal / interest was due on abovementioned dates, has not been paid.

**4. Next due date for the payment of Interest / Principal along with amount of Interest**

Sr. No.	ISIN	Series Id	From (01-04-2021 to 30-09-2021)	
			Interest	Principal
1.	INE217K07927	955109	04-Apr-21	-
2.	INE217K08065	948593	10-Apr-21	-
3.	INE217K07737	953844	11-Apr-21	-
4.	INE217K08073	948594	18-Apr-21	-
5.	INE217K07752	953902	26-Apr-21	-
6.	INE217K07117	949171	27-Apr-21	-
7.	INE217K07497	953003	28-Apr-21	-
8.	INE217K07778	953968	06-May-21	-
9.	INE217K07AR2	956290	08-May-21	-
10.	INE217K07257	950261	15-May-21	-
11.	INE217K07786	954033	18-May-21	-
12.	INE217K08081	948595	26-May-21	-
13.	INE217K08123	949246	29-May-21	-
14.	INE217K08131	952261	09-Jun-21	-
15.	INE217K07034	948637	11-Jun-21	-
16.	INE217K08149	952270	12-Jun-21	-
17.	INE217K08156	952271	15-Jun-21	-
18.	INE217K07836	954289	24-Jun-21	-
19.	INE217K08164	952339	29-Jun-21	-
20.	INE217K08172	952338	01-Jul-21	-
21.	INE217K08180	952378	03-Jul-21	-
22.	INE217K07208	949370	05-Jul-21	-

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Sr. No.	ISIN	Series Id	From (01-04-2021 to 30-09-2021)	
			Interest	Principal
23.	INE217K07216	949402	26-Jul-21	-
24.	INE217K08198	952687	21-Aug-21	-
25.	INE217K08206	952740	24-Aug-21	-
26.	INE217K07AU6	956829	30-Aug-21	-
27.	INE217K08214	952854	15-Sep-21	-
28.	INE217K08040	948591	18-Sep-21	-
29.	INE217K08016	948588	18-Sep-21	-
30.	INE217K08024	948589	21-Sep-21	-
31.	INE217K07430	952864	22-Sep-21	-
32.	INE217K08032	948590	24-Sep-21	-
33.	INE217K07240	950105	28-Sep-21	-
34.	INE217K07AZ5	957366	N.A.	06-Apr-21
35.	INE217K07BC2	957650	N.A.	15-Apr-21
36.	INE217K07828	954288	24-Jun-21	24-Jun-21
37.	INE217K07877	954497	22-Jul-21	22-Jul-21

**5. Outstanding redeemable preference shares:** Rs. 31.035 crore (3,10,35,980 shares of face value of Rs. 10 each)

**6. Debenture Redemption Reserve (DRR):**

The Company being a housing finance company registered with the National Housing Bank, is not required to transfer to DRR in respect of debentures in terms of Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014.

**7. Net Worth as on March 31, 2021:** Rs. (47.87) crore

**8. Net Loss After Tax for the year ended March 31, 2021:** Rs. 1519.91 crore

**9. Earnings Per Share as on March 31, 2021:** Rs. (31.33) per share

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